

**MINUTES OF MEETING  
SWEETWATER CREEK  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular meeting of the Board of Supervisors of the Sweetwater Creek Community Development District was held on Thursday, **September 3, 2020** at 5:00 p.m. via Zoom Teleconference, pursuant to Executive Order 20-69, issued by Governor DeSantis, as amended and supplemented.

Present and constituting a quorum were:

Rob Lisotta	Chairman
Stephen Handler	Vice Chairman
Scott McNary	Supervisor
John Williams	Supervisor
Zenzi Rogers	Supervisor

Also present were:

Jill Burns	District Manager
Jason Walters	Hopping, Green & Sams
Brian Stephens	RMS
Erin Gunia	Marshall Creek CDD
John Clark	Project Manager

*The following is a summary of the minutes and actions taken at the September 3, 2020 meeting. A copy of the proceedings can be obtained by contacting the District Manager.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Lisotta called the meeting to order at 5:07 p.m. Mr. Lisotta made the motion that they forgo the resident comments on each agenda item, and they will only take comments at the beginning and the end of the meeting.

On MOTION by Mr. Lisotta seconded by Mr. Handler, with all in favor to Remove Opening Each Motion to Public Comment was approved.
---

Ms. Burns asked for any comments on any agenda items besides the budget from the public attending via Zoom.

A resident had a question on Item 9A regarding sidewalk and curb pressure washing. The resident questioned if that was throughout the entire community or only specific areas that are being considered for that.

**SECOND ORDER OF BUSINESS**

**Approval of Minutes of the August 4, 2020  
Board of Supervisors Meeting**

Mr. Lisotta asked if there were any comments, corrections, or changes to the minutes of the August 4, 2020 meeting. Mr. Handler stated his issues with the Fifth Order in the fifth paragraph and the Eighth Order, Number C, 3<sup>rd</sup> paragraph. These comments were made by Mr. McNary not Mr. Handler. Mr. McNary stated that they needed to keep an accurate record, and Ms. Burns suggested stating names to help the transcriptionist.

On MOTION by Mr. Lisotta, seconded by Mr. Handler, with all in favor, the Minutes of the August 4, 2020 Meeting as Amended, were approved.
--

**THIRD ORDER OF BUSINESS**

**Update on Capital Projects and Presentation  
from Supervisor Williams**

Mr. Williams reviewed the concerns about the fitness center and noted that the CDD had money from the bond issue to expand the Fitness Center. He noted a strategic plan was developed, and a Feasibility Study was completed to identify any issues or inhibitors. The study brought back no major issues. Input from residents has been received. Board members and staff have taken visits to other fitness centers. John Clark was contracted as the Project Manager, he has extensive experience in the business. He stated that next they need to get a design engineer. Mr. Williams stated the following areas are on the “Wish List”: expanded strength area, stretching area, expanded cardio area, fitness class area. From a wellness standpoint, they need physical training, rehab training, massage areas, whirlpool area, child care, activity room, lounge area, storage area, lecture areas, outdoor fitness structure, basketball half court, volleyball court, dog park amenities, administration offices, and a break room. Mr. Williams reviewed the slide show to reflect architectural drawings that incorporated these needed items for the building and

the various areas. He added that the fitness equipment is on a lease that terminates in August 2021. At that point they can keep the equipment, add, upgrade, etc.

Mr. Lisotta thanked Mr. Williams for his work on the fitness center and for keeping the Board up to date. Mr. Lisotta's only comment was that flexibility is key. He continued to support having a child watch in place, because it sets their center apart from others.

Mr. Clark introduced himself and his company to the Board. He discussed how they ensure that the client gets what they want and how they make sure the Design team stays on track. He noted that he is directly engaged in all areas of the project and will communicate directly with a designated Board member.

Mr. McNary commented that he didn't feel they should move forward at this pace at this time with this project. He commented that the "crown jewel" of their neighborhood was not the fitness center, it is their physical location which is a conservation area surrounded by forest and trees and wildlife, abundant grasses, ornamental grasses, and plants. He begged the Board to remember that they must maintain the property as it was when they first purchased their homes.

#### **FOURTH ORDER OF BUSINESS**

#### **Review and Submittals for Design RFQ**

Ms. Burns noted that an ad had been placed for qualifications as required by Florida Statute for this type of service. Two proposals were received which are included in the agenda package. There was some approved selection criteria as part of the ad that was placed. Ms. Burns shared Mr. Clark's rankings of the proposals from Fifth Dimension and Borrelli and Partners. John went through all the categories list and ranked Borrelli with 70 points and 55 for Fifth Dimension. Ms. Burns added this is just a qualification statement and a price is not included for services. She reminded the Board they could accept these rankings, or all five Board members could go through and rank individual categories and add them up.

Mr. Clark made the comment that he knew both firms and they were both out of Orlando, which is not ideal. He noted that they would prefer local and it's a busy market. He added it was good that Borrelli had a Cost Consultant on their team, Fifth Dimension did not. He added that the person they would deal with directly with Fifth Dimension had only been with the firm for half a year and the person with Borrelli had been with them for 12 years. He added that it was very concerning to him that he would have to deal with a person who had been with the firm for a short period of time. Fifth Dimension did have a Water Proofing Consultant which was good.

He added that Fifth Dimension’s overall experience was not on point. Borrelli had experience with bigger projects and projects specifically in the northeast Florida area. Mr. Williams asked if other companies had a chance to respond and did he know others companies that would submit proposals. Mr. Clark stated others did had a chance to respond, but he felt both firms were capable.

Mr. Clark clarified his comment that they had a tight budget. He stated that in renovations he usually has a contingency for unforeseen conditions. There was continued discussion about the limits on the budget and how the project may have unexpected further needs.

Ms. Burns added to the motion that John Clark will reach out to Borrelli for a form of agreement that will be brought back to the District that will include a price.

On MOTION by Mr. Williams, seconded by Mr. Lisotta, with all in favor, Accepting Mr. Clark’s Rankings with Borrelli 1<sup>st</sup> and Fifth Dimension 2<sup>nd</sup>, and Authorization for John Clark to reach out to Borelli for a Form of Agreement, was approved.

**FIFTH ORDER OF BUSINESS**

**Public Hearings**

**A. Public Hearing on the Adoption of the Fiscal Year 2021 Budget**

Mr. Lisotta made a motion to OPEN the Public Hearing.

On MOTION by Mr. Lisotta seconded by Mr. McNary, with all in favor to OPEN the Public Hearing, was approved.

Ms. Burns asked for any public comments on the budget.

A resident commented that it was not a good time to increase expenditures and assessments. He inquired why there was no estimate of cost sharing revenue from Marshall Creek. He stated that the reserve fund was underfunded and asked the Board if they had a goal amount they were aiming at getting to and how they would get there.

A resident asked for more explanation regarding the Capital Reserve Fund, as it appears they will have an excess of \$124,000 in the Capital Reserve. He asked if that amount would stay there.

Mr. Lisotta made a motion to CLOSE the Public Hearing.

On MOTION by Mr. Lisotta seconded by Mr. Handler, with all in favor to CLOSE the Public Hearing, was approved.

Mr. Lisotta made a comment about the concerns on raising O&M Assessments. He stated it was not a drastic raise, but it was necessary. The number one complaint from residents this year was landscaping by far, and in order to address that the largest amount is being applied to the budget in that item. Mr. McNary commented about the reserves, he noted that a Reserve Study was done and a reserve was created. He noted that the Board is trying to plan for future needs, so they will not need to assess residents a lot of money for larger projects that might come about in the future.

Mr. Lisotta reminded everyone the District is older than appears due to original Developer going to bankruptcy and a lot of areas are older than they appear. He asked about pool heaters and utilizing bond funds and the increase of 8%. Ms. Burns stated that would usually come from Capital Reserve and recommended that be put in Capital Reserve line item. He questioned if the bond funds could be used to put in pool heaters. Mr. Walters commented that it could possibly be permitted and would verify with Counsel. Discussion continued about using the reserve funds or the bond money.

Ms. Burns stated the pool heaters are not included in the budget line items and noted that it had been contemplated it would come from the Capitol Reserve since it is a project over \$5,000. She explained how Boards used Capital Reserve line items, and noted the pool heaters were currently working, but were aging and needed replacing. She stated maybe they could last another winter and would not have to use the bond funds.

Mr. Lisotta asked if anyone wanted to modify anything else on the increases. Mr. Williams asked Jason if there was anything that wasn't done that the District would need to support. Mr. Walters replied there was a Project Completion process that is used under Chapter 190 to make sure everything is completed. He discussed how expectations are done and the Districts acquires with big ticket items. He stated all infrastructure had been completed, but there will be future problems. Ms. Burns replied that all common area tracts have been conveyed to the District. Mr. Walters explained the process of how all the items are conveyed.

**i. Consideration of Resolution 2020-11 Adoption of the District's Fiscal Year 2021 Budget and Appropriating Funds**

On MOTION by Mr. Lisotta seconded by Mr. McNary, with all in favor, Resolution 2020-11 Adopting the District's Fiscal Year 2021 Budget and Appropriating Funds, was approved.

On MOTION by Mr. Lisotta seconded by Mr. Handler, with all in favor to CLOSE the Public Hearing, was approved.

**B. Public Hearing on Imposition of Operations and Maintenance Special Assessments**

Mr. Lisotta made a motion to OPEN the second Public Hearing. Ms. Burns explained that anytime they raise assessments they will need to have a Public Hearing in order to levy that assessment increase. Ms. Burns explained that they are levying the amount in the budget that was just adopted and they are also adopting the amount of debt assessment that the District set years ago. The Tax Roll is not in the agenda but it is available upon request.

On MOTION by Mr. Lisotta seconded by Mr. McNary, with all in favor to OPEN the Public Hearing, was approved.

Ms. Burns asked for comments on levying the O&M increase and adopting the assessment. There were no comments from the public.

**i. Consideration of Resolution 2020-12 Imposing Special Assessments and Certifying an Assessment Roll**

On MOTION by Mr. Lisotta, seconded by Mr. McNary, with all in favor, the Resolution 2020-12 Imposing Special Assessment and Certifying and Assessment Roll, was approved.

Mr. Lisotta made a motion to CLOSE the Public Hearing.

On MOTION by Mr. Lisotta seconded by Mr. McNary, with all in favor to CLOSE the Public Hearing, was approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of Arbitrage Rebate Report  
from GNP Services for Series 2019 Bonds**

Ms. Burns noted that the District is required under the Internal Revenue Code to demonstrate that they do not earn more interest than they pay. The Arbitrage Rebate Report shows a negative arbitrage, and that confirms they are not earning more interest than they are paying. The Board had no questions on the report.

On MOTION by Mr. Lisotta, seconded by Mr. Handler, with all in favor, the Arbitrage Rebate Report, was approved.
--

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Walters updated the Board on the Executive Order regarding extended Zoom meetings. He stated that they would update the Board on any orders that could affect their operations. He also referenced the RFQ and the concern over the budget and the designs and would work on an agreement that includes a “Design to Price.” They will tell them their budget and what they are looking for, and explain that they want plans that they will be able to get proposals within the budget number.

**B. Engineer**

There being none, the next item followed.

**C. Field Manager’s Report**

Mr. Stephens reported several updates that included installing the new radar speed signs, the lights for conversion to LED is scheduled to start this coming Monday (9/7), the well pump was replaced due to a lightning strike, the ornamental palm trees are scheduled to be pruned next week, and nine pallets of sod are going down in various locations. Three of those sods are being done through a proposal signed with Yellowstone, and six will be done under warranty done at Yellowstone’s cost. Update on irrigation head replacement, they are down to 75-80%. There is a proposal from Duval Asphalt to repair approximately five manholes and a 20 foot section of curbing with a total of \$5,201. This will include removing asphalt, verify that there are no underlying structural issues, and patching it. Mr. Lisotta stated that there has been a lot of resident feedback, and a resident that claims to live in that section of home has said that a second

lift was never completed by the Developer. Mr. Lisotta asked if there was any documentation or proof that it has been done. Ms. Burns noted it would be obvious if the work has been done by looking at it. After Board discussion, they came to a consensus that the work did need to be done and they felt comfortable with the Duval quote.

On MOTION by Mr. Lisotta, seconded by Mr. Handler, with all in favor, the Proposal with Duval Asphalt for \$5,201 to repair asphalt, was approved.

Mr. Stephens added on the asphalt the proposal is to remove what is there, and to look to see what the issues is if any. He noted that if there is an issue that would be an additional cost. They will not know the problem until they dig it up or what the cost will be, and he wanted to make sure it was understood there could be another cost associated with those repairs. Mr. Lisotta stated he was fine with that, and he would rather have it looked at and addressed before it turns into a bigger problem.

Mr. Stephens added timelines and specifics on the location of landscaping updates. He added that flowers would be in the 2<sup>nd</sup> week of September on natural rotation, they were removed early due to too much rain which caused them to die. Discussion was held on a reasonable expectation plan for landscaping needs for the future. Mr. Lisotta expressed that this was a major concern for residents of the community and the Board. The Board and Chairman expressed their expectation that the community should look in tip top shape everywhere, all year long.

Mr. Stephens noted that the additional light poles would happen and they are working on an easement issue to get power from the closest transformer which is in Marshall Creek. The Board noted that residents are concerned about kids walking in the dark with winter approaching. Mr. Stephens commented that they are currently working on the park, and they hope to have it officially open in 30 days. Ms. Burns stated the existing light fixtures don't have a value and in order to discard District property they need a motion to surplus the light fixtures.

On MOTION by Mr. Lisotta, seconded by Mr. Handler, with all in favor, to Surplus the Light Fixtures, was approved.

**D. District Manager’s Report**

**i. Approval of Check Register**

Ms. Burns presented the check register for the month of July for both the General and Amenity Fund for July was \$119,755.29. The Board had no issues with the check register.

On MOTION by Mr. Lisotta seconded by Mr. Handler with all in favor, the Check Register for \$119,755.29, was approved.

**ii. Balance Sheet and Income Statement**

Ms. Burns presented the balance sheet and income statement. Mr. Williams asked when the process started for next year creating the new budget. Ms. Burns explained that they approve a preliminary budget in April or May. Mr. Williams clarified not for approval, but when the budget creation starts. He also asked about who puts together the budget. Ms. Burns replied it was usually put together by the District Accountant and District Manager based on actuals from prior year a month out and the Board can add input if desired during preliminary period. Ms. Burns further explained the budget process.

**iii. Summary of Requisitions and Approved Projects**

Ms. Burns presented the summary of requisitions and approved projects. She noted that nothing had been added.

**EIGHTH ORDER OF BUSINESS**

**Other Business**

Mr. Lisotta commented he continued to participate in COVID meetings and Katie is monitoring COVID numbers and evaluating what they can do, what they can continue to do, and what we can improve upon in the Amenity Center. There was a lot of resident feedback on tennis and swim team about allowing non-resident to participate in league play. There has been a waiver and non-residents will be permitted to utilize at Amenity Centers. All protocols remain in place as of now. Fitness Center is open an hour earlier and an hour later. Pools moved up to 75% capacity and masks are still required.

It was asked how the decision was made to include outside participants and how the Board was a part of the making of protocols. Discussion ensued as to the decision-making process and the urgency of making decisions in between monthly meetings.

September 3, 2020

Sweetwater Creek CDD

Mr. Lisotta stated there were concerns about areas that needed pressure cleaning on sidewalks. Discussion was held on where to start and how to prioritize when and where it was needed.

Ms. Burns commented the Capital Reserve fund balance was \$119,720. This budget contemplates that we will move another \$45,000 over the next fiscal year, so the total at the end of the fiscal year would be \$164,720.

**NINTH ORDER OF BUSINESS**

**Supervisors Requests**

There were no further comments.

**TENTH ORDER OF BUSINESS**

**Public Comments**

A resident commented that they are looking forward to working with the Board.

A resident commented his thanks for clearing up the Reserve Fund issue. He inquired about the firms who submitted responses to the designs on the Fitness Center and the big jobs they had completed. He wanted assurance they would give proper attention to Sweetwater Creek's project. The Board replied that John Clark was the person to provide assurance.

A resident commented on the Developer update on sold and closings. She reported that as of Monday, the HOA is now a resident HOA Board, and they have 634 closed and 647 sold.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. McNary, seconded by Mr. Handler, with all in favor, the Meeting was adjourned.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman