

MINUTES OF MEETING
SHINGLE CREEK
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Shingle Creek Community Development District was held on Monday, August 6, 2018 at 12:00 p.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida.

Present and constituting a quorum were:

Lane Register	Chairman
Adam Morgan	Vice Chairman
Mark Revell	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Michael Enot	District Engineer
Alan Scheerer	Field Manager
Michelle Barr	Lennar Homes by phone
Clayton Smith	GMS

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Are there any comments? Hearing none,

THIRD ORDER OF BUSINESS

Approval of Minutes of the June 4, 2018 Meeting

Mr. Flint: You have the minutes from the June 4, 2018 meeting. Did the Board have any additions, deletions or corrections?

Mr. Register: They look good.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, the Minutes of the June 4, 2018 Meeting, were approved as presented.

FOURTH ORDER OF BUSINESS Public Hearing

A. Consideration of Resolution 2018-08 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations

Mr. Flint: There are two public hearings; one to adopt the Fiscal Year 2019 Budget and a second one, to impose the assessments associated with it. At this time, we will open the public hearing. Resolution 2018-09 adopts the Fiscal Year 2019 budget. The Board previously approved the Proposed Budget in the Spring and set today’s meeting, as the date, place and time for its final adoption. Exhibit A, attached to the Resolution, is the recommended budget that anticipates that per unit assessments would remain the same. Those are listed at the bottom of Page 1 for the different product types. The total budget is \$418,439. “*Administrative*” expenses increased by \$1,000 and “*Operations and Maintenance*” (O&M) expenses increased by about \$58,000. Most of that increase was in the “*Landscape Maintenance*” line item. Are there any questions on the budget or Resolution? For the record, this is a public hearing, and we only have staff and the Board here, so there’s no public comment. We will bring it back to the Board for consideration of the Resolution.

Mr. Morgan: So “*Landscape Maintenance*” increased because we took on more tracts?

Mr. Flint: Yes.

Mr. Register: Does it include Westgate?

Mr. Flint: It doesn’t include the areas that are to be annexed.

Mr. Register: Presumably it would be dealt with by an amendment.

Mr. Flint: If need be, yes, or through a Funding Agreement, until we have the money to maintain it.

Mr. Morgan: So the maintenance of the CDD areas for Phase 1 are \$73,000, just for the CDD areas?

Mr. Flint: Yes. Page 5 lists the different portions of the contract that comprise \$174,000.

Mr. Morgan: So that’s for mowing of the retention ponds in the CDD areas? “*Lake Maintenance*” is under a different budget.

Mr. Flint: That’s for aquatic control.

Mr. Register: Has the roundabout maintenance and everything that I'm seeing in that table, been contracted already?

Mr. Scheerer: Not yet. That area is not ready to be turned over, from the information that I received.

Mr. Register: It's not.

Mr. Scheerer: What we did in advance of that, was to anticipate that coming up in 2019 and adding those figures to your budget.

Mr. Register: Okay.

Mr. Scheerer: We obtained landscape costs from Down to Earth and included it in the budget. We don't know when it's going to come online, but we wanted to make sure that the numbers were there.

Mr. Register: Okay.

Mr. Revell: What is our built-in mechanism, in getting additional pricing besides Down to Earth? How are we getting their pricing in relationship to what they are doing, without getting any other bids?

Mr. Register: You mean competitive bids.

Mr. Flint: Historically, you wouldn't bid out a separate section.

Mr. Revell: I know, but we need to have something in place. Down to Earth is known to be one of the more expensive maintenance contractors. That's just a fact.

Mr. Flint: What I think periodically needs to be done, is we just need to bid all of it out. That's the true check.

Mr. Revell: Okay, then we need to do that, because we've been adding too much property.

Mr. Flint: I know. They nickel and dime you as you add in phases.

Mr. Revell: I know. There's no way for us to know how in line this pricing is. I'm good with getting budget numbers and everything like that and having them be conservative numbers, but we need to do something, carte blanche to add these new sections, without having some kind of cross check.

Mr. Flint: I'm fine with that. We periodically need to do that to keep everyone honest. If that's something the Board wants us to do, you can direct us to prepare a Request for Proposals (RFP) for landscape services and we can bid it out.

Mr. Morgan: It wouldn't be for all of the communities.

Mr. Flint: We are still under the Statutory threshold for a sealed bid process. That triggers at \$195,000, but we will still go through a semi-formal process. We just don't have to advertise in the newspaper or receive sealed bids. We will put a bid document together, send it out and ask the Board if they have anyone in particular to send to. We know all of the regular players.

Mr. Register: Is it fair to say that across all of the CDDs, Down to Earth is maintaining everything?

Mr. Flint: Storey Park is doing that now. Are they using BrightView?

Mr. Scheerer: Storey Park uses Down to Earth.

Mr. Flint: They switched.

Mr. Scheerer: It was BrightView at Storey Lakes and Down to Earth came in about a year-and-a-half ago and assumed the contract from BrightView.

Mr. Register: My suggestion is that we do that as we are approaching the maturity of these contracts. Are these annual contracts that are signed?

Mr. d'Adesky: They are terminable in 30 days.

Mr. Register: We can do all of them at once, across all CDDs. I know this discussion is limited to Shingle Creek right now, but I think we need to evaluate each one, because all at once might be burdensome.

Mr. Revell: It would be my recommendation that we do an RFP, thoroughly go over the scope, maps and frequencies, and when things come online. In a lot of cases, there is a slower frequency for the first six to nine months, because no homes are being built around it. We don't need to be spending money, if it's an "*out of sight, out of mind*" kind of thing. We have to get a good scope, a good map and good direction, but we are to the point where we have too much land that we are almost ready to add. In the next 90 to 180 days, a lot more is going to be added.

Mr. Register: Yes.

Ms. Barr: I would like to be involved in that on the HOA side, and include maps of the HOA, in the overall scope of the communities, as well.

Mr. d'Adesky: It's a parcel that needs to be done in conjunction with each other. You can do a joint bid. It just has to be two separate contracts.

Mr. Register: Just to clarify, for my purposes, the reason we switched from BrightView to Down to Earth, is because BrightView was not in conformance.

Mr. Revell: Yes. That was a year-and-a-half ago and was the right decision, I think, but we are to the point of adding all of this new real estate and all of these new areas and tracts, so we need to have some checks and balances. I think we are to the point of where we need to do this.

Mr. Register: I had one question pertaining to the Storey Lake budget for landscaping. We have this pretty specific to Phase 1, Area 1 of Phase 2, Phase 3 and then there's a separate lake contract for the different company. Then we have the bottom line items, such as the Storey Lake additional areas. Aren't our CDD areas pretty specific? Why would we have other areas?

Mr. Flint: Those are areas that we haven't brought on yet, that we asked them to estimate.

Mr. Register: Even though we have the roundabout listed?

Mr. Flint: They are listed as they've come on. We've had these separate proposals where we added the roundabout by itself.

Mr. Register: That's just anticipated as future phases come up.

Mr. Flint: Right. It's for additional or future areas.

Mr. Scheerer: We are trying to keep some numbers as realistic as possible.

Mr. Register: I agree with the general discussion that we don't put the numbers.

Mr. Flint: We will have it broken out by phases, or whatever way it makes sense for them to bid it. The way its listed there, is how it's come online.

Mr. Register: I would really like to make sure, that Michelle, Rob and myself, especially Mr. Morgan, sit down. I know that we have a general scope of work, but that needs to be assessed in relation to every community. In one community, the bottom of the pond wasn't being maintained, so that's something the four of us need to make sure that we handle, and also make sure, for future phases, that the bidders have the correct set of plans. We have done a lot of value engineering, across all of the communities. For example, for that roundabout, if you are working from an old set of plans, it's quite a bit different from what's really going to be installed there. Is there a timeframe that we want to try to attach to evaluate these?

Mr. Flint: At the September meeting, you could approve the scope and the bid and then we will bid it out, and in the October/November timeframe, we will evaluate the responses.

Mr. Register: Does that seem to work for everybody?

Mr. Morgan: Yes. That's good for me.

Mr. Register: Let's have that ready to bid out by the September meeting.

Mr. Flint: The CDD inherited the scope, before we actually took it over, so we have varying scopes out there, so it makes sense to have everything under one clear scope and bid it out.

Ms. Barr: Why don't Alan and I put the scope and RFP together, and then we can sit down with Rob and Lane and everybody, to make sure that we are all on the same page before we bid it out.

Mr. Register: That's good. Thanks Michelle.

Mr. Flint: We will plan on doing that in the next three weeks. Then we can have it on the September meeting agenda.

Ms. Barr: Thank you.

Mr. Flint: Understanding that the per unit assessments aren't increasing, and it is a budget that can be amended, we need a motion to approve Resolution 2018-08.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, Resolution 2018-08 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations, was adopted.

B. Consideration of Resolution 2018-09 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint: The next Resolution, imposes the O&M assessments, based on the budget that you just approved. There are two attachments; one is the Adopted Budget that the other is the Assessment Roll, which reflects all of the properties and the per unit assessment amounts. If there any questions on Resolution 2018-09, we need a motion to adopt the resolution.

Mr. d'Adesky: It's the same form as the Statutory requirement, to put the assessments on the roll and having tax certificates issued.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, Resolution 2018-09 Imposing Special Assessments and Certifying an Assessment Roll, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of First Amendment to Landscape and Irrigation Maintenance Agreement with Down to Earth Landscape Extending the Term and Addition of Service Areas

Mr. Flint: This is to add additional service areas. These agreements have 30-day termination provisions without cause, so if we decide to bid it out, this could just be terminated with 30 days' notice.

Mr. Morgan: So that's the circle roundabout and Natures Ridge Road, and the retention ponds associated with the roundabout.

Mr. Flint: Yes. You can see the attached exhibit.

Mr. Morgan: Is this the same amount that was in the other budget that we just looked at? It looks like the same amount.

Mr. Flint: Yes, it is.

Mr. Morgan: So this is just approving the amendment to the budget that we just approved.

Mr. Flint: It's an amendment to the existing agreement, adding these areas.

Mr. d'Adesky: The original contract was for a scope of services that didn't include this area, so all its doing is saying, "*This is amended to add this area.*"

Mr. Register: If we agree and assign this with them, are we going to start, because we just established that not all of this is done yet. We are not going to immediately start paying them \$2,792 a month, right?

Mr. Flint: Yes. We are going to have to maintain it.

Mr. Register: To the tune of \$2,792 every month?

Mr. Flint: Correct.

Mr. Register: The roundabout, for example, has no plants, but just sod right now. We are about to start construction, which will be ongoing for three to four months. I just want to establish that if we are paying this \$2,792, we are not getting the full scope of services that we would be getting after completion.

Mr. Morgan: Has all of the sod been installed on Natures Ridge?

Mr. Register: I know that we hauled a bunch due to the street lights.

Mr. Scheerer: The addendum should just include what's there now.

Mr. Register: Is this going to go up?

Mr. Scheerer: If you add the rest of that in there, then we are going to have to go back and amend the contract again.

Mr. Morgan: This General Fund Budget that we just approved, had a line item for the roundabout at \$32,875, and now we are adding an addendum for \$33,508 for the same roundabout.

Mr. Revell: I think what you are saying is that the addendum cost should be included in the budget. Correct?

Mr. Flint: Yes.

Mr. Register: The number in this proposal, would've already factored into that budget. I don't mean to deviate too much from the point that I was making here, but what I keep coming back to is that we were contracting them for a scope of service to include a level of work that they are not going to be providing for some time. We are going to be paying for it.

Mr. Flint: We are not going to pay them to maintain something that they are not maintaining.

Mr. Register: The difficulty in maintaining planted beds with a full sweep of irrigation and so forth in that roundabout, is vastly different from the 15 to 20 minutes it takes to run a mower over the Bahia that's currently planted there.

Mr. Flint: We will verify the scope. It does not anticipate maintenance of the planted beds. Its only maintaining what's there. When we bid it out, we are going to get all of this cleaned up. Its only maintaining what's there.

Mr. Register: Exactly.

Mr. Morgan: Is this an addendum to the 2018 contract and not the 2019 contract that we just approved.

Mr. d'Adesky: The 2018 contract.

Mr. Flint: You just approved the 2019 budget.

Mr. Morgan: We are three-quarters of a way through 2018. Did you say that this is just paid out of services rendered, not necessarily just writing them a blank check every month?

Mr. Flint: It's paid monthly.

Mr. Register: In the same fixed fee amount, the \$2,793 is what would be written out every month. It wouldn't be a time and materials not-to-exceed amount.

Mr. d'Adesky: If there's something that's above and beyond, they have to come back.

Mr. Register: Right.

Mr. Flint: We don't like proposals with not much detail, but as we are taking on these additional areas, this is where we are at right now. When we bid this out, we are going to get this all cleaned up under a uniform scope. In the meantime, we need to mow what is there. Alan will verify that this number only includes what's there.

Mr. Scheerer: Not much is in there right now in Natures Trail. That was changed because some materials were removed. We will revise that.

Mr. d'Adesky: If you want, you can approve it subject to staff confirmation.

Mr. Flint: And sign off by the Chairman.

Mr. Register: That's fine. I'm not fundamentally opposed. I know that we need to maintain it. I just don't want to be paying any more than we need to. Presumably they price this by going onsite. They didn't price this from a set of plans.

Mr. Scheerer: No. This was our site visit, based on information from me and Sterling, meeting onsite, reviewing the areas and creating an addendum to the contract. Right now, I think you are paying to have it maintained.

Mr. Register: I believe so. I'm fine with that.

Mr. Flint: We need a motion to approve the landscape contract.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, approving the First Amendment to the Landscape and Irrigation Maintenance Agreement with Down to Earth Landscape, extending the term and the addition of service areas, subject to staff confirmation and authorization for execution by the Chairman, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Agreement with LLS Tax Solutions, Inc. to Provide Arbitrage Rebate Calculation Services for the Series 2015 Bonds

Mr. Flint: The Agreement with LLS Tax Solutions, Inc. for arbitrage rebate calculation services for the Series 2015 Bonds, is for a fee of \$650 for the year ending May 2019.

On MOTION by Mr. Morgan, seconded by Mr. Register, with all in favor, the agreement with LLS Tax Solutions, Inc. to provide Arbitrage Rebate Calculation Services, in the amount of \$650, was approved.

SEVENTH ORDER OF BUSINESS

Discussion of Parcel Entity Name for Tax Exemption

Mr. Flint: I will need to get back to this Board on this item. I don't think the backup for the parcels is in the agenda package. There were some parcels that listed Lennar and the CDD as owners. We filed for exemption from property taxes for a government entity, and they denied the request for exemption because Lennar was also listed as an owner of two parcels. Michelle asked for this item to be placed on the agenda. I have to get with Lennar on this issue.

Mr. Register: If you forward it to me, I will take a look at it.

Mr. d'Adesky: You can delegate approval to the Chairman to execute any documents, in the interim, before the next meeting.

Mr. Flint: Yes, in the event that ownership either needs to be transitioned to the CDD or from the CDD to Lennar, the Board can delegate authority to the Chairman to execute any documents necessary to affect that.

Mr. Register: That's fine.

Mr. Flint: It could be ratified after, but that way, it's not being held up.

Mr. Revell: There will probably be a quit-claim-deed of some sort.

Mr. Register: That's what I would assume.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, delegating the authority to the Chairman to execute any documents necessary, in the event that ownership needs to be transitioned to the CDD or from the CDD to Lennar, was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Do you have anything else, Andrew?

Mr. d'Adesky: Yes. We just filed the amended Notice of Establishment to clarify the District boundary. There was some lack of clarity in previous notices and there was a title issue

for Tract A, the commercial tract. It was brought to our attention by the developer. We are working with the developer, the buyer's attorney and the Title Company to resolve that and file the amended Notice of Establishment. We will also file a release. We are not releasing anything, it's just saying that this tract, when we contracted with the CDD, was removed from the CDD and therefore is not subject to CDD assessments.

Mr. Morgan: Was it a Lennar owned tract?

Mr. d'Adesky: It was a Lennar owned tract that was sold. We don't have the purchase contract.

Mr. Morgan: As of now, it doesn't belong to the CDD or Lennar?

Mr. d'Adesky: No. It's not even within the boundaries of the CDD, but when they were running the title, they were getting all of these CDD bond documents on the properties and liens, and they wanted to make sure that those were not encumbering the tracts. We had no problem clearing that up. The second item is that, as mentioned at the Stoneybrook meeting, we are moving along with the Shingle Creek expansion. The last item, is that we are currently working on the Interlocal Agreement to specify our development standards, which will get us before the Board. Once we get it to them, I anticipate trying to finish that this week and get it circulated for everyone's review. It should be processed fairly rapidly and we can finally close that out. I hope before the next meeting, I can say that it's been accepted.

B. Engineer

Mr. Flint: Mike, do you have anything?

Mr. Enot: No. We submitted our end of the year report.

C. District Manager's Report

i. Approval of Check Register

Mr. Flint: You have the Check Register for the General Fund for May 27, 2018 through July 30, 2018, totaling \$101,968.30. Are there any questions? If not, I would ask for a motion.

<p>On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, the May 27, 2018 through July 30, 2018 Check Register, was approved.</p>

ii. Balance Sheet and Income Statement

Mr. Flint: You also have the unaudited financial statements through June 30, 2018. No action is required by the Board. If you have any questions, we can discuss those.

iii. Approval of Fiscal Year 2018 Meeting Schedule

Mr. Flint: You have the annual meeting schedule. It follows the same schedule as in the past, which is the first Monday of each month at 12:00 p.m., with the exception of no meeting in July and moving the September meeting one week back.

On MOTION by Mr. Morgan, seconded by Mr. Register, with all in favor, the Fiscal Year 2018 meeting schedule was approved, as presented.

iv. Presentation of Arbitrage Rebate Calculation Report

Mr. Flint: You have the Arbitrage Rebate Calculation Report, which indicates a negative cumulative rebate requirement of \$1.9 million, meaning that there are no arbitrage issues. I would ask for a motion to accept that report.

On MOTION by Mr. Register, seconded by Mr. Morgan, with all in favor, the filing of the Arbitrage Rebate Calculation Report, was approved.

Mr. Flint: We are working with the Underwriter and staff on the next bond issue. It has been fully absorbed by the lots that are platted, so we are working on the next bond issue and with the District Engineer. He is going to prepare an Engineer's Report, which will drive that.

Mr. Register: Will this be Westgate or Bronson?

Mr. Revell: Westgate.

Mr. Flint: There is an attorney and plaintiff out there that's been suing governments, claiming that websites are not ADA compliant. Currently, 23 CDDs have lawsuits filed, as well as some general governments and private businesses. They have the same plaintiff and attorney. Right now, the same insurance company represents all 23 CDDs, and they assigned Counsel that's negotiating a Settlement Agreement. Part of that Settlement Agreement, I would assume, will obligate the District to come into compliance within a certain timeframe. Any monetary settlement would be paid by the insurance company. It won't impact the District, but the District will incur the expense of modifying the website to comply. It may also mean that we are

reducing some of the content on the website, just to the bare minimum of what's required statutorily, which is unfortunate. The more information you have on there, the more expensive it is to convert and maintain. We are working on that. I just wanted to make the Board aware of that issue. I think we have one District that is one of the 23 named. I don't know of any CDDs out there that has ADA compliant websites at this point.

Mr. d'Adesky: To the standard that they are asserting is the ADA standard.

Mr. Flint: There is some question about the strength of their legal argument, but I think that the insurance company is taking the approach, that settlement is the better way to go than litigating. Anyway, that's all I have.

NINTH ORDER OF BUSINESS

Other Business

There being none the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

If there's no other business from the Board, we need a motion to adjourn.

ELEVENTH ORDER OF BUSINESS

Adjournment

Mr. Register MOVED to adjourn the meeting, and Mr. Morgan seconded the motion.

Ms. Barr: George, I have a question about the front entry.

Mr. Flint: Go ahead Michelle.

Ms. Barr: Whenever they put the stop light in, they messed up the landscaping on the entrance side of the monument sign. Is there a plan for the contractor or the CDD to have that restored?

Mr. Scheerer: I don't know if there are any plans for the CDD to do it at this time, since the improvements were completed by the contractor. I think they were contracted by Lennar, so we would hope that Lennar would do that.

Mr. Register: Michelle, can you send me an email about that issue, so we can look into it?

Ms. Barr: Yes.

Mr. Setaro: Are there any comments from the audience? Not hearing any,

On VOICE VOTE with all in favor, the meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman