

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, July 23, 2018 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:

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

The following is a summary of the discussions and actions taken at the July 23, 2018 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Pledge of Allegiance

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

SECOND ORDER OF BUSINESS

Roll Call

Mr. Laughlin called the roll.

THIRD ORDER OF BUSINESS

Audience Comments

Mr. Weston asked can you give me a short explanation of what the US Bank litigation was about?

Mr. Pollicino stated it is still pending but the case has been settled in theory, the attorneys are working on the final issues of negotiating the particulars of the settlement agreement and we are hoping to have it executed in the next 60 days. If you want to know anything particular about the issue I think I can direct you to district counsel.

Mr. Fagan stated for the benefit of the residents who are here I want to announce that Margaret Alfano is going to continue to work with Durbin. We came together as a team and we decided it would be in everyone's best interest to keep Margaret here. We are glad she is staying and look forward to moving forward.

Ms. Hall stated on behalf of the board I want to say that was a good decision.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-03 Re-Designating Officers of the District

Mr. Laughlin stated all the board will stay the same, James Perry will be secretary and treasurer, Dave deNagy will be assistant secretary and assistant treasurer and Ernesto Torres will be appointed an assistant secretary and assistant treasurer and myself as assistant secretary.

On MOTION by Mr. Harrah seconded by Mr. Pollicino with all in favor Resolution 2018-03 was approved as outlined above.
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FIFTH ORDER OF BUSINESS

Discussion of Matters Related to U.S. Bank Litigation

There being no further update, the next item followed.

SIXTH ORDER OF BUSINESS

Approval of Consent Agenda

- A. Approval of Minutes of the July 25, 2018 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.

SEVENTH ORDER OF BUSINESS

Acceptance of the Fiscal Year 2017 Audit Report

Mr. Laughlin read into the record the auditor's opinion on page 2, which is considered to be a clean opinion.

Mr. Eckert stated we were successful this year in getting that finding removed related to the special purpose entity that was established to deal with the GMAC property.

Mr. Laughlin read into the record the auditor's report on internal control over financial reporting and compliance with other matters and stated the management comments are on page 29.

On MOTION by Mr. Pollicino seconded by Ms. Driscoll with all in favor the fiscal year 2017 audit was accepted.

EIGHTH ORDER OF BUSINESS

Discussion of Fiscal Year 2019 Budget

Mr. deNagy stated the budget is included in the agenda package for reference in case there are any questions. Our next meeting in August will be the public hearing for purposes of adopting the budget. I don't anticipate any changes in the budget.

NINTH ORDER OF BUSINESS

Ratification of Agreement with Environmental Services, Inc. for Water Quality Monitoring Services

Mr. deNagy stated this is an annual contract, we have \$1,000 currently in our budget for this cost and it will cover this year's water quality monitoring services.

Mr. Brownlee asked once we are built out do we have to continue this testing?

Mr. deNagy stated I will check with George on the criteria and let you know.

On MOTION by Mr. Harrah seconded by Mr. Brownlee with all in favor the agreement with Environmental Services, Inc. for water quality monitoring services was ratified.

TENTH ORDER OF BUSINESS

**Consideration of Agreement with R&D for
Landscape and Irrigation Maintenance
Services**

Mr. Eckert stated the form of this agreement is similar to what we have done before. There are two things you are considering tonight, you are considering the actual agreement and we have a first addendum to the agreement, which we will get to in due course. Staff is recommending approval of the agreement. It does not go into effect until October 1.

On MOTION by Mr. Harrah seconded by Mr. Pollicino with all in favor the agreement with R&D for landscape and irrigation maintenance services was approved.
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ELEVENTH ORDER OF BUSINESS

**Consideration of First Amendment to
Landscape and Irrigation Maintenance
Agreement with R&D**

Mr. Eckert stated the next item is the first amendment to the landscape agreement and that really relates to how many times you are going to have annuals as well as dealing with some fertilizer and pesticide applications and where those would be reallocated. I will defer to Steve as to the details but the important thing for the board to know is that the contract price versus what was bid has not changed as a result of this first amendment, but it is further refining of the scope of services in relation to the two issues I just mentioned.

Mr. Howell stated the first issue was whether we had annuals designated, we suggested three rotations a year they priced it such that it was four rotations and we sat down and talked about it we felt more confident with four rotations rather than three. The second thing is in the RFP after I had done research with the spray technician regarding our soil conditions we were specific in asking that they include every single aspect of anything they need to do when they put the fertilization and herbicide program together and that involved two applications to the soil to enhance the pH levels so the grass would look better. That being said they increased the price \$8,100 but instead of divvying it up between the areas where all these services were needed they put it into section 9. To make it easy they reallocated that \$8,100 toward the various areas where grass is actually being treated with pesticides and herbicides.

Mr. Harrah stated bottom line it stayed the same.

Mr. Howell stated it stayed the same.

On MOTION by Mr. Harrah seconded by Mr. Pollicino with all in favor the first amendment to the landscape and irrigation maintenance agreement with R&D was approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Eckert stated as a follow-up to the Corner Lot proposal for the purchase of a sliver of land, I think we got to the finish line in terms of a contract with them. We made two changes since the last version and that was the remedy of specific performance, which basically is you can get a court to tell the other side they have to do exactly what the contract says. They wanted to have that ability, but the district not have that ability and I said it had to be mutual, so we have that included. They wanted a cap on the reimbursement for the attorney's fees and they suggested \$3,000 and we got them to agree to \$7,500. I don't think it will get that high, I doubt that there is any reason for it to because we ended up having to draft the agreement to be able to give to them and we were right at \$3,000 up to that point. That should be signed within the next few days and hopefully, we will have a closing soon and you will have that cash and be relieved of the maintenance responsibility for that parcel.

B. District Engineer

There being none, the next item followed.

C. District Manager – Consideration of GMS Litigation Invoice

Mr. Brownlee asked what account will this be charged to, attorneys' fees?

Mr. Eckert stated it should go to district management fees and you may have to do a budget amendment at the end of the year because I think you are pretty tight or special counsel, but it shouldn't come out of attorney's fees.

On MOTION by Mr. Pollicino seconded by Mr. Brownlee with all in favor the invoice from GMS for litigation related work was approved.

D. General Manager - Report

Ms. Alfano reviewed her report, a copy of which was included in the agenda package.

On MOTION by Ms. Hall seconded by Mr. Pollicino with all in favor staff was authorized to have a water fountain installed at the end of the amenity center building in an amount not to exceed \$5,800.

On MOTION by Mr. Brownlee seconded by Mr. Harrah with all in favor funds for the fountain installation are to be taken out of capital reserves.

E. Operations Manager - Report

Mr. Howell gave an overview of the field operation manager's report, copy of which was included in the agenda package.

THIRTEENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. Drucker stated thanks to Steve for the nice work on the sod. I want to explain something that will be on the HOA agenda that involves the CDD that I don't want to get misunderstood. When you read the codes, covenants and restrictions it doesn't look like the way business is actually done. There are a whole lot of things that we are supposed to do that we don't do that the CDD does. I asked our board to talk to our attorney and somehow get these documents straightened out so future HOA boards can operate within the four corners of that document.

Mr. Harrah asked for continuity should your law firm look at it?

Mr. Eckert stated I think we are going to want to look at it to the extent that they change anything related to the CDD but I think their attorney should go through it exactly like he is saying, figure out where the issues are that are causing the confusion and propose clarifications and that is the point at which we would take a look at it. This is not uncommon because a lot of times when a community is started you have to prepare your HOA documents well before you know what the community is going to be and look like and sometimes they anticipate a CDD and

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sometimes not and there is a disconnect that causes confusion. It is a very productive exercise in my opinion from the HOA's perspective.

Mr. Hudson stated I'm in the Palisades and we have a separate HOA, I have no clue because I have not read the documents. Are there two HOA's in Durbin Crossing?

Mr. Harrah stated three.

Mr. Hudson stated the HOA in the Palisades is responsible for the roads, they are owned inside Palisades.

Mr. Drucker stated there are differences and ten years down the line we are trying to put them all in line.

Mr. Eckert stated just so the board is aware if they impose some sort of change that puts a burden on the CDD, the District has options to deal with that. I'm not concerned about that and I think what he is suggesting is a very good exercise but usually when we see communities do this we will get involved once the HOA has its proposed changes and the CDD starts looking at it at that point.

FIFTEENTH ORDER OF BUSINESS

**Next Scheduled Meeting – August 27, 2018 @
6:00 p.m. at the Durbin South Amenity
Center**

Mr. Laughlin stated the next scheduled meeting is August 27, 2018 at 6:00 p.m. here at the Durbin South Amenity Center.

ON MOTION by Mr. Brownlee seconded by Mr. Harrah with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman