

ROLLING HILLS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rolling Hills Community Development District was held Tuesday, June 8, 2021 at 6:05 p.m. in the Rolling Hills Amenity Center, 3212 Bradley Creek Parkway, Green Cove Springs, Florida 32043.

Present and constituting a quorum were:

Shannon Jordan	Chairperson
Frank Mattera	Vice Chairman
Rose Bock	Supervisor
John Miller	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel by telephone
Michelle Rigoni	Hopping Green & Sams by telephone
Keith Hadden	District Engineer
Freddie Oca	Amenity Center Manager - RMS
Tom Chewning	Operations Manager - RMS
Marilee Giles	Governmental Management Services
Sete Zare	MBS Capital Markets, LLC by telephone
Joe Schofield	Alliant Engineering

The following is a summary of the actions taken at the June 8, 2021 meeting. An audio copy of the proceedings can be obtained by contacting the District 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 13, 2021 Meeting

On MOTION by Ms. Jordan seconded by Mr. Mattera with all in favor the minutes of the April 13, 2021 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Acceptance of the Minutes of the April 13, 2021 Audit Committee Meeting

On MOTION by Ms. Bock seconded by Ms. Jordan with all in favor the April 13, 2021 audit committee meeting minutes were accepted.

The next item taken out of order.

SIXTH ORDER OF BUSINESS

Update Regarding Series 2021 Project

Mr. Oliver stated we will take this item out of order because I think it will be relatively brief. We can provide an update on the project, and kep this matter on the agenda for a continued meeting. The Board will also consider the engineering services work authorization with Alliant so we can prepare documents for our continued meeting.

Ms. Buchanan stated as the board recalls we did previously discuss that the landowner would like the Board to potentially issue bonds on several later phases in the community and the assessments supporting the bonds would only be on those lands, it wouldn't impact any existing homes or other units. We are in the process of identifying the improvements that the bond proceeds would fund and the landowner and purchaser have asked the district to authorize a work authorization for Alliant Engineering to prepare the improvement plan. That is one part of what we will come back to. Once we have that improvement plan in place so we will better understand the value of the 2021 project and we will use those numbers to create the assessment methodology, which allocates the amount of assessments to the units. We have seen a preliminary draft of the engineering report, but we haven't had sufficient time to review it and also prepare the assessment methodology report to start the assessment process. We would like to table these items for tonight.

Mr. Oliver stated we still have documents being prepared and reviewed, and we will recommend that the Board continue this meeting to Wednesday, June 23rd at 4:00 p.m. This matter will be the only agenda item.

Ms. Rigoni stated Katie is looking to get authorization from the board to allow the consulting engineer to prepare the Fourth Supplemental Engineer's report.

Mr. Oliver stated this is the agreement with Alliant Engineering?

Ms. Rigoni stated yes, it would be the consulting engineering agreement.

On MOTION by Ms. Jordan seconded by Mr. Mattera with all in favor the work authorization with Alliant Engineering to prepare the Fourth Supplemental Engineer’s Report was approved.

FIFTH ORDER OF BUSINESS

Update Regarding Series 2020 Project

Mr. Hadden stated progress is moving along very well. They have cut the way through the wetlands where the lift station is and they are grassing the pond and they are working their way up. The first 15 lots are ready for the home builder. Vallencourt will be way ahead of that. They will probably have all 139 done by next summer, even though the take down is over a 2-year timeframe. The platting will occur 15 per quarter and where the O&M money kicks in for you to do projects with. They have a preliminary plat on the entire 139 but they are going to be doing the final plat on 15 at a time. We have approved about \$250,000 of direct purchase items. You are saving 7 ½% sales tax on that \$250,000 purchase. There is a lot more to buy.

Ms. Jordan asked once construction gets to the back phase can construction traffic could be directed to use that road.

Mr. Schofield stated we will talk to the county about vehicle access through that eastern corridor.

SEVENTH ORDER OF BUSINESS

Consideration of Work Authorization with Alliant

This item taken earlier in the meeting.

EIGHTH ORDER OF BUSINESS

Ratification of Requisitions 019-030

On MOTION by Ms. Jordan seconded by Mr. Mattera with all in favor requisitions 019-030 for the Series 2020 Project were ratified.

NINTH ORDER OF BUSINESS

Consideration of Audit Committee’s Ranking of Proposals

Mr. Oliver stated the audit committee met earlier this evening to rank the two proposals the District received. The audit committee’s rankings were Grau & Associates first and Berger

Toombs second. We ask the board to accept those rankings and direct staff to get an engagement letter from the top ranked firm.

On MOTION by Ms. Bock seconded by Mr. Mattera with all in favor the audit committee’s recommendation of Grau & Associates as the number one ranked firm and Berger Toombs as the second ranked was accepted and staff was authorized to enter into an engagement letter with the top ranked firm to perform the fiscal year 2021 audit.

TENTH ORDER OF BUSINESS

Consideration of Fiscal Year 2022 Proposal from Riverside Management Services, Inc.

Mr. Oliver stated next is consideration of the fiscal year 2022 proposal from Riverside Management Services, a copy of which was included in the agenda package. The line items are: amenity manager with a 5% increase and operations manager with a 3% increase. Pool maintenance service and janitorial service remain the same fixed cost. The line item for lifeguards and deck monitors shows an increase from \$35,000 to \$37,735. The total budgeted hours remain the same, but the increase is due largely tied to Florida’s minimum wage increase, which will be phased in over the next five years as minimum wages ratchet up to \$15 per hour.

On MOTION by Mr. Mattera seconded by Mr. Miller with all in favor the proposal from Riverside Management Services, Inc. for fiscal year 2022 was approved.

ELEVENTH ORDER OF BUSINESS

Consideration of Resolution 2021-06 Approving the Proposed Budget for Fiscal Year 2022 and Setting a Public Hearing Date (August 10, 2021)

Mr. Oliver stated next is consideration of Resolution 2021-06 approving the proposed budget for fiscal year 2022 and setting a public hearing date and we are going to hold that on August 10, 2021 at our regular CDD meeting. CDDs are required by Florida Statutes to approve a proposed budget by June 15th each year and cannot hold a public hearing for budget adoption any sooner than 60 days after the approved budget has been provide to Clay County. We don’t like to push the public hearing much later than mid-August because we will be well into hurricane season by that point and we don’t want the District to incur the costs associated with mailed and published notices for rescheduled budget hearings. After budget adoption, the certified assessment

roll will be provided to the Clay County Tax Collector's office before its deadline of September 15.

At the last meeting we discussed talked about the big impact of the capital reserve report on the FY22 budget. I handed out copies of that report at our last meetig. The reserve consultant, Community Advisors, has advised we start putting more money away so that we can take care of the District's capital assets, to include costly projects such resurfacing District-owned pools in 2022. Baseed on the consultant's recommended capital reserve contribution, I increased the budget's capital reserve line item. I would like the Board to approve the proposed budget tonight, knowing that we can refine that budget over the next couple of months.

Inside the front cover of this proposed budget document is the general fund budget, which provides funds to operate and maintain the district. The only significant change is the \$40,000 increase in capital reserve contribution. The other increases are minor and there are some decreases. The budget impact on platted lots is an annual assessment increase from \$990 to \$1,092, a \$102 net increase over the 12-month fiscal year, or about \$8.50 per month. The undeveloped parcels are assessed on a planned lots basis at 75% of the assessment rate for platted, even though no on is living on those lots or using any District facilities. As lots are platted, they pay the full assessment.

The next several pages are the line item descriptions. Beginning on page 9 is the capital reserve budget and then the debt service funds for previous bond issue. The debt service funds are to pay the two semi-annual interest payments and annual principal payment each year. Following each of the debt service budgets are the amortization schedules listing annual debt service payments for interest and principal.

Once you approve the budget and set the public hearing for budget adoption, we will send mailed notice to all property owners. Notices will go out early to mid-July. The letters must be , mailed out no later than 20 days before the public hearing. The letter will announce the public hearing to adopt the budget, disclose the proposed assessment increase, and notify proeprtu y owners have the right to provide the input for Board consideration before adoption of next year's budget. It will have a table showing the current year assessment and the proposed FY22 assessmet. After the letters are sent, our office staff receives phone calls from residents and we will explain the proposed assessment increase in some detail. In the case of Rolling Hills, building the capital reserve fund is the key reason why assessments are increasing.

On MOTION by Ms. Jordan seconded by Mr. Mattera with all in favor Resolution 2021-06 approving the proposed fiscal year 2022 budget and setting the public hearing for August 10, 2021 was approved.

TWELFTH ORDER OF BUSINESS

Ratification of Interlocal Agreement with The School Board of Clay County, Florida Regarding the use of the District’s Amenity Complex Facilities

Mr. Oliver stated next is ratification of the interlocal agreement with the School Board of Clay County regarding the use of the district’s amenity complex facilities. Michelle Rigoni has been working on this with the attorney for the Clay County School Board. I believe he has had some changes to the agreement and it is is not quite ready for execution by the Chairperson.

Ms. Rigoni stated it has to get on the school board agenda and it is my understanding that it will be on their agenda on the 23rd with the understanding that the agreement once executed will be dated effective back to the date when the swim team started. All of that is in process, but I have not heard back on the executed agreement and we will continue to provide the district updates as I get them. I don’t remember if we have authorized to chair to sign off on it and maybe we can do that in an abundance of caution.

On MOTION by Ms. Bock seconded by Mr. Mattera with all in favor the chair was authorized to execute the final agreement with the Clay County School Board regarding use of the district’s amenity complex facilities.

THIRTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

A. Attorney – E-Verify Memo and Memorandum of Understanding

Ms. Buchanan stated the new statute requires that state governments enroll in the E-Verify program. Essentially it is a program where employers are able to utilize it to confirm the eligibility status of its employees to work in the United States. We don’t have direct employees of the CDD, but we are required to sign up for E-Verify. Also going forward we will include in all of our

service agreements and other types of contracts that the contractors we use do in fact utilize the E-Verify System.

On MOTION by Mr. Mattera seconded by Mr. Miller with all in favor the district manager was authorized to work with the chair to enroll the district in the E-Verify Program.

Mr. Oliver stated some of the supervisors have received their renewal notices for their Form 1, Statement of Financial Disclosure. Will you update them on the blocks regarding ethics training for elected officials?

Ms. Buchanan stated there was some legislation that was considered, but it was not finalized. It would have required board members to do ethics training similar to the way county and city officials do, but that legislation did not pass. So despite the fact that the Form 1 might reference ethics training, at this time there is no requirement that you as a CDD board member to have to go through that training. That is just the standard form and the language does not apply to you.

Mr. Oliver stated Board member should make sure to return your Form 1 renewal to the Supervisor of Elections office by June 30th.

B. Engineer

There being none, the next item followed.

C. Manager – Report on Number of Registered Voters - 774

Your agenda packet includes a copy of the letter from the Supervisor of Elections indicating that there are 774 registered voters residing within the district. We are required to put that information on the record each year.

D. Operations/Amenity Manger

1. Report

A copy of the report was included in the agenda package.

2. BYO Proposal (Shade Umbrella)

3. BYO Proposal (Shade)

Items 2 and 3 were discussed but not action taken at this time.

FIFTEENTH ORDER OF BUSINESS Supervisors Requests

Other matters discussed: working with Clay County to replace faded street and stop signs, talking to the county to repair potholes, Keith will research to determine if Clay County has previously certified pool & deck lighting for night swim, and post signs at pool with explanation of dawn to dusk operating hours.

SIXTEENTH ORDER OF BUSINESS Audience Comments

There being none, the next item followed.

SEVETEENTH 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.

EIGHTEENTH ORDER OF BUSINESS Next Meeting Scheduled for August 10, 2021 @ 6:00 p.m. at Rolling Hills Amenity Center

Mr. Oliver stated the next scheduled meeting is August 6, 2021 at 6:00 p.m. but we are going to ask for a motion to continue this meeting to June 23, 2021 at 4:00 p.m.

On MOTION by Ms. Jordan seconded by Ms. Bock with all in favor the meeting was continued to June 23, 2021 at 4:00 p.m. in the same location.

June 8, 2021

Rolling Hills CDD



Secretary/Assistant Secretary



Chairman/Vice Chairman