

Minutes of Meeting
Durbin Crossing
Community Development District

The regular meeting of the Board of Supervisors of the Durbin Crossing Community Development District was held Monday, May 22, 2017 at 6:00 p.m. at the Durbin South Amenity Center, 145 South Durbin Parkway, Jacksonville, Florida.

Present and constituting a quorum were:

Peter E. Pollicino	Chairman
Tim Brownlee	Vice Chairman
Sarah Gabel Hall	Supervisor
Jason Harrah	Supervisor
Debbie Driscoll	Supervisor

Also present were:

Dave deNagy	District Manager
Mike Eckert	District Counsel
Stephen Howell	Vesta/Amenity Services Group
Dan Fagen	Vesta/Amenity Services Group
Roy Deary	Vesta/Amenity Services Group
Josh Fritz	Vesta/Amenity Services Group
Margaret Alfano	Vesta/Amenity Services Group
Daniel Laughlin	GMS

The following is a summary of the discussions and actions taken at the May 22, 2017 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Pledge of Allegiance

Mr. deNagy called the meeting to order at 6:00 p.m. and led the pledge of allegiance.

SECOND ORDER OF BUSINESS

Roll Call

Mr. deNagy called the roll.

THIRD ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

FOURTH ORDER OF BUSINESS **Discussion of Matters Related to U.S. Bank
Litigation**

Mr. deNagy stated there are no new changes since our last board meeting.

FIFTH ORDER OF BUSINESS **Approval of Consent Agenda**

- A. Approval of Minutes of the April 24, 2017 Meeting**
- B. Balance Sheet and Statement of Revenues and Expenses**
- C. Assessment Receipt Schedule**
- D. Impact Fee Summery Report**
- E. Check Register**

On MOTION by Mr. Brownlee seconded by Mr. Harrah with all in favor the consent agenda items were approved.

SIXTH ORDER OF BUSINESS **Acceptance of the Minutes of the April 24,
2017 Audit Committee Meeting**

On MOTION by Mr. Harrah seconded by Ms. Hall with all in favor the minutes of the April 24, 2017 audit committee meeting were accepted.

Mr. deNagy stated I handed out three items, a copy of the FY 2018 budget with an analysis that I have prepared, a copy of the financials and a copy of the interlocal agreement with St. Johns County.

Mr. Eckert stated I handed out a description of the deeds and property issues that we are going to be dealing with for Durbin Crossing South as well as a highlighted picture of three pages from the plat for the D.R. Horton townhome project and I will discuss that under my report essentially it is a request that the district take over ownership and maintenance of some entryway features.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2017-07
Approving the Proposed Fiscal Year 2018
Budget and Setting a Public**

Mr. deNagy stated item seven is consideration of Resolution 2017-07 approving the proposed fiscal year 2018 budget and setting the public hearing date for adoption for August 28, 2017. This is the first step of a two-step process resulting in the levying of assessments included on your St. Johns County property tax bill. Given the budget is approved this evening we will move forward and let at least 60 days lapse before we adopt the budget for purposes of levying assessments.

Mr. deNagy reviewed the major items in the proposed fiscal year 2018 budget resulting in a proposed increase of \$106,969 or about a 6.75% increase over last year. An analysis of the FY 2018 assessments shows that with the refunding of the 2005 bonds the debt assessment goes down significantly and offsets in excess of the proposed O&M increase.

Mr. Pollicino asked should we include in the proposed budget the \$75,000 for pending litigation and we can back it out later?

Mr. deNagy stated we can do that but the increase would be much more dramatic. We had talked previously about using \$75,000 of the excess fund balance in the checking account for the pending litigation. If we add the \$75,000 for the pending litigation the increase would be about 11.6%.

Mr. Pollicino moved to approve Resolution 2017-07 approving the proposed fiscal year 2018 budget as amended to include an additional \$75,000 for legal costs for the U.S. Bank litigation and setting the public hearing for August 28, 2017 at 6:00 p.m. in the same location.

There being no second to the motion, Mr. Pollicino rescinded the motion.

The board discussed zeroing out the savings from the refunding and applying that same amount to a capital reserve fund.

Mr. Eckert stated we will have to send a letter to the homeowners explaining this because the increase to the O&M will be significant.

Mr. deNagy stated in addition to the letter that Mike is going to craft to fulfill the statutory requirements we could put a supplemental letter on top and explain this in lay terms. I think we have done that in the past on other districts.

On MOTION by Mr. Pollicino seconded by Ms. Hall with all in favor Resolution 2017-07 approving the proposed fiscal year 2018 budget to include an additional \$75,000 for legal costs, and to net all debt savings as an increase to O&M and the net will be used to fund capital reserves was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Assignment of Drainage Easements for Durbin Crossing South

Mr. Eckert stated we have three issues related to this and in your agenda package are colored maps depicting the areas. We have an assignment of the drainage easements. We have been working for a long time going through all the plats in Durbin Crossing South and the quitclaim deed is the area depicted in purple and the yellow is the assignment of the drainage easements. We went through all the plats in Durbin Crossing South and went back to the developer and all the drainage easements that the developer had we wanted to make sure that we had a direct assignment of those. We currently get some of our easements from the HOA documents but it is a better idea for us to have a stand alone document so we don't have to refer back to general language in the HOA documents.

The first thing I would be asking for is the board to approve the assignment of the drainage easements depicted in yellow and once you approve that we will get the documentation all buttoned up and recorded.

On MOTION by Mr. Harrah seconded by Mr. Pollicino with all in favor the drainage easements depicted in yellow were accepted.

Mr. Eckert stated the second issue is we are asking the board to approve the acceptance of a quitclaim deed for part of a pond within Village Center Unit 1. The district already owns half of this pond and we have an easement over the other half. This is explained in the two-page memo that we showed you earlier. I think we are already maintaining the pond and the district engineer recommends the district accept it and record the quitclaim deed.

On MOTION by Mr. Pollicino seconded by Ms. Driscoll with all in favor the quitclaim deed for a part of the pond within Village Center Unit 1 was accepted.

Mr. Eckert stated the final issue is the document with all the purple areas, these are areas that we believe the district already owns but we got them pursuant to a deed with over 100 pages of a metes and bounds description and since all that area has been platted now we recommend that the board accept a quitclaim deed to make sure that the boundaries of what we have through a metes and bounds description are consistent with what the plats are that came after that metes and bounds. This is a cleanup item and there should not be a budgetary implication because we are already responsible for these areas and we ask that the board approve the acceptance of the quitclaim deed of these lands.

On MOTION by Mr. Harrah seconded by Ms. Hall with all in favor a acceptance of the quitclaim deed for the lands depicted in purple in the attached map was approved.

NINTH ORDER OF BUSINESS

Acceptance of Audit Engagement Letter with McDirmit Davis for FY 2017 Audit Services

On MOTION by Ms. Hall seconded by Mr. Pollicino with all in favor the engagement letter with McDirmit Davis to perform the fiscal year 2017 audit in the amount of \$3,900 was approved.

TENTH ORDER OF BUSINESS

Consideration of Interlocal Agreement for Landscape Maintenance of Certain County Road Right-of-Ways

Mr. Eckert stated we have been talking about mowing of the county rights of way for some time. We prepared this agreement many months ago, provided it to the county for their review and they made several revisions to the agreement versus what you saw before. All the revisions they had were generally not objectionable to us, they added a provision for indemnification and I want to add a little clarifying language to that to show that we are not waiving any sovereign immunity that we have because it says to the extent permitted by law and there is some case law suggesting you can waive immunity by contract and I want to make sure

that we clarify that we are not waiving sovereign immunity. I don't anticipate that will be objectionable to them.

A material difference in terms of the text is that our prior draft required the County to mow on a certain schedule and they pushed back on that hard. We have the right to do additional maintenance if we feel like we need to; that is still included in the agreement but they did push back on having a requirement for them to do something within a certain amount of time.

Mr. Harrah stated the only thing that I saw changed was St. Johns Parkway from Long Leaf to Racetrack we were going to subsidize them to mow that and now they came back and said no we want you to just take care of that. Is that portion included in your fiscal year 2018 budget?

Mr. Howell stated no the only thing I had priced was the portion inside on Veterans.

Mr. Pollicino asked why are they pushing back on that? I thought we were clear that we weren't doing that anymore.

Mr. Harrah stated what we agreed to was that they were going to take care of this (southern portion) because of all the construction going on with changes that are going to occur with that area and that we would take on this (northern portion) but we originally agreed that we would pay the county guy to keep on going up and do that. They came back and said the County's contractor's price would be higher than what we would be paying so they said we should include that in our contract. That is what we have been told.

Mr. Brownlee stated we will need a price on that to be included in the budget.

Mr. Pollicino stated it is county property; we are not mowing it. Why are we paying for it?

Mr. Howell stated the only thing that was discussed was if their people took care of it a certain portion that had a direct interest to Durbin that we would entertain contributing to that as part of this interlocal agreement. They didn't put anything together at any point in time. The last I spoke to them they verbally told me before they put this out, after they went out and measured it they found their contractor was going to be more expensive per acre than our contractor so they really tried to avoid getting mixed up in private/public contract.

Mr. Pollicino asked how is that our problem?

Mr. Harrah stated let's make sure we are all on the same page. If you look at this map the yellow was the county and the blue is CDD so that was all blue before Stephen, Dave and I sat

down with them, we were doing all of that and it was the board who questioned it and said why are we paying county taxes and paying CDD fees to mow all of this. Steve, Dave and I sat down with them and negotiated. The main issue was all the trees and everything in the median on St. Johns, Veterans and whatever, they said if you want us to maintain those take out all the trees and we will be more than happy to mow. What we negotiated back and forth and the proposal we came up with was they would mow the yellow areas and we would continue to mow the blue areas. The reason we chose Long Leaf Pine is because it is in the heart of the community and we wanted to keep it up to par and that was the main area we wanted to keep. What we had was the area that is blue on St. Johns, that was yellow on previous maps because they said we will do that but you have to subsidize us a fee to do that portion. Now they are saying we met with the contractor and the County contractor's quote is more expensive. We can push back on that if we want.

Mr. Pollicino stated I think we have to, that is not what we agreed to. We ironed this out over a year ago and we agreed we would not mow.

Mr. Harrah stated we agreed it was the district's responsibility financially for that portion is what we agreed to.

Mr. Pollicino stated but they were going to subsidize.

Mr. Harrah stated they were pay for it.

Mr. Pollicino stated at the end of the day it wasn't coming out of the residents' pocket to mow county property.

Mr. Harrah stated what we agreed to right or wrong was they were going to do this (pointing to a map) and nothing changed on that. They were also going to do here (pointing to a map) to the monument nothing changed on that. We were always going to do this (pointing to a map) in the heart of the community nothing changed on that. What we agreed to at that meeting was we will split it with you 50/50 you do the setup and we will do the north, we will pay for the north. What we told them to have their contactor get a price and they will cut a check to do that portion that is what we told them. Since that happened this agreement has been sitting there for eight months or whatever they got a price for that and they are saying it is more expensive than what Down to Earth would charge to do that so we were better off financially to do that portion ourselves. That is the only difference in the agreement other than the fact that we did have them saying they had four to six weeks to do all these now they are saying we don't know how often

we can get there. We should have that in the budget regardless for fiscal year 2018 because either we were paying the county or we were paying Down to Earth. That should be in our budget right now.

Mr. deNagy stated that 2209 from Russell Sampson north to Racetrack should be in our Down to Earth agreement already.

Mr. Howell stated we never got anything back on it, we agreed to that verbally but nothing was on paper.

Mr. Eckert asked who has been mowing it for the last six months?

Mr. Howell responded the county has done every bit of it.

Mr. Harrah stated Steve and I can go back to them on that and try to get it rehashed. We are not in a hurry to get this approved it has been eight months. We will take another shot at it to try to get them to make that yellow where they are controlling all of St. Johns Parkway.

Ms. Hall stated they should be.

Mr. deNagy stated I think you are going to see a lot of growth on that area anyway.

Mr. Harrah stated we have to understand the county's position is a county right of way is grass with nothing on it, grass and concrete. When these developers start going in and putting in palm trees and all the stuff in the medians to attract people to buy houses that is not a standard county right of way anymore that is an improvement. That is their argument, right, wrong or indifferent that costs them twice as much to run mowers around palm trees they don't do that on county property. That was their push back if you want to take out every single palm tree we will mow it all.

Mr. Pollicino stated go back and see what you can do.

Mr. Harrah stated we will bring it back to the June meeting.

Mr. Brownlee stated the area on Veterans Parkway and Racetrack there were a number of trees put in the island by the developer. When cars come around the corner and knock them down who is responsible to take them out and replant them?

Mr. Pollicino stated it is our responsibility.

Mr. Brownlee stated they are going to be responsible for cutting the grass in that area but we are going to be responsible for the trees.

Mr. Harrah stated we have the same situation on Long Leaf we have dead palms in the median do we replace those or cut them down and leave it.

Mr. Eckert stated let's be clear we are talking about responsibility for maintenance. This entire discussion is about that, not liability or anything like that.

ELEVENTH ORDER OF BUSINESS Staff Reports

A. District Counsel

Mr. Eckert stated at your June meeting I will be able to provide you with an update in terms of what legislation passed and affects the district. We know what passed at this point but we don't know for sure which ones will be signed by the governor. There is one that did pass both sections of the legislature and it prevents some abuses that have been going on with the public records law, which you have been paying for. People found that there is automatic attorneys fees for violation of public records law, so for example they will send a request to Margaret that says give me the receipts for all of your band-aids you purchased in the last ten years. Then when someone either doesn't respond or responds incompletely or says that is ridiculous or whatever they sue and get the right to automatic attorney's fees. The bill would give the courts the discretion to not award attorney's fees if they believe it is an improper purpose and they have not had that discretion before; their hands have been tied. Hopefully, that will be signed into law and help us mitigate some of the costs that we have had to pay dealing with those folks.

Mr. Harrah stated going back to the budget, if we want to add the blue area tonight is the last night to provide increases to the items on the budget and if that is not in there we have to add it today.

Mr. Eckert stated no you can add it at your June meeting.

B. District Engineer

There being none, the next item followed.

C. District Manager – Report on the Number of Registered Voters (3,784)

Mr. deNagy stated in your agenda package is a letter from the supervisor of elections indicating that as of April 24, 2017 there are 3,874 registered voters in the Durbin Crossing CDD.

D. General Manager - Report

Ms. Alfano reviewed the general manager's report, copy of which was included in the agenda package.

E. Operations Manager - Report

Mr. Howell gave an overview of the field operation manager's report, copy of which is attached hereto and made a part hereof.

TWELFTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

THIRTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. Brownlee asked did we come to a resolution on the pool lighting as far as how often and how late we were going to keep the lights on?

Ms. Alfano stated last month we had a resident in the audience who asked about the 8:00 p.m. closing and that was always in the plan for Memorial Day through the end of September we will be open a minimum until 8:00 p.m. on the weekdays and Fridays and Saturdays until 10:00 p.m. That is the plan that I should have addressed at that time.

Mr. Harrah asked what is the issue of having it open until 10:00 p.m. on weekdays?

Ms. Alfano stated it comes with a financial cost we would have to add someone to be here to make that happen. I have done some research on this and I cannot find a pool that is open until 10:00 p.m. on any day.

Ms. Hall stated mine is open until 10:00 p.m. We don't staff it after 7:00 p.m. so it is swim at your own risk from 7:00 p.m. to 10:00 p.m. Don't we have someone already here to respond in case of emergency?

Ms. Alfano stated this is where I struggle because I have a level of service to provide the district I want people to have fun safely and I need this facility to look a certain way when you arrive. Swim at your own risk is a little tricky for me.

Mr. Harrah stated your plan now is until 8:00 p.m. Will that include lifeguards as well?

Ms. Alfano responded no, they are scheduled to leave at 7:00 p.m.

Mr. Harrah stated from 7:00 p.m. to 8:00 p.m. it is swim at your own risk.

Ms. Alfano stated yes and in the summer it goes later, sunrise to sunset, so a minimum of 8:00 p.m.

Mr. Pollicino asked can we keep track of how many people you are asking to leave when the pool closes? Is there a demand for that?

Ms. Alfano stated next year we have added to the budget for Friday nights when there are food trucks to stay open to 8:00 p.m.

Mr. Fagen stated if we want to do it right we can't pull that person out of the office for someone horse playing as well as cleaning up so the residents coming in first thing in the morning to swim laps their experience is the same whether it is a Tuesday or Friday morning.

Mr. Harrah stated we did invest in the lights and now we are using them for Friday and Saturday nights. There are people on weekdays who eat dinner and then want to swim from 7:00 p.m. to 10:00 p.m.

Mr. Pollicino stated keep track of how many people you are asking to leave when the pool closes and if you come back and say we are kicking 20 to 30 people out of the pool then maybe it is worth the impacts.

Ms. Hall stated the next couple of weeks won't be a good gauge because when people want to stay late is when the water is warm and right now at 9:00 p.m. it is cold they are going home but in August the water is going to be 90° and people are going to want to stay late and enjoy the evening.

Mr. Harrah asked if we wanted to do the additional two hours can you give us a number of what two hours would cost us?

Ms. Hall asked would it just be a pool monitor?

Ms. Alfano stated yes.

Mr. Brownlee stated I agree, we spent the money for the lights let's take advantage of using them.

Mr. Fagen stated we will come back with numbers and get an idea of what the demand is.

Ms. Alfano stated out of 626 responses to the survey there were nine requests for extended pool hours.

Ms. Hall stated those were write-in requests because that is not a capital request. A capital request is to heat the pool.

Mr. Brownlee asked are there other pools open until 9:00 p.m.?

Ms. Alfano stated yes.

Mr. Harrah stated the newsletter has a schedule of the pool being open dawn to dusk everyday so it is in there.

A resident stated in the summer when we get home from work and go to the pool we just get settled in and then the pool closes. We could have swim at your own risk.

Ms. Hall asked did we fix the swings?

Ms. Alfano stated the swings are back in action.

Mr. Harrah stated if we are going to do it let's do it because I have heard a lot of people say 10:00 p.m. Let's try and see what happens and if we have a lot of teenagers showing up tearing down the gates we will reassess. Let's try 9:00 p.m. for the month of June and see how it works out, 9:00 p.m. Sunday through Thursday and Friday and Saturdays until 10:00 p.m.

Mr. Pollicino stated we will try that in June and keep good notes about attendance and issues and feedback. Communicate that in the newsletter so we try to get a true assessment if this is something that residents like.

Ms. Alfano stated the hours will be weekdays with the exception of Mondays we will be open until 9:00 p.m. Fridays and Saturdays we will be open until 10:00 p.m. and Sunday we will close at 9:00 p.m. and that will be until the June 26th meeting.

A resident asked is it possible to extend the hours of the gym?

Ms. Alfano stated the gym is open 17 hours a day from 5:00 a.m. to 10:00 p.m.

A resident asked do you know how to go about getting speed bumps?

Mr. Harrah stated call county road and bridges; these are all county roads.

A resident asked is there a capital reserve right now?

Mr. Pollicino responded yes. We just published the capital study online and it is a big document that outlines every asset owned by the CDD, the value of the asset and anticipated date to be replaced.

Mr. Harrah stated we have \$669,000 in our capital reserve fund now and \$130,000 allocated in the budget to go in next year.

FOURTEENTH ORDER OF BUSINESS

**Next Scheduled Meeting – June 26, 2017 @
6:00 p.m. at the Durbin South Amenity
Center**

May 22, 2017

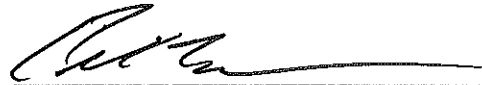
Durbin Crossing CDD

Mr. deNagy stated the next meeting is June 26, 2017 at 6:00 p.m. here at the South Amenity Center.

On MOTION by Mr. Brownlee seconded by Mr. Harrah with all in favor the meeting adjourned at 7:45 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman