

ROLLING HILLS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rolling Hills Community Development District was held Tuesday, October 13, 2020 at 6:00 p.m. via Zoom, pursuant to Executive Order 20-69 issued by Governor DeSantis, as extended and supplemented.

Present and constituting a quorum were:

Bill Tew	Chairman
Rose Bock	Vice Chairperson
Kurt von der Osten	Supervisor
David Church	Supervisor
Shannon Jordan	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Michelle Rigoni	Hopping Green & Sams
Keith Hadden	District Engineer
Freddie Oca	Riverside Management
Pat Szozda	Riverside Management
Sete Zare	MBS Capital Markets
Bill Huck	CBC Capital
Ken Peterson	Waltham Development

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Audience Comments

There not being any, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the August 11,
2020 Meeting and September 22, 2020 Special
Meeting**

Ms. Jordan stated I sent in some changes yesterday.

On MOTION by Ms. Jordan seconded by Mr. Church with all in favor the minutes of the August 11, 2020 meeting and the September 22, 2020 special meeting were approved as revised.

FOURTH ORDER OF BUSINESS

Consideration of Matters Related to Series 2020 Bonds

A. Consideration of Resolution 2021-01 Supplemental Assessment Resolution

Ms. Rigoni stated at the special meeting Katie went over the general process and what documents are involved. Your staff has been reviewing various documents and was successful in obtaining pricing for the bonds. Today you are considering a supplemental assessment resolution that sets forth the specific terms of the Series 2020 Bonds. This resolution supplements the previous master debt assessment resolution, to provide for the details specific to the current issuance and it confirms the lien of the assessments that are being used to pay for the bonds.

The recitals in the resolution summarizes the history of the district's capital improvement plan up to date and that the debt assessment proceedings securing those bonds, it also notes that the district entered into a bond purchase agreement with the underwriter effective October 8th to sell the district's combined series 2020 Bonds, which total in the aggregate principal amount of \$4,465,000. Those are broken into two different types, Series 2020A-1 in the aggregate principal amount of \$2,625,000 and Series 2020A-2 in the aggregate principal amount of \$1,840,000. The second series is the one being used to refund a portion of a previous series of bonds.

Section 2 provides the authority of the district to adopt this resolution pursuant to applicable Florida law and those prior assessment resolutions. Section 3 makes certain findings of board actions taken to date, it confirms the adoption of the third supplemental engineer's report that outlines the project being funded by the bonds, it confirms the adoption of the supplemental assessment resolution, which levies those assessments based on the final pricing of the bonds and finds that the project being funded by the bonds are specially benefiting those properties that are being improved. It also confirms that the assessment methodology is fairly and reasonably allocating the assessments.

We did receive some cleanup comments to clarify the right product types in the assessment methodology so we will incorporate those final changes to the exhibits.

Section 4 goes into the specific details of the bonds. It provides for interest rates and maturity, the sources and uses of proceeds, which includes amounts for construction fund, the cost of issuance and the annual debt service payments that are due. Section 5 provides for the allocation

of assessments and address ways to collect those assessments and generally, the assessments must be paid in not more than 30 substantially equal consecutive annual installments in accordance with Florida law and it also allows for property owners to prepay the assessments if they wish. Section 6 provides for true-up payments in the event the development isn't as contemplated today. Sections 7 and 9 directs staff to update the district's records and also record a notice of assessments in the Clay County official records and the remaining sections are administrative in nature.

Ms. Zare stated we issued two series of bonds the A-1 and A-2 Bonds for an aggregate principal amount of \$4,465,000. The A-1s were structured for 30 annual installments with four terms, the 2025 term was priced at 3.375%, the 2030 term was priced at 3.875%, the 2040 term was priced at 4.625% and the 2050 term was priced at 4.875%. The 2020A-2 Series was priced with one term bond maturing in 2030 with an average coupon of 4.75%. Overall construction proceeds was \$2.96 million. Overall, a very successful financing.

Ms. Jordan stated I once again reiterate my normal question; this does not raise the fees for any existing properties.

Ms. Rigoni stated correct.

On MOTION by Ms. Jordan seconded by Ms. Bock with all in favor Resolution 2021-01 was approved.

Mr. Oliver stated I want to thank the financing team for all their hard work.

Mr. Huck stated I want to confirm and repeat your thanks to not only the board for their time and effort and having been involved in this for nearly 40 years there is much time and effort on behalf of the board members, the staff of the CDD and the professionals involved. On behalf of the developer we are very respectful of that time and effort and appreciative of it.

FIFTH ORDER OF BUSINESS

Update Regarding Construction Matters

Mr. Oliver stated I had a discussion earlier today with Keith Hadden, the district engineer, he is recuperating from a recent surgery, but he did not have any updates to report.

SIXTH ORDER OF BUSINESS

Consideration of Agreement with Tree Amigos for Landscape Maintenance

Mr. Oliver stated at our meeting on September 22nd, the board considered proposals from five different landscape maintenance firms, they ranked those and the highest ranked firm was Tree Amigos. An agreement was prepared and it is a three-year agreement with three prices included in those, the same prices that were included in the proposal. When Pat submitted the project manual it included the form of agreement so that is the same form of agreement we have seen previously and I worked with Katie Buchanan on that. We now have an agreement that has been provided to the board and that will be the document we hold the landscaper accountable for making sure they meet all the contractual requirements.

Ms. Jordan asked are we able to get them to consider negotiating their three-year span where they have their increases to get them to match a little bit closer to what our current vendor had for their increases? I think our current vendor offered a three-year stagnant and they had 3% increase every three years. Are we able to negotiate to maybe keep it a little bit closer every year?

Mr. Oliver stated we did not do that, but I will tell you that the price for Tree Amigos was substantially lower than it was for Yellowstone. We can have those discussions with them for year two but right now in rough numbers the three-year pricing would be \$72,000, \$74,000 and \$76,000 and that is with irrigation repairs included, which is good for the district.

Mr. Church stated the only question I had on the contract was, I don't see the back pond in the new Richmond area on their contract.

Mr. Szozda stated when we put out the maps for the bid, that was put on as an addendum that if we needed to add it when it is turned over to us, we will have them maintain it. They are well aware of it.

Mr. Oliver asked the area by the mailboxes that was a problem before, was that included in this scope?

Mr. Szozda responded yes.

On MOTION by Ms. Jordan seconded by Ms. Bock with all in favor the agreement with Tree Amigos for landscape maintenance was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Audit Engagement Letter with Berger Toombs Elam Gaines & Frank

Mr. Oliver stated next is consideration of the audit engagement letter with Berger Toombs Elam Gaines & Frank. As a unit of government in Florida, Chapter 218 requires that we have an

annual financial audit and we do this through an independent CPA firm and the firm is selected through a process outlined in the statute. This district selected Berger Toombs, they have previously done audits for this district and the amount of the audit engagement letter for FY 20 is \$3,800 and that is what you budgeted.

Ms. Rigoni stated I just noticed it has 2019 and I want to clarify that it is for 2020.

Mr. Oliver stated that is correct. I will also say we are approving it in substantial form because Michelle pointed out to the auditors some language in the engagement letter regarding public records laws and they have agreed to make those changes so we will have a revised letter.

On MOTION by Ms. Bock seconded by Mr. Church with all in favor the engagement letter with Berger Toombs to perform the fiscal year 2020 audit was approved in substantial form.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Rigoni stated the executive order was extended for this month, which allowed us to meet via Zoom today and we will report back if there are any other further extensions of the executive orders.

B. Engineer

Mr. Hadden stated the construction is moving along, they have been doing surveying and putting up silt fence and that kind of thing. At the last meeting someone asked about the ongoing sinkhole in the road. The week before last I had a meeting with the county’s public works director and one of his employees and asked them to go out there. They are aware of the problem and I said we need a more long-term repair than just the cold mix the crews have been putting in. They said they would see what they could do to light a fire under those people to do it properly.

C. Manager

Mr. Oliver stated I wanted to remind everyone that two seats will be determined by general election this year. Frank Mattera, a resident, is running unopposed and he will be seated after the election cycle is completed. The other seat is to be determined, there are three candidates for that seat. This is the last regular meeting that we have scheduled for this existing board. Once we pass the election cycle both Kurt von der Osten and Bill Tew will be leaving the board. I appreciate everything you have done for the board. We will seat the new board at the next meeting. Right now, the next meeting is scheduled for December 8, 2020 and that date may change. It is important to note that new supervisors can't be seated until at least fourteen days after the general election is completed. The general election is November 3rd so the earliest those supervisors could be seated would be November 17th.

D. Operations/Amenity Manger - Report

Mr. Oca and Mr. Szozda gave an overview of current projects and items listed in operations report.

TENTH ORDER OF BUSINESS Supervisors Requests

Ms. Jordan stated Freddie and I have been working on treadmills and I believe he has a price on those.

Mr. Oca stated I have several quotes.

Ms. Jordan stated we need those brought to a meeting and voted on and get the treadmills replaced.

Mr. Oliver asked what were the prices, around \$5,000 each for the treadmills?

Mr. Oca responded because I wanted to stay with the same company that had the ellipticals it was close to \$7,500 for the pair. Those are the ones that I like because the people who do our maintenance are the ones that build them when they are shipped to us and then they are on a quarterly basis. It still stays under warranty and we had stuff replaced and it was free because of the maintenance program they have with the fitness equipment. We have a contract with Southeast Fitness to come in quarterly and do maintenance on all the equipment for \$299 per quarter.

Mr. Oliver stated we can consider staff working with a supervisor to review all the proposals and make a decision with a not to exceed price of \$15,000 if the board is okay with that.

There was no objection from the board to move forward with a not to exceed price of \$15,000 for the fitness equipment and Supervisor Jordan was authorized to work with staff on this project.

Ms. Jordan stated a resident had asked about weights. Have you looked into that option?

Mr. Oca stated I think you can run into some liability issues because if you are in there by yourself if you can't unload those weights it stays on your chest. That might be something we bring up to district counsel about those weights being dangerous. I feel it would be a bad idea. The gym is just to get a quick workout, it is not there to be Olympic lifting and things like that. You can do bench press, but it is on the machines and it is safer because it doesn't go across your chest.

Ms. Jordan stated at the last meeting we discussed the shade structures for the park. Were you able to get prices on that?

Mr. Szozda stated I did some research on a 20 X 30 canopy and on the low end it was around \$5,000. I will do more research and bring that back to the board.

Mr. Church stated it was around \$5,000 for landscaping from Yellowstone but I would like to get a price from Tree Amigos when they come on board.

Ms. Jordan stated I know you are working on the pond and pump issue.

Mr. Oca stated as I mentioned before about the babbling brook the submersible needs to be replaced every 1 ½ to 2 years. The one at the top is working the one at the bottom is the one that is troublesome. Once we replace that one, next year the one at the top will go out. I'm open to any suggestion you may have; we can fill it in or if you want to keep putting in the submersibles we can do that. I did get quotes from other companies to redo it and have the pumps on top similar to how the pool is set up and it was \$13,000 to \$15,000 to redo the whole thing because it is a bad design. I don't know if it is cheaper to fill it in and not worry about it or keep replacing pumps.

Ms. Jordan asked on the \$13,000 option what is the long-term maintenance?

Mr. Oca stated I didn't get estimates on the longevity I know the pumps that are on the outside have a 7-10 years just like our pool pump would.

Mr. Church asked can you check with a pool company and maybe they can tie it into our pool with chlorinated water? You have the jets in the zero entry you can pipe off that.

Mr. Oca stated the irrigation runs off the backflow and I'm not sure if it ties into the pool. There are two backflows and I don't know if they tie together but I can check.

Ms. Jordan stated let's look at bulk buying those pumps. I would like to know if we chose to spend \$13,000 what the longevity would be.

Mr. Oca stated it is not just the pumps; they are talking about redesigning the whole thing.

Ms. Jordan asked how much are those pumps?

Mr. Oca stated it is about \$900 and they charge to put it in.

Mr. Church asked have you talked to Lake Doctors because they do that.

Mr. Szozda stated they are out there once a month and I will talk to them.

Mr. Church asked on the center island can you paint the front of the curb yellow, so it is visible at night?

Mr. Oca stated I wonder if we can put reflectors on the concrete.

ELEVENTH ORDER OF BUSINESS Audience Comments

A resident stated we bring it up a lot about the roads. There is a major pond coming up from the main entrance and now there are trucks parked on the CDD lawns where the pond is. They are coming from the corner house and they only keep one truck in their driveway. Can we stop that?

Mr. Oliver stated Freddie can talk to the off-duty deputy.

Ms. Bock asked is that covered under the HOA covenants and restrictions?

A resident stated I was told the cars that park on the street is a county issue. They are on CDD property.

Mr. Oliver stated we can enforce that. At the next meeting we can bring a tow company agreement to the board and a policy and that way we can enforce it and just call the tow company and they tow the vehicle.

TWELFTH 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

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

THIRTEENTH ORDER OF BUSINESS

**Next Meeting: December 8, 2020 @ 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 8, 2020 at 6:00 p.m. at this location. Thank you very much, Kurt and Bill for all you have done for the district.

On MOTION by Ms. Jordan seconded by Mr. Church with all in favor the meeting adjourned at 6:45 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman