

ABERDEEN
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Aberdeen Community Development District was held Tuesday, July 28, 2015 at 6:00 p.m. at the Aberdeen Amenity Center, 110 Flower of Scotland Avenue, St. Johns, Florida 32259.

Present and constituting a quorum were:

Loyd W. Hogan	Chairman
Rhonda Lovett	Vice Chairman
Dennis M. Clarke	Supervisor
Angela Andrews	Supervisor
Hillary (Beth) Fore	Supervisor

Also present were:

Jim Oliver	District Manager
Mike Eckert	District Counsel
Louis Cowling	GMS, LLC
Jackie Krabill	Vesta/Amenity Services Group
Dan Fagen	Vesta/Amenity Services Group
Darrin Mossing, Jr.	GMS, LLC
Bill Kinsey	Down to Earth
Bob Porter	DR Horton

The following is a summary of the minutes and actions taken at the July 28, 2015 meeting. A 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 being none, the next item followed.

THIRD ORDER OF BUSINESS

Affidavits of Publication

A copy of the affidavit of publication of the public hearing was enclosed in the agenda package.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the June 23, 2015 Meeting and the July 7, 2015 Continued Meeting

Mr. Oliver stated item four is approval of the minutes of the June 23, 2015 meeting. On page 8 the next to the last paragraph it talked about debt capacity and that should be deck capacity.

On MOTION by Mr. Hogan seconded by Ms. Lovett with all in favor the minutes of the June 23, 2015 were approved as revised.

On MOTION by Mr. Hogan seconded by Ms. Lovett with all in favor the minutes of the July 7, 2015 meeting were approved as presented.

SIXTH ORDER OF BUSINESS

Ranking/Consideration of Landscape Maintenance Proposals

Mr. Oliver stated before we get to the budget I would like to talk about the next item, which is ranking and consideration of landscape maintenance proposals. We started that process so we could have the pricing before we adopted a budget tonight. The price schedules were sent to you as well as the proposals that were received. You received excellent pricing from these firms and we thank them for being so responsive and we will consider that pricing when we adopt the budget later on this evening. You received the proposals late last week and some of you were traveling and did not get the proposals until Saturday. I realize there is a lot of homework to do with those and if the board is okay with it, you can table the consideration of those proposals until our next meeting. That would still give us plenty of time to make a selection, enter into an agreement and have it effective October 1.

Mr. Eckert stated we will make sure it gets on the agenda for the August meeting and give everybody a little bit more time to look at those proposals.

Mr. Oliver stated before we get into the public hearing I did want to talk about the pricing that we received. Our current contract for in scope work is \$147,000 and the pricing we received from seven different firms ranged from \$110,000 to a high of \$144,000 so you can see it gives the district a lot of room to move that line item and take some of those funds and use them for other areas within the district. So far it has been a successful process and you have very

qualified firms that have proposed. We will go over these proposals at the next meeting and make a selection.

Ms. Lovett asked can you clarify Option 6, which was the extra pond banks?

Mr. Cowling stated this is a permit obligation from St. Johns County and Mike and George looked at ponds here and in Durbin. The permit obligations are to maintain the ponds and that includes mowing to prevent erosion. To what extent that is we really don't have a firm number so we did a reduced scope of 11 mowings just so we can maintain them and make sure there is no erosion.

Ms. Lovett stated so that should be considered at this point.

Mr. Oliver stated that additional cost should be considered as we adopt the budget because we will adopt the budget not knowing who the contractor will be.

Ms. Lovett stated there is a wide variance in pricing on Option 6, which could change one of the higher bids and that is a concern.

Mr. Eckert stated we will provide direction to the board when we actually rank those at our next meeting.

FIFTH ORDER OF BUSINESS

Public Hearing to Consider Adoption of the Fiscal Year 2016 Budget

A. Consideration of Resolution 2015-07 Relating to the Annual Appropriations and Adopting the Budget for Fiscal Year 2016

Mr. Oliver stated the board adopts a budget every year. The process is by June 15th of each year Chapter 190, Florida Statutes requires that we approve a budget, provide it to St. Johns County and notice a public hearing no sooner than 60 days after providing that to the county. The good news upfront is there is no increase in the assessments this year.

There has been some movement among line items. The top section on page 1 for the general fund we budgeted \$936,462 in revenue with no change in the total assessment. The difference this year compared to past years is we are in a position to collect all of the assessments. In past years we had two large landowners who were not paying their assessments and we had to rely upon the bondholders to fill in that gap. We now have assessment payers for all those lands, which gives us more financial stability as we move forward and make decisions for this and future years. The administrative section has a slight increase due to property insurance increase. The amenity center costs have stayed pretty stable and gone from \$363,684

to \$364,158. Grounds maintenance expenses we originally budgeted with a reduction from \$313,434 to \$308,506. We will be in a position to reduce the landscape maintenance line item some and also increase other line items. However, the most important thing I can tell you is that although we adopt a budget tonight, we will also certify the roll so we can provide that to the tax collector for the tax bills that go out November 1st. Throughout the year you have the opportunity to amend the budget. You can adopt the budget tonight after public comment with the assessment staying the same. Once you make a selection of the landscape company, you can amend the budget. If you determine we have \$147,000 budgeted and then you make a selection and there is a significant change you can lower that line item through the amendment process and redirect those funds to another line item or put it in capital reserves.

Mr. Eckert stated to the extent that you choose to lower the \$147,000 that is in there I would not lower it below the highest bid that you have.

Mr. Oliver stated on the following pages you have the line item descriptions for the general fund, the debt service fund for the Series 2005, then the Series 2006-1 bonds that we have been discussing for the last several months about restructuring but it does not affect the current residents. Next is the capital reserve fund and one change I would make to that is where it has expenditures, repair and replacements there is a zero on the far right column and I suggest we put \$44,241 and I take that from the capital reserve study and that is a compilation of the next three years but clearly we are going to be spending money for repairs and replacements. I will also point out that a few years from now you are also going to need to resurface these pools and that is going to be in the neighborhood of \$150,000 probably more by the time you factor in inflation.

That is an overview of the proposed budget. I would like to have board discussion then after discussion we will open the public hearing take comment, close the public hearing, have any additional board discussion then I will turn it over to the attorney to discuss the two resolutions that you will be considering.

Mr. Clarke asked what about the pond aeration.

Mr. Oliver stated that will be paid for out of capital outlay and the ongoing maintenance cost will come out of the pond maintenance line item.

Mr. Clarke stated I'm thinking where we can allocate some of the savings from landscaping, some in capital and some in O&M.

Mr. Oliver stated that is a good idea. I would ask that you do that after we make the selection so we will know what the amount is. You can put some savings into the capital reserves for repair and replacements and some in capital reserves for capital outlay for new improvements.

Ms. Fore asked what about some of the savings for the possible land purchase?

Mr. Oliver stated you can dedicate it toward, that also. You have no shortage of places to put that savings.

On MOTION by Mr. Hogan seconded by Ms. Fore with all in favor the public hearing was opened.

Mr. Eckert stated this is a public hearing on both the budget as well as the O&M assessments that are proposed, not proposed to increase but be at the same level. If anybody has comments on either the assessments or the budget now would be the time.

A resident stated the amount of mulch at our entrances has been very sparse. I'm not sure who makes those decisions or who monitors that.

Mr. Oliver stated let me hold that comment until we get through the budget process. I will tell you that your vice chair has been working on that issue.

On MOTION by Mr. Hogan seconded by Ms. Fore with all in favor the public hearing was closed.

Mr. Eckert stated you have two resolutions in front of you today; the first one is 2015-07, which is the annual appropriation resolution. This is the document that approves your budget as presented by your district manager and the blanks that are in section 2 will be filled in to match what was in the budget that was presented to you. I will note that this resolution will probably have to be amended assuming the restructuring is effective because there is a reference to the 2006-2 bonds, which are intended to be cancelled. The amounts may change for the 2006-1 bonds, neither one of those has any impact on any existing residents just understand that we will probably have to do an amendment to this resolution in a couple months.

Your approval of this resolution today is what adopts the budget and you have to do that before you levy the assessments.

Mr. Cowling stated I put the reserve study in the agenda package and it shows what we have done up to date and then it goes off the reserve study only on future repair projects. There are still new capital projects so it doesn't outline any landscape areas or fountains or aeration system in the ponds. This is basically what we have on the reserve study.

It starts out with fiscal year 2015 it has the normal items plus additional items. Additional items are stuff we have done this year for something breaking or something we wanted to get repaired and fixed upfront so access control and other things that we have already done. There was some stuff that we had on tap but not been fully approved yet such as social hall fencing outside this room.

If you look through fiscal year 2016 and 2017 there is not a whole lot on there that we haven't done. There are some things we are looking at such as pool resurfacing, we are seeing some spots where it is coming up and it will continue to do that so it is a matter of time on that. We can put patches on it if we have the funds and we think that is the high priority that is something we should look at putting a scope together and possibly doing it over the winter.

Ms. Lovett stated it is at a point now especially now that we have the swim team with folks coming here and looking at that and there are potential hazards with it being sharp. Is it something from your perspective and people who have looked at it we should do it this winter or can we get by another year?

Mr. Cowling responded you can get away with it another year but it is going to continue and the main concern is the health department can come in and shut you down any time or give you a certain amount of days to get it repaired.

Ms. Lovett asked how are the pumps holding out?

Mr. Cowling stated the pumps are doing good; we do have some filters that are going to need to be replaced pretty soon.

Mr. Clarke stated the enclosure where the pool pumps and equipment is located I was looking at that the other day and it is a large area and we were talking about expanding the amenity center to have work out equipment. How difficult would it be to relocate those pipes?

Mr. Cowling stated that would be a major undertaking; you have six 8" pipes going through there with electrical and there is not a lot of other places to put that equipment. The back of the facility is possibly the only place you could put it but it would require a significant amount of plumbing changes.

Mr. Clarke stated for the benefit of the residents present the work out space at the amenity center isn't quite large enough to keep up with demand and we are going to have to do something.

Ms. Lovett stated out of the reserve funds I would be interested in getting an estimate to do a bump out of that as Jackie proposed. Get the study done and see if we qualify to bump that out based on the capacity.

Mr. Hogan asked do we have to get the engineer involved in this?

Mr. Oliver stated I think we should have Basham & Lucas. They did the fitness room expansions at Bartram Springs and St. Johns Golf & Country Club. Have Basham & Lucas take a look and give us some ideas.

Ms. Lovett stated I think it is time. In order to make a decision we would need to know if that is an option of what it would cost versus a full building expansion.

Mr. Oliver stated I will have them at the August meeting and have them address not only expanding the fitness center room but also what our best use of that acre should you determine to purchase it.

On the three items that are in progress, the TV for the patio area, landscape at Sutherland and the aeration system for pond 15, what are the timelines?

Mr. Cowling responded we have purchased the TV and the bracket, we are putting in the electric at the end of this week or early next week. The aerator we have located the bore is going in this week, the aerator is ordered and the electrician has the permit so I expect that to be installed within the next week and a half. Sutherland Forest all we are waiting on is sod.

Ms. Lovett stated I don't see the pool resurfacing listed.

Mr. Cowling stated it is not in the four or five year plan. It is 12 years on the schedule but in reality it is a five year warranty on the marcite it usually lasts 8 to 12 years and we are on year 8 now. I can put together a scope for both pools and let you see that.

Mr. Eckert stated just for clarification the project you are discussing I think is going to be under the bid limit you are required to publicly bid and advertise. I want to clarify if the board is asking us to go through that process anyway or if the board is asking Louis to reach out to the contractors he knows that do this type of work and solicit bids from them informally to bring to the board.

Mr. Hogan stated I would like Louis to reach out to the contractors he knows since it is under that limit.

Mr. Eckert stated that would be my suggestion as well but I want to clarify that with the board.

Mr. Oliver stated he will still prepare a scope for pool resurfacing so everyone is bidding on the same project.

Mr. Hogan stated you have some latitude.

Mr. Cowling stated I will put that together because there is a lot more than resurfacing there are lighting issues, back splash, it is pretty involved.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Eckert stated we have that special meeting at the beginning of August to deal with the restructuring. I just received a lot of documents on that this morning and haven't had a chance to take a look at them but I will and then I will reach out to the board members individually and give you an update after I have had a chance to review them.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Operation Manager - Report

Mr. Cowling reviewed the items outlined in the monthly memorandum, which was included in the agenda package.

E. Amenity Center Manager

Ms. Krabill reviewed the amenity center activities, events and proposals for two projects.

On MOTION by Mr. Hogan seconded by Ms. Fore with all in favor a maintenance agreement with Commercial Fitness for quarterly visits for cleaning and preventive maintenance of the gym equipment at an annual cost of \$620 per year was approved.

TENTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet as of June 30, 2015 and Statement of Revenues and Expenses for the Period Ending June 30, 2015

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

B. Assessment Receipt Schedule

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

C. Impact Fee Summary Report

A copy of the impact fee summary report was included in the agenda package.

D. Approval of Check Register

On MOTION by Mr. Hogan seconded by Ms. Fore with all in favor the check register was approved.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

A resident asked what time are contractors allowed to start work?

Mr. Eckert responded the county likely has an ordinance and you may have something in your HOA documents that restrict the time.


Mr. Oliver stated if you will give Louis your contact information we will get more information on county rules regarding construction hours. The district doesn't manage that, but we will get the right answer and know whom to contact.

TWELFTH ORDER OF BUSINESS

**Next Scheduled Meetings – Special Meeting
08/11/15 @4:00 p.m. @ Aberdeen Amenity
Center. Regular Meeting on August 25, 2015**

Mr. Oliver stated the next scheduled meeting is August 11, 2015. It is a special meeting at which we will talk about the bond restructuring. We will have our regularly scheduled CDD meeting on August 25, 2015 at 4:00 p.m.

On MOTION by Mr. Hogan seconded by Ms. Lovett with all in favor the meeting adjourned at 6:58 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman