

MINUTES OF MEETING
BRANDY CREEK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Brandy Creek Community Development District was held on Wednesday, July 11, 2018 at 6:30 p.m. at the Johns Creek Phase 2 Amenity Center, 251 Huffner Hill Circle, St. Augustine, FL 32092.

Present and constituting a quorum were:

Gary Williams	Chairman
Meredith Payne	Vice Chairman
Barbara Little	Supervisor
Chuck Dicey	Supervisor
Terrence Roesse	Supervisor

Also present were:

Jim Oliver	District Manager
Brad Weeber	District Engineer
Tucker Mackie	Hopping Green & Sams (by phone)
Jay King	Vesta/Amenity Services Group
Jim Masters	Vesta/Amenity Services Group
Carol Novak	Vesta/Amenity Services Group
Karl Soderheim	England-Thims & Miller

The following is a summary of the actions taken at the July 11, 2018 regular meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Williams called the meeting to order at 6:30 p.m.

SECOND ORDER OF BUSINESS

Public Comment

A resident had a question regarding irrigation (drainage) and the building regarding Phase 1 behind Publix. His concern is what are the plans on how the area will look and if there are any irrigation or drainage concerns and how those will be addressed.

Mr. Williams responded one of the upcoming topics is to talk about the drainage and the issues we had with construction. Regarding the lake, I am not sure where the property line for John's Creek.

Mr. Weeber stated there is a drainage easement over that pond. The construction you are referring to is actually not associated with the 2209 construction. That is an assisted living community going in. They have a right to drain into that pond, but they do have to put it back the way it was.

The resident asked so you are working with them to make sure the property is maintained and will be left whole after construction completion?

Mr. Weeber stated I am familiar with that project. It is another engineer who I know, and I will work with her and let her know they are being watched, and the community expects it to be put back as it was.

Another resident stated when you walk the sidewalks, there are big crab grasses growing everywhere. We talked to Jim about it previously that the homeowners are responsible to the curbs. I am not sure if those people on the really large corner lots understand their responsibilities. There are people that have trees that literally are coming over the sidewalks. If you are on a bike, you are going to get hit or knocked over. People are not maintaining and cutting those tree limbs down. These are people's homes that have trees that need those limbs cut up.

Mr. Williams responded we will have to break these into two different discussion points. If they are common areas, absolutely we need to make sure as a CDD that we are doing everything we can to take care of it – if they are common areas.

Mr. Masters stated we do maintain that common area, and we do have some issues with some tree limbs that need to be trimmed. I have already spoke with them, and they are going to do that. As far as the grass issue, it is not our property, so it is a POA matter that they need to address.

In response to an inaudible question, Mr. Williams stated mailboxes are personal property, so it is up to the homeowner to maintain. Playgrounds are our responsibility as long as they are on the common areas. The resident stated he has noticed some deficiencies in the playground area with rusty broken items, and asked what was being done to address those.

Mr. Williams responded over the last year we have replaced a number of pieces of equipment, but if there is a piece of equipment you see a problem with in the playground, Amenity Center, or workout center, let Jim know right away.

Another resident stated a lot of people are talking about the cleanliness of the pool going down.

Mr. Masters stated I can address that. Facebook is great as a social connection but for getting anything done is horrible. I never get a phone call ever, and I am pretty accessible. When I first saw that about the pool issue, I was shocked because I am here all the time. The pools are on the same schedule – they get cleaned Monday, Wednesday, and Friday. We have had some afternoon storms that are just horrible. The pool company can clean the pools on Wednesday afternoon, and Thursday morning they can look horrible. The first thing in the morning, whether the pool company is coming or not, we skim the gutters and try to get them looking good. The storms have been a problem. The pool company comes the same amount of times always. The pool monitors are not supposed to clean the pool. The pool monitor is supposed to skim, which they do. We have had some outstanding pool monitors, and we have had some that are not doing what we need them to do. Elite Amenities is responsible for the pool monitors, and we will go over with them issues that we had this year. Chemicals are regularly checked. I am not saying we never have issues, but the message I want to convey is call me if there is a problem.

A resident spoke about providing after-school programs for the community. Mr. Williams informed him to get with Kathy Sargent and go through the proper steps.

THIRD ORDER OF BUSINESS

Affidavit of Publication

Mr. Oliver stated we have a budget hearing today, and we are required to notice it in the local paper. It was noticed in the St. Augustine Record on June 18 and June 25. There was also a mailed notice that went to all the property owners announcing the public hearing.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the May 3, 2018 Meeting

Mr. Oliver stated there was a name misspelled, and I will correct that.

On MOTION by Ms. Little seconded by Mr. Payne with all in favor the Minutes of the May 3, 2018 meeting were approved as revised.

FIFTH ORDER OF BUSINESS

Update Regarding Drainage Issues Related to CR 2209 Construction

Mr. Williams stated Mr. Weeber from ETM is here and is involved with the 2209 project. With all the recent heavy rain, residents were getting water coming into the property because of work being done on the roadway.

Mr. Weeber briefed the board on the construction activities that contributed to drainage problem during recent heavy rains. The culvert has been completed, and the area is now draining the way it should be.

SIXTH ORDER OF BUSINESS

Update Regarding Design Planning for Phase 2 Entry Features and Landscape (entry off County Road 2209)

Draft recommendations are located in the agenda package. A decision is to be made on the design and location so the bidding process can be started.

Mr. Karl Soderholm, with ETM, presented three different location and design options for entry signage and features of Phase 2 entry off CR 2209. One option had brick with a tile back, another option was brick with stucco back, and the third option was stacked stone with tile. The board selected Option 3C with two sided sign to be located in center median at entrance perpendicular to CR 2209. It should match what is currently in Phase 1. Water and power to be connected to allow for security cameras, lighting, and irrigation of landscape features. Staff is to finalize project manuals, solicit proposals, and bring proposals to September meeting for consideration.

Mr. Oliver asked about the timeline for completion. Mr. Soderholm stated his recommendation is to wait until the construction of asphalt and curbing are completed. The phase will be started in about 2 months, and the road will be complete and open the first quarter of 2019.

There was discussion and questions from staff and audience members.

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor to direct staff to develop RFPs and seek proposals was approved.

SEVENTH ORDER OF BUSINESS**Acceptance of Fiscal Year 2017 Audit Report**

The Audit Report is located in the agenda package.

Mr. Oliver stated this is a clean audit. The last paragraph in the Opinion Letter states: "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2017, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America." Page 13 has the notes to the financial statements, which is the narrative of what is conveyed in the financial statements. Page 24 has the Auditor's Report on Internal Controls. In the third paragraph the auditor writes, "...during our audit we did not identify deficiencies in internal control that we consider to be material weaknesses." On Page 26 is an Opinion Letter from Grau and Associates. The auditor writes, "In our opinion, the District complied in all material respects with the aforementioned requirements for the fiscal year ended September 30, 2017. The next letter is also required, and it says that the auditor must state what the current year findings and recommendations are, the status of prior year findings and recommendations, and several paragraphs that deal with the compliance and the provisions of the Auditor General of the State of Florida. Page 28 states there are no current year findings, there were no prior year findings, there are no significant findings or recommendations made in the preceding annual financial audit report for the fiscal year, and the District has not met one or more financial emergency conditions described in Section 218.503(1) Florida Statute.

Once accepted, this report will be the website.

On MOTION by Ms. Little seconded by Mr. Williams with all in favor to accept the FY2017 Audit Report was approved.

EIGHTH ORDER OF BUSINESS**Public Hearing Adopting the Budget for Fiscal Year 2019**

Mr. Oliver referenced the FY19 budget located in the agenda package under section VIII. The proposed budget was approved at the May meeting. This budget is the same one approved at the May meeting, however, it has been updated in terms of the actual expenditures for FY17. This budget does project an assessment increase. The expenditures for administrative costs

remain relatively flat. The O&M expenditures increase from \$551,000 to \$593,000, which is an increase of approximately \$42,000. Mr. Oliver briefly went over line items that were increasing. The per-unit assessment for all 583 units is increasing from \$1,190.00 to \$1,263.00 per year.

Mr. Williams requested questions from board members, and Mr. Roese asked that more detail be provided in the security reports.

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor the Public Hearing is Open.

In response to a question about the Capital Reserves, Mr. Oliver responded the Capital Reserve is in excess of \$500,000, which is very strong. Even with expenditures for the signage and for the pool repairs, there will still be about \$250,000 in Capital Reserves, which is in line with the Capital Reserve Study.

Mr. Williams stated 2 or 3 years ago, a decision was made not to fund the Capital Reserve amount to the recommended amount in order to keep fees flat at that time. The board feels that Capital Reserve budget should be maintained.

Another audience question is what is driving the increase in the janitorial, and the reason is the frequency of janitorial services has increased.

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor the Public Hearing is Closed.

A. Consideration of Resolution 2018-06, Relating to the Annual Appropriations and Adopting the Budget for Fiscal Year 2019

Ms. Mackie stated the first resolution will formally adopt the budget.

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor to adopt Resolution 2018-06 was approved.

B. Consideration of Resolution 2018-07, Imposing Special Assessments and Certifying an Assessment Roll for Fiscal Year 2019

Ms. Mackie stated this resolution will levy the O&M assessments.

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor Resolution 2018-07 was approved.

NINTH ORDER OF BUSINESS

OTHER BUSINESS

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Mackie had no report.

B. Engineer

There was no Engineer's report.

C. Manager – Discussion of Meeting Dates for Fiscal Year 2019

Mr. Oliver stated the proposed meeting dates are located in the agenda package. I would recommend the meeting date of March 13 be moved to February 27.

Mr. Williams stated we will stay on our every other month rotation, however, the March 13, 2019 meeting will be moved to February 27, 2019.

On MOTION by Mr. Payne seconded by Ms. Little with all in favor the FY19 meeting scheduled was approved as revised.

D. Operations Manager

Mr. Masters' report is located in the agenda package behind Tab X-D. He is working with Yellowstone regarding the mulching, and the problems should be corrected next week. He discussed where the ponds were being cut and stated a huge strip of land is being cut that faces the residents' houses. This practice has been going on a long time. The property line for the residents goes down to the lake. The CDD is spending time and money doing the residents' yards. The time spent cutting on the two lakes is probably 5 to 6 hours, with the residents' portions encompassing half that time. Mr. Williams suggested sending a letter to those residents stating the CDD can no longer cut those portions of the lawn that are the residents' property.

Mr. Williams asked Ms. Mackie if there are any legal issues with what the CDD has been doing, and she responded her main concern is the appearance of spending public funds to benefit private property. She agrees that the practice should be discontinued, and that the residents should be notified of what is going to be happening going forward. She will help draft a letter to the residents that will go out under Chairman Williams' signature.

Mr. Masters discussed the pool renovation, and Mr. Williams stated residents should be sent reminders that the pool will be closed starting in October.

Mr. Masters stated at the next meeting he will have proposals for Christmas decorations. He had nothing else to add to his report.

E. Amenity Manager

Ms. Novak presented her report that is located in the agenda package behind Tab X-E.

She stated for a year, the Girl Scouts have used this room twice a month, and the Boy Scouts use the breezeway for meetings at no cost. This year's schedule for the Girl Scouts now interferes with some classes taking place. They can be switched to another night, but wonders if the board still wants to let them use the room at no charge. They are a non-profit organization. There was no objection from the board members.

Another issue is a Bible study group has been renting out Phase 2 room once a week for a reduced rate. The intent was this would take place for a 2-1/2 month period of time. They have now reached out to Ms. Novak to ask to continue using it for the rest of the year and add Saturdays as well. Ms. Novak stated Saturday is our party day and wants feedback from the board.

After discussion, the board members decided they did not want a reoccurring rental to happen on Saturdays when residents need that space for their events. Supervisor Roese will work with staff on policy revisions that may limit frequency of repeat rentals during prime times.

Ms. Novak said there was another issue where there was a party, a brawl broke out, and the police had to be called in. There was no damage to the facility.

Mr. Williams stated we need to refine our current policies and possibly add language stating renters may be required to hire their own private security, and that residents are responsible for actions of their guests at private events.

ELEVENTH ORDER OF BUSINESS Supervisor's Requests/Audience Comments

Supervisor's Requests

Mr. Dacey asked about non-resident events happening. Ms. Novak responded that 99% of the time a resident is renting space or a resident is sponsoring an event that is being held. The resident must be present at an event they are sponsoring. Mr. Dacey asked about the rentals becoming a revenue source. Mr. Williams responded this has been discussed before, and it was noted that the CDD wasn't trying to make it a revenue source but as a facility available to the community. Fees do have to be charged to cover the costs for the additional maintenance.

Ms. Little asked that when our communication is sent out to the residents that a note be included asking residents to keep their trash off the streets until Monday pick-up.

Audience Comments

There were no audience comments.

TWELFTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet and Income Statement as of May 31, 2018

Mr. Oliver stated these are through May 31, 2018 and are unaudited.

B. Assessment Receipt Schedule

This is located in the agenda package. The District is at 136% collected.

C. Check Register

Mr. Oliver stated behind Tab C is the General Fund check register.

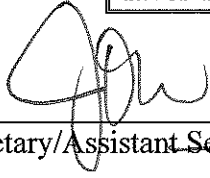
On MOTION by Mr. Payne seconded by Ms. Little with all in favor the Check Register was approved.

THIRTEENTH ORDER OF BUSINESS Next Scheduled Meeting, Wednesday, September 12, 2018 at 6:30 p.m. at Phase 2 Amenity Center

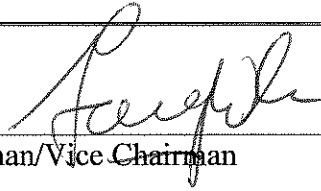
Mr. Williams stated the next meeting is Wednesday, September 12, 2018 at 6:30 p.m. at this location.

FOURTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Williams seconded by Mr. Payne with all in favor the meeting is Adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman