

MINUTES OF MEETING
HERON ISLES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Heron Isles Community Development District was held on Thursday, May 3, 2018 at 10:30 a.m. at the Compass Group Conference Room, 961687 Gateway Blvd., Suite 201M, Amelia Island, Florida.

Present and constituting a quorum were:

Ricky Rowell	Chairman
Don Lyons	Vice Chairman
Kathleen Blessing	Supervisor
Robert Martyn	Supervisor

Also present were:

Dave deNagy	District Manager
Jason Walters	District Counsel
Cheryl Graham	LeLand Management
Ernesto Torres	GMS
Sete Zare	MBS Capital Markets

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at 10:36 a.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Presentation from MBS Capital Markets,
LLC on Funding Options**

Mr. deNagy stated we are still in the process of working through our amenity improvements and funding. Ms. Sete Zare provided the board with an update regarding the bond funding.

Ms. Zare stated AGM in the bond insurer for the Series 2017 bonds that we closed on last year. This vision limited us to issue no more than \$1 million. We have since had conversations

with AGM, and they are comfortable extending that threshold to \$3 million, and they have offered to insure the proposed Series 2018 bonds. It is overall a win-win for the District.

Mr. deNagy stated we had talked about financing and how much this may cost. The estimate was \$1,750,000 with approximately \$1.5 or \$1.6 of that being actual construction funds for the building at the Amenity Center plus the pool. We have not gotten anything yet from Jim Lucas (District Engineer) other than his ideas on those costs. At the last meeting the board approved moving forward with architectural services to get a conceptual idea of what the building will look like. There is a cost involved with those services, which we don't have in place yet. Joe with Genesis Architectural has submitted proposals, but we have not moved forward on that until we are certain we are going to move forward with our funding. If we want him to move forward, and we don't issue bonds, the funds will have to come out of the General Fund from the District. We have asked Joe to sit on the sidelines until we talk some more about financing the improvements. He provided two estimates. One was \$19,500, which would have provided some 3D graphics showing what the Amenity Center would look like. There is a lesser bid of \$12,500 that would provide sketches but nothing elaborate. He was already put some work into these drawings.

Mr. Lyons asked if another company was bidding on this besides Genesis?

Mr. deNagy responded no, we are done looking for bids from architectural services. We only got the one bid from Genesis. The Engineer needs to give us a cost estimate that we can use to support issuing bonds. Part of that cost would be the architect. Once we have all those in place, we move forward working with both the Engineer and the Architect.

Mr. Lyons stated so if we say we want the \$12,000 version, then we are going to have to talk to Sete about how to get that out without taking up the rest of it right now, is that correct?

Mr. Walters responded the \$12,000 would essentially give us that concept we can look at and say okay, this is approximately what we will be looking at in terms of the facility. The rub is in normal financing, a lot of times the Amenity Center is included in initial costs of roads, water, sewer, etc. In this case, we are doing it as a second issuance, so the rub is all these costs will be paid out of bond proceeds, but that assumes we move forward. We didn't want to put the District in the position of having to pay \$20,000 to \$40,000 for all the design before we were at least comfortable enough that we wanted to proceed. If you spend \$20,000 for all the renderings and decide you don't want to move forward with it, the cost will be paid out of the District's funds.

The process moving forward would be if the board is comfortable, we would authorize that work to be done knowing that if we don't move forward, we are going to have to pay for that. It at least gets us to that point of seeing the concept.

Mr. Lyons stated I see this as a Catch 22 because we wanted to go to the residents and find out what they thought once we had a bid. We can't get that without spending \$12,000 basically obligating us at least for that before going to the residents. I'm not too happy about that.

Ms. Blessing stated I think we should go to the residents and give them an estimate. They will have to understand it could be a little more or a little less. We let them voice their opinion and not spend \$20,000 until we know what we are going to do.

Mr. Rowell stated the residents are going to want to see what they are getting. So if we get the consensus that yes, this is something they want to do, then that is something we can look at. Are we dealing with time restraints here?

Mr. Walters responded I don't think we are looking at time restraints. The reality is we have operated several years without a facility, and the board can take as much time as it likes. I don't know how long AGM is limiting their commitment to increase the threshold and to insure to a certain time period.

Ms. Zare responded I don't think there is a limit on the consent for the \$3 million. There might be timing for AGM on the premiums they are providing for the Series 2018 bonds.

Mr. Rowell stated I think our next step at this time is to poll a vote from the residents.

Mr. Lyons stated I agree, and I think we should tell them that we are looking in the neighborhood of \$2 million, and that should include the fees we are going to be paying to get the architectural designs and give them a ballpark figure based on that on how it is going to affect their yearly payments and see what they think. Unfortunately we are not going to have a design to give them to see what they think about that.

Mr. Walters stated I think we can give cost estimates. We know if we issue "X" amount, that will be "X" amount per year. We could estimate Operations on changes based on service levels. It would be up to the board to decide level of service. Based on the information we have gotten from the Engineer and the Architect to date that generally we are looking at these types of facilities. For example, a pool of approximately "X" size, a building of approximately "X" size with restroom facilities and parking – the basics of what we are thinking about.

Mr. Lyons stated the county controls the minimum size of that pool based on the number of residents we have, so we can put that in there. We can describe what amenities we are looking at along with additional parking that we are planning on.

Mr. deNagy stated it is also good for the residents when we add an amenity like this, it does help the values of the homes in the neighborhoods.

Ms. Blessing stated maybe you could call a pool service and get an idea of how much a yearly contract would be.

Mr. deNagy stated when we get into the budget, I have it already in the budget, so I will talk about that. They are just estimates, but I wanted to build in some operating costs for the pool in anticipation of that maybe being online in FY19. If we don't do it, we can pull it out of the budget.

Mr. Rowell asked do we need a motion to move forward?

Mr. Walters responded I guess the thought is we want to put together a survey with as much accurate and detailed information that we can. The question is how do we frame this. The survey will get feedback. You are never going to get 100% of the people that say do anything. In the past what we have done that has been valuable is to get as much information and as detailed information as possible to solicit feedback. It would be informational – not a vote. Encourage the residents to reach out to the supervisors and attend the next meeting.

Mr. Lyons stated we can put in an envelope with a return letter with the residents checking off what they want and have them send that back to us.

Mr. deNagy stated we can do that. The last set of notices we went out cost \$2,000 and will be higher if we have them return the survey postage paid. That cost can be covered if you want to. What I would recommend at this point, Jason, is to draft up a survey. We need to authorize one of the board members to sign off on it before it is sent out. We would look for a pretty quick turn-around on it. I would expect we would want to meet sometime before our next meeting, which is August 2. I would like to get the survey out and results back in about a month or six weeks. We can then talk about having another meeting to see how we want to move forward.

Ms. Blessing asked is there some way we can do it online plus? In that letter, you can either go online or mail back.

Mr. deNagy stated the CDD doesn't have the capability right now. We would have to set that up. I don't know if the HOA has that capability to do surveys. I would prefer just the mail myself.

Mr. Walters stated we might could at least put the document of the survey on the website.

Mr. deNagy stated we could do that.

Mr. Walters stated it is one of those things where we could put it out in as many ways possible. Government doesn't tend to fall in people's laps. You are going to have to be involved and make that effort. The people that make the effort are the ones that are most concerned in the first place.

Mr. Martyn asked this will go to the property owner and not the resident?

Mr. deNagy responded correct, the property owner. Whoever we have on the tax roll. If you are okay with that, I need a motion to assign one of the board members to sign off on the survey.

On MOTION by Mr. Lyons seconded by Mr. Rowell with all in favor to have Chairman Rowell review and approve draft survey was approved.

Mr. deNagy stated in the agenda package is an updated engagement letter with MBS Capital Markets. I believe it is updating the year in the agreement.

Ms. Zare confirmed the updates of changing dates to 2018 from 2017.

Mr. deNagy stated the engagement with MBS is contingent upon issuing bonds. Nothing is owed to MBS until bonds are issued. It is updating the year of the bond issuance from 2017 to 2018.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor the MBS Capital Market engagement letter to acquire and/or construct Series 2018 Bonds was approved.

Chairman Rowell opened up the meeting for audience questions.

A resident stated the biggest concern I have is that based on location, it is different from every other community where you have to drive into the community to get to a pool. Heron Isles is a major cut-through for everybody going from Blackrock and Chester both ways, therefore, the

pool is going to be easily visible and tempting to people who are not residents of the community. Besides the liability of non-residents being there, it is a menace. I have a lot of concern about how it is going to be set up with enough security provisions and restricted access to the facility to make sure to the greatest extent possible that we are not going to be exposed. What are we going to do? Personally, if we are going to have one, I am not opposed to it totally, but I am not in favor at this point because of the liability issues. I would want to see at a minimum at least a two-tier system where you have to have around the parking area restricted access and a second restricted access to get into the building. Will it be staffed on a regular basis? There are lifeguards, which is a cost factor. My main concern is limiting access to the facility to the people who should be there.

Mr. Lyons stated when we talked to the representative for the Genesis Group about the pool, we stated the same concerns. We are very concerned about security. I would rather have that pool placed somewhere else deep inside our complex, but we just don't have a place for it. That is where we are stuck. If we could clear some of that wetland and make a place for it, that would be great, but I don't think we can do that. We talked about expanding the parking lot all the way down the road from the first park to the second park plus cutting in to the pool for added parking in there. We are trying to maximize the parking that would be available. For security, we have talked about adding cameras, and we have asked that company to come up with some ideas for security for us to consider. Right now, that is all we can do.

Mr. Walters stated as a local government, we have sovereign immunity from tort lawsuits, which limits the damage. We also have our liability insurance. The exposure is going to be limited by those two factors. I can think of one other District that I work with around the state that doesn't have a pool. All the large communities, they all have these amenity facilities, and some of them are on major thoroughfares. We do want to limit those access things, and by State code, you have to have a lot of security around a facility like this. Whatever they design is going to have a lot of security built in. When you open a facility, you are going to assume some risk, but it is not a risk that has not been taken on by a lot of communities before you. In 12 years of doing this at several facilities around the state, I have not personally experienced a drowning at any facility. There have been accidents, and there have been lawsuits for sure, but we are covered by insurance.

Mr. Daemon Barnes stated it seems like you are putting the cart before the horse considering you can't even maintain the amenities that you already have in place. I have been in this community for three months, and I see a pavilion at the first playground that is literally falling down on itself. That concerns me by itself. You also have the bathroom issue that is completely destroyed by people that are probably just sitting up there in the parking lot. It doesn't seem like you have quite thought it through concerning you can't maintain what is already in place.

Mr. deNagy responded one of the things to address that, and we have talked about this, Cheryl and I, we have had continued problems at the bathroom facilities there. The security measures that we are going to build into this pool I will recommend to the board that we expand and include for those facilities. We need to lock down better what security we have up there, which at this point is a couple of cameras and a DVR. There are other measures we can take that are a lot more effective.

Mr. Lyons stated Genesis Group suggested modifying that Pavilion by either tearing it down or using that as a gateway. Something has to be done with it. That is taken into consideration. Exactly how we are going to handle that I don't know.

Mr. Barnes stated I think you would want to address your current problems before moving onto other very bigger endeavors.

Mr. Lyons stated our HOA has been talking with contractors to evaluate that building, and there has been work done on it, so it is not something that we are ignoring.

Mr. Sedrick Rivers stated he is retired from the Aviation Authority as Chief of Public Safety and Security. I am a resident of Heron Isles, and I have my own consulting company, but this is not a pitch. I want to make my community safer, so I have walked around and seen some things that put not only the board but also some residents at risk. I will be willing to sit on whatever panel you have to help you with the security component. Ms. Graham and I have had a couple of conversations about this and what needs to be done as far as access control. He provided some statistics and information about technology available.

Mr. deNagy encouraged Mr. Rivers to reach out to the board members regarding ideas he might have.

Mr. Greg Watson stated this area that did not have a pool was the draw for me. If we had wanted a pool, we should have had a pool put in at the very beginning, not 15 years down the line. If you want to be a pool community, you should have thought about it back then.

Ms. Jennifer O'Dell asked is there any way to restrict access on Heron Isles Parkway? Maybe it is gated at each end, and you can only get to the pool complex through Heron Isles Parkway rather than from the main Chester Road.

Mr. Walters responded you couldn't put a gate in on a major thoroughfare like that. The County wouldn't permit it. The road has to remain a public and open road. I also want to comment that if you move forward with the financing, the repairs and/or replacement of the pavilion could be included.

FOURTH ORDER OF BUSINESS

Update of Design Options for Construction Project and Discussion of Community Workshop

This agenda item was not addressed.

FIFTH ORDER OF BUSINESS

Consideration of Proposals for FY19

A. Landscape Maintenance

Ms. Graham stated Martex Landscape has been the contractor for landscape for the past two years. They are a big contractor here in the area, but there has been a lot of disappointment. We thought it was necessary to bid it out and get some other proposals from other landscape contractors. Proposals were received from Brightview Landscape Services, TrimAll Lawn Service, and Yellowstone Landscaping Services. I also put in Martex, and the comparison work sheet gives you the cost of each at a glance. Brightview is a total of \$90,000, and they have incorporated the pine straw automatically. Ms. Graham reviewed the items they would include in their price. TrimAll Lawn Services is at \$79,317. Yellowstone's price is \$72,820. Martex's price is \$64,233.

Mr. Rowell stated in my opinion, going from \$65,000 to \$90,000 is a big jump. The board holds the power to cancel our contract at any time, so I think we hold their feet to the fire and they do the job or we fire them and then deal with it at that time.

Ms. Graham responded that's fine. I just didn't want you to think we weren't noticing the issues and wanted to give you those options to consider.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor the landscape proposal from Martex in the amount of \$64,233.45 was approved.

B. Lake Maintenance

Ms. Graham stated Lake Doctors has been providing your aquatic maintenance for the ponds. They have done a really good job for the past several years. They submitted their agreement for the next fiscal year for \$1,075 per month, which is no increase.

On MOTION by Mr. Rowell seconded by Mr. Lyons with all in favor the proposal from Lake Doctors in the amount of \$12,900 for FY19 was approved.

C. Janitorial

Ms. Graham stated All Repairs and Maintenance have provided the janitorial services in the restroom plus monthly cleaning of the debris in all the ponds. Total cost is \$1,220 per month. No price increase for this year.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor the proposal from All Repairs and Maintenance for janitorial services in the amount of \$14,400 for FY19 was approved.

Mr. deNagy asked Ms. Graham if she had anything else.

Ms. Graham responded I have an estimate provided by Shorebreak to repair restrooms and storage. The last time restroom facilities were repairs, two weeks later it was torn up again. It continues on. At the last meeting it was requested being able to lock the doors so we control the activity. Shorebreak's price to repair the men's restroom is \$2,891.97.

Mr. deNagy asked if the doors were locked at night.

Ms. Graham responded they are not. I had spoken with a contractor, and we would have to change out the doorways because the men's door doesn't even close all the way completely. It

can be under an electronic system where it can be programmed to close at a specific time and opened at a specific time.

Ms. Blessing asked that after the work is completed that locks are put on the door.

Ms. Graham stated she will get quotes on an electronic locking system and get them out.

Mr. deNagy stated we can have the board authorize one of the board members to move forward on this so we don't have to wait until the next meeting.

On MOTION by Mr. Lyons seconded by Mr. Rowell with all in favor for Shorebreak to perform repairs to bathroom and storage area in the amount of \$2,891.97 was approved.

On MOTION by Mr. Rowell seconded by Mr. Lyons with all in favor to authorize Supervisor Kathy Blessing to review and approve a proposal for door improvement and lock system on the bathrooms was approved.

Mr. deNagy asked Ms. Graham to send proposals to him and Supervisor Blessing.

Ms. Graham provided an update on the big pavilion. Caution tape was put on it, and it is torn down. The columns are sound, but everything above the columns especially the wooden beams, are bad. I have met with roofers to confirm the problem is with the beams up. Contractors have said they will get proposals to her. They will keep the open beam design and change out the metal roofing. Instead of having the opening at the top, just make it a hip roof where it stays closed. I will get the information to you. I have been in meetings with six different contractors so far. They are interested, but I can't seem to get them in writing. Regarding the mailbox kiosk, I am speaking with Mr. Vickers trying to come up with the right look around the mailboxes. I thought if we had a small little pavilion in the same design as what we have in the current pavilion with little four columns and a little metal roof lower and smaller in scale, it would look good because it would go with the theme of the community. I wanted to put this before the board for consideration. If it is something you might be interested in, Mr. Vickers could design it and engineer it. His proposal for drafting that is \$2,400, and that is for the design and engineering of it. You can do something more basic and just put the same kind of metal roof on it.

Mr. Lyons stated it is going to be low to the ground. It has to cover the mailboxes, so teenagers are going to get up there. If you put shingles, they will tear them up. Metal will give them more of a problem at least.

Mr. deNagy stated to Ms. Graham if there is not an immediate need for this, that is something we can ask the Engineer to build into the amenity improvements we are talking about. Right now, I have to tell the board we don't have the money for that.

Mr. Rowell stated we actually already voted for that didn't we?

Mr. deNagy responded we voted for \$2,000.

Ms. Graham gave an update on message boards. They are in place and in the new section off of Chester Road, one by the mailbox kiosk, and one by the restrooms. We are putting a new door on the one by the restroom. Ms. Graham continued. In speaking with owners and comments I get from homeowners, Commodore Point continues to be a fairway for vehicles speeding through the community. Owners are asking for speed bumps or consideration of that to slow the vehicles down.

Mr. Lyons stated we have talked about those before, and there was quite a bit of cost on those. I have seen some in other neighborhoods that are made of plastic and have stakes going through them to nail them down. They look to be very effective. I don't know if they would be cheaper than building the asphalt ones, but I think it is something we should look at.

Mr. Walters stated we don't have the authority by statute to regulate traffic, and speed bumps are a traffic control, so the County would have to be involved with that. Each county does it different. With St. John's county, they required a survey asking all the residents if they want speed bumps, and it has to meet a certain threshold. I think it got defeated by like 90%. Nobody likes speed bumps. They like people to slow down, but they hate speed bumps. We can talk to the County and see what is involved with that before we start going down that road.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2018-03
Approving the Proposed Budget for Fiscal
Year 2019 and Setting a Public Hearing Date
for Adoption**

Mr. deNagy stated the budget we are looking at now is for approval only. This does not levy assessments on property owners. That will come when we meet on August 2, which is

the date we are going to propose to have our Public Hearing. We will meet at the Resident's Inn on Sadler Road. The budget in the agenda package has had to be tweaked a little as we talked. This is a proposed budget only. We do ask the board to approve on the high end. The reason for that is if we do have an assessment increase, which we are proposing, notice is mailed out to all the property owners to let them know there is an assessment increase, and we also try to identify in that letter to the best of our ability the reasons for that increase. Once we get to our budget adoption meeting, if we decide the assessment is too high, we can always bring it down. We cannot at our adoption meeting raise it above what we have approved. It is important today that we set our assessments levels and our approved budget at a level that we think we are going to adopt, but it can always be lowered. Some items have been changed from what is in your agenda package. I changed the landscape maintenance. We approved the Martex proposal, and I changed that to \$64,250. I also changed Lake Maintenance to \$12,900. The administrative costs are going up slightly. We are at \$97,000, and we are proposing \$100,000. The more significant increases we see in utilities. We are moving from \$77,500 to \$78,000. This has to do with estimates with the pool. We increased the budget for our electric costs as well as our water and sewer costs. These are estimates. I have already talked about landscape and lake maintenance. We added line items for pool maintenance, pool chemicals, pool permits, and security. Those costs are based on other District costs we have close to here. One in particular is the Amelia Concourse community where they have a pool and Amenity Center. We added \$14,000 for pool maintenance, \$6,500 for pool chemicals, \$625 for permits, and \$6,000 for security. That does not include on the security the capital investment we would make in the hardware, which is the cameras that we would need. Our contract services currently are just under \$97,000, and we are moving it up to just under \$133,000. Regarding repairs and maintenance, given the discussions we have had, this is a combination of capital outlay and repairs. We are at \$16,408 right now. You have \$20,000 in front of you. I am going to recommend \$30,000. It seems like we have repairs often. We might want to consider increasing our budget for repairs, so another \$10,000 was added to that budget. The total field expenditures currently are \$190,745, and it is being moved up to \$241,000. Overall, expenditures were at \$288,000, and we are moving that up to \$342,000. Assessments we are currently at \$403.58. This is one component of the CDD assessment. The other component is the debt portion. That is the money that goes to pay back the bond for the infrastructure improvements at Heron Isles. If we issue a bond for the pool, we

would need to have all that in place prior to September 15 in order to get it on our assessments for FY19. I suspect we are not going to get it on this year's bill, so the debt portion will probably not impact this District until FY20, which is November 2019. So the debt service assessment based on that would stay the same. O&M is the other piece of the CDD assessment. We are at \$403.58. With the changes that I just went over, it would jump to \$490.06. That is an \$86 a year increase, which is \$7.00+ per month. Are there questions on the budget for FY19. With the pool, we can keep those estimates in there that I talked about regarding the pool – the increase in electric and water, pool maintenance, permits, and security. If you don't think we are going to have the pool installed within the period of October 1, 2018 and September 30, 2019, we can take out or reduce those line items for expenses. I wanted you to have an idea of what the annual cost might be for a pool.

Ms. Blessing stated on the water and sewer, you actually have a lower proposed budget.

Mr. deNagy stated yes I do, and the reason for that is if you look at our projection for this year, we only coming in at \$37,000. I am basing it on our projection. So it is lower than what we currently have. We can leave this in our budget for now. We are going to talking about the pool and whether we are going to move forward with that over the next couple of months. What I would recommend is leave the cost in the O&M budget, and then if we find out we are not going to do the pool, we can take them out.

Mr. Rowell stated so the \$490,000 could possibly go down if we don't do the pool before the tax goes out.

Mr. deNagy responded let's say we move forward with the pool but we find the timing of the construction is much later in FY 19. It may have a very little impact on FY 19, so we can lower these numbers. If you think we are going to move forward with the pool and construct it fairly soon in the fiscal year, then we are probably going to have those costs. The other line items in your budget are fairly static. We are still planning on having four meetings. Another thing to think about is if Martex doesn't end up doing their job and we go to one of the other firms, their cost is going to be higher. That could impact our FY19 budget. If you want we could put \$73,000 in our landscape maintenance, and if everything is okay with Martex, we can lower that number. I say that because we are in the approval process now.

Mr. Rowell stated he wants to keep the budget with the changes noted.

Mr. deNagy stated the Landscaping will be at \$64,250, and Net Assessment would move to \$490,006 from approximately \$404,000.

On MOTION by Mr. Rowell seconded by Mr. Lyons with all in favor to accept the budget with changes noted and set a Public Hearing for adoption on August 2, 2018 at 6:00 p.m. was approved.

Mr. deNagy stated there will be a mailed notice sent to all the residents to let them know the O&M portion of the assessments is going up. We will have an opportunity in the public hearing the revisit the budget and change it. It can't go up from what we approved today.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2018-04
Changing the Designated Registered Agent**

Mr. deNagy stated the Registered Agent is another attorney at the firm of Hopping Green and Sams. This would change the designated agent to Jason Walters.

Mr. Walters stated this is a clean-up item for purposes of when you receive notices and so-forth. It was going to another attorney, so we want to clean that up, and you have to do that by resolution.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor Resolution 2018-04 changing the Registered Agent for Heron Isles CDD to Jason Walters was approved.

EIGHTH ORDER OF BUSINESS

**Acceptance of the Audit Committee's
Recommendation**

Mr. deNagy stated this is the board's acceptance of the Audit Committee's recommendation for the ranking. The ranking has Berger Toombs #2, Grau & Associates #2, and McDirmit Davis #3.

On MOTION by Mr. Lyons seconded by Mr. Martyn with all in favor to accept the Audit Committee recommendation of Berger Toombs Gaines Elam & Frank for audit services was approved.

NINTH ORDER OF BUSINESS

Approval of Minutes

A. February 1, 2018 Meeting

Mr. deNagy stated unless there are revisions, I need a motion to approve the minutes.

On MOTION by Mr. Rowell seconded by Ms. Blessing with all in favor the minutes of the February 1, 2018 meeting were approved.

B. March 29, 2018 Special Meeting

Mr. deNagy stated unless there are revisions, I need a motion to approve the minutes.

On MOTION by Mr. Rowell seconded by Mr. Lyons with all in favor the minutes of the March 29, 2018 special meeting were approved.

TENTH ORDER OF BUSINESS

Acceptance of the Minutes of the February 1, 2018 Audit Committee Meeting

Mr. deNagy stated unless there are revisions, I need a motion to accept the minutes.

On MOTION by Mr. Rowell seconded by Mr. Martyn with all in favor the minutes of the February 1, 2018 Audit Committee meeting were accepted.

ELEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Walters stated I don't have any action items for the board today. I handed out the end of session *Capitol Conversations* for you review. Not a lot went through, and we came out unscathed.

B. District Engineer

Mr. deNagy stated I reached out to Jim Lucas to try to get his Engineering cost estimates. We said earlier for the pool we were looking at about \$1.75 million in total, and about \$1.5 or \$1.6 million will be in construction costs. I will continue to reach to Jim on that and follow-up with anything.

C. District Manager

Mr. deNagy stated as of April 15, 2018, Heron Isles as 1,076 registered voters. We have the general elections later this year, and anyone interested in serving on the board is encouraged to reach out to the Nassau County Supervisor of Elections for information on how to put your name on the ballot. Two seats will be expiring this year – Seat #2 and Seat #4. Those are Kathy Blessing and Justin Blessing. The period of registering is coming up in June, and it is a small window.

Mr. deNagy stated the other item I want to talk about and ask the board for some help is regarding meetings that have to be cancelled. That has happened in the past, and we don't have a very effective way or means of notifying residents when we cancel meetings. Sometimes they are cancelled at the last minute. We have residents that show up and wonder why we are not having a meeting. I have talked to Cheryl. The HOA has eblast capabilities, that limits whoever is notified to whoever has provided an email address. We can post notices on the bulletin board, but if it is a last-minute thing, most will not see that. We have a CDD website, and it could be posted there, but I don't know how many residents go on the CDD website on a routine basis. We can't always guarantee that we can get a quorum, so that is the reason sometimes of why we don't have a meeting. We have a 5-member board, and 3 must be in attendance in order to have the meeting.

Ms. Graham stated we generally know a day ahead of time when a meeting is going to be cancelled. We can post some signs out at stop signs at each end of Heron Isles Parkway.

Mr. deNagy stated that's fine if you are willing to do that. We can also notify the Compass Group, and they can post a sign on the door.

D. Property Manager - Report

Ms. Graham stated fence columns on Heron Isles Parkway were damaged because of an automobile accident. I contacted Kathy Williford with Matovina and Company for her assistance with the contractor to do the columns. He said he would take care of them, but he has been so busy he has not been proactive. As soon as they have the home done, they will be able

to get the columns up. Creative Service & Fence has been on standby waiting for the columns to be in place. It has been a long process trying to get this contractor back on board. A lot of the crown caps on the fence columns are cracked or chipped or need to be refinished. I would like permission to get the quotes for the cost to have those refurbished. I will have those at the next meeting.

THIRTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Supervisor Requests

There were no supervisor requests.

Audience Comments

An audience member stated the mailbox kiosk should be taken care of quickly as possible because when they deliver the mail, whether it is storming or blowing wind, I have had a lot of stuff ruined. It is an ongoing problem, and if it could be taken care of quickly, it would be appreciated.

Another audience member stated there is a part of fence from Heron Isles going onto Coral Reef on the right, it was damaged by the hurricane and has not been fixed yet.

Ms. Graham stated I will get Mark to come out sooner because there are other sections along the Parkway as well.

FOURTEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet & Income Statement

These are as of March 31, 2018 and are located in the agenda package.

B. Assessment Receipt Schedule

This item is located in the agenda package.

C. Approval of Check Register

Mr. deNagy stated the total of the check register is \$38,316.19.

On MOTION by Mr. Rowell seconded by Mr. Lyons with all in favor the Check Register in the amount of \$38,316.19 was approved.

FIFTEENTH ORDER OF BUSINESS Next Scheduled Meeting

Mr. deNagy stated our next scheduled meeting will be August 2, 2018 at 6:00 p.m. at the Residence Inn Amelia Island, 2013 Sadler Road, Fernandina Beach, Florida.

SIXTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Rowell seconded by Mr. Martyn with all in favor the Meeting was adjourned.



Secretary/Assistant Secretary



~~Chairman/Vice Chairman~~