

MINUTES OF MEETING
SIX MILE CREEK COMMUNITY DEVELOPMENT DISTRICT

A continued meeting of April 20, 2016 of the Board of Supervisors of the Six Mile Creek Community Development District was reconvened on Wednesday, April 27, 2016 at 2:00 p.m. at the Offices of Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

Present and constituting a quorum were:

Chris Kuhn	Chairman
Grady Miars	Vice Chairman (by phone)
Chris O'Bannon	Supervisor
Rose Bock	Supervisor
Mike Veazey	Supervisor

Also present were:

Jim Oliver	District Manager
Wes Haber	District Counsel
Zack Brecht	District Engineer
Peter Dame	Akermann Senterfit

FIRST ORDER OF BUSINESS

Call to Order

Mr. Oliver called the meeting to order at 2:00 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There were no audience members in attendance.

THIRD ORDER OF BUSINESS

Public Hearing Related to Levy of Assessments

A. Consideration of Resolution 2016-07, Assessment Resolution

Mr. Oliver stated if you recall, the public hearing was opened and continued on April 20, 2016.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor the Public Hearing Related to the Levy of Assessments was reopened.
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Mr. Haber stated you are issuing bonds that are going to result in new money for the District to construct additional portions of your overall capital improvement program. Resolution 2016-07 is the actual resolution that levies the assessments that are going to secure these bonds. Resolution 2016-09 supplements that resolution and it identifies the specific terms of the assessments based on the actual numbers that we received for the bonds to be issued. Resolution 2016-07 provides what the District has done. We started with the 2007 bonds that went across all of the property within the boundaries of the District. Those bonds went into default. Subsequent to that happening, we bifurcated those bonds. We created the 2014 bonds and the 2007 bonds. The 2014 bonds were then secured by assessment area one. The 2007 bonds were secured by the remainder of the District. Subsequent to bifurcation, we then restructured those bonds by issuing a refunding bond. The refunding bonds were 2015 refunding bonds. They took out the 2014 bonds and were secured only by assessment area one. The 2007 bonds were reissued and those were over all of the remaining property outside of assessment area one. What we are looking at doing today is issuing new bonds. There are 2016A and 2016B bonds. They are going to be secured by what we are calling assessment area two. This is all described in more detail in your assessment methodology report. Assessment area two does not make up the rest of the District. It is comprised of a total of 1,185 single-family lots. Assessment area two will secure the 2016 bonds. The way the deal is structured, the 2016A bonds will initially be secured by all of assessment area two. As assessment area two gets platted, the first 305 lots that are platted will secure the 2016A bonds. The 2016B bonds will also be secured by those 305 lots but they will also be secured by the rest of the property within assessment area two. Assessment area two is then broken down into phases and as those phases get platted, it is anticipated that the assessments securing the B bonds will then be allocated to those lots as they are platted and then paid off over the project. The engineer's report, which is also an exhibit to Resolution 2016-07, identifies a 2016 project. One thing that 2016-07 makes clear is what we are talking about here with these bonds is a portion of your overall capital improvement program. The District views all of these assessments as a large master assessment lien because all of the property within the boundaries of the District benefits from all of the improvements that are included in the improvement program. In connection with the issuance of the 2016 bonds, the 2007 assessments that are levied within assessment area two are going to be paid off, so those assessments are going to go away. There is going to be a third section of the

District that is called the 2007 assessment area. That area is still going to secure the outstanding 2007 bonds. You are going to have assessment area one that secures the 2015 refunding bonds, assessment area two that is going to secure only the 2016 bonds and the 2007 assessment area. Those are all part of one master assessment lien that is based on the total capital improvement program that was identified when we first issued these bonds and has subsequently been amended. In connection with this bond issue, the Developer is going to be signing a completion agreement that guarantees that the entire improvement program will be constructed. Composite exhibit A includes all of the engineer's reports that the District has historically adopted. The resolution makes certain findings that relates to the District's compliance with Florida Law as it relates to the imposition of the assessment lien. It discusses how the assessments will be collected. It talks about the assessments being outstanding for a period of 30 years, which is the maximum term of the assessments. Landowners have the ability to prepay the assessments. There will be a finalization of the assessments, which means when the project is deemed complete, the District will declare the assessments finalized. It talks about true up. If the property that makes up assessment area two were developed with fewer lots than anticipated then the debt that would have otherwise been paid by those lots would be left unpaid. The assessment lien then obligates the landowner to make a true up payment, so the District can collect sufficient funds to pay off the bonds. It provides for the fact that governmentally owned property is not subject to the Districts assessment liens. The District will record an assessment notice.

Mr. Oliver stated there are two sections to the assessment methodology report. One section is the narrative. There is a series of tables in section 10. In table one, you will see the 2016A units within assessment area two. There are 305 lots. Looking further down the column, you will see those are zero entries for phases two and three. In the column to the far right are the 2016B units. You will see that all three phases within assessment area two are affected. It describes the sources and uses of the funds for both the 2016A and 2016B bonds. Table number three pertains to the 2016A bonds. These are just the 305 units within phase one of assessment area two. As you look across, you will see the new par debt per unit. Two columns over is the net annual assessment debt service. In the final column is the grossed up assessment per unit and that includes a provision for 4% for early discount payment of the tax bill by November 30th and there is a 2% collection fee by the tax collectors office. Table four is for the Series 2016B bonds. It shows what the part debt will be for each of the unit product types. The second

column from the right is the annual assessment per unit by product type. Table five includes both the 2016A and 2016 B bonds.

Mr. Haber asked can you confirm as set forth in the methodology that the benefit that the District receives from the improvement plan exceeds the burden on the property?

Mr. Oliver responded yes.

Mr. Haber asked and the assessments are fairly and reasonably allocated?

Mr. Oliver responded yes.

Mr. Haber stated tables 1A and 1B discuss the 2016 project. It breaks it down into master infrastructure and neighborhood infrastructure. Those are really terms that are used in the report but they are not really relevant to the bond issue or the assessments. The assessments look at the total project as a set of improvements that benefits everyone equally. "Zack, are you comfortable that the cost estimates for the 2016 project are fair and reasonable?"

Mr. Brecht responded yes.

On MOTION by Mr. Kuhn seconded by Mr. O'Bannon with all in favor the Public Hearing Related to the Levy of Debt Assessments closed.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor Resolution 2016-07 Assessment Resolution was approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2016-09, Supplemental Assessment Resolution

Mr. Haber stated this resolution refers back to Resolution 2016-07. Ordinarily, this resolution is adopted days or weeks after the 2016-07 Resolution. In this case, because we continued our public hearing, we adopted both the levy resolution and the supplemental resolution at the same meeting, which is perfectly fine. Exhibit C show the maturities and coupon for the bonds. There are various term bonds on the A and B bonds.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor Resolution 2016-09 Supplemental Assessment Resolution was approved.

FIFTH ORDER OF BUSINESS

Consideration of Agreement with DRMP for Survey Services

Mr. Brecht stated I have a breakdown of various proposals that we have gotten. The numbers here from DRMP for each of the four phases are the revised costs that they have provided to us. We have brought in Robert Angus for 4C and 4D. They provided us a cost for those phases, as well. We are comparing the numbers for each of the phases and taking on a phase-by-phase case.

Mr. Kuhn stated I think it makes sense to divvy up scopes of work.

Mr. Haber stated the threshold was \$35,000.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor to Authorize Chairman & District Engineer to Negotiate Agreements for Survey Services for each phase was approved.

SIXTH ORDER OF BUSINESS

Consideration of Proposal with Prosser for Irrigation

Mr. Kuhn stated this is a work authorization with Prosser to design the irrigation system and secure the necessary permits from the St. Johns River Water Management District to provide irrigation design and permitting and construction drawings for phase four of the project.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor Work Authorization #2 with Prosser for Irrigation was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Landscape Proposals

Staff stated they would return to this item.

EIGHTH ORDER OF BUSINESS

Consideration of Construction Management Agreement with Greenpointe

Mr. Haber stated included in your documents is a form of the construction management agreement. The idea is that the District would enter into an agreement with Six Mile Creek Investment Group, LLC to serve as a construction manager on the District’s behalf to oversee the project. The fee for it would be limited only to reimbursable expenses for the services being offered. In section three it says, “In exchange for the provision of the services, the District agrees to pay for contractor’s reimbursable expenses that arise in connection with the services.” Those would be expenses of transportation in connection with the services and long distance phone calls. It would be limited to not exceed \$1,000 per month. The services that would be

offered are acting as a liaison between the District and the various contractors, providing construction consultant services. They have been providing these services for about a year now and they have asked that in exchange for continuing to provide those services that they could not only get their reimbursables from this point forward but also get mileage for the past year. It would be providing these services in exchange for the District agreeing to pay for the reimbursable expenses associated with providing these services.

On MOTION by Mr. Kuhn seconded by Mr. O'Bannon with all in favor the Construction Management Agreement with Greenpointe was approved in substantial form with Chair to execute final copy.

NINTH ORDER OF BUSINESS

Consideration of Proposal for Purchasing and Installation Services for Amenity Buildings

Mr. Kuhn stated this is a proposal from Ansana Interior Design to provide furniture and fixtures for the amenity center, the fitness center, the office spaces and the pool deck. This is pretty customary type proposal. We have a budget of \$134,000. There is a \$10,600 fee. There is a 15% or 10% markup on furniture and fixtures and equipment, which depends on what type of furnishing it is. I have reviewed this. The architect has reviewed this.

On MOTION by Ms. Bock seconded by Mr. O'Bannon with all in favor the Proposal from Ansana Interior Design for Purchasing and Installation Services for Amenity Buildings was approved, subject to Counsel to prepare agreement.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Field Services

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS Supervisors' Requests and Audience Comments

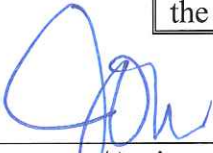
There being none, the next item followed.

THIRTEENTH ORDER OF BUSINESS Next Scheduled Meeting – Wednesday, May 18, 2016 @ 2:00 p.m. at the Offices of GMS

On MOTION by Ms. Bock seconded by Mr. Veazey with all in favor a Special Meeting on May 10, 2016 at 2:00 p.m. at the Offices of GMS, 475 West Town Place, Suite 114, St. Augustine, FL 32092 was approved.

FOURTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor the Meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice-Chairman