

**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, March 11, 2025** at 4:00 p.m. at the Fitness Center, 1865 N. Loop Parkway, St. Augustine, Florida.

Present and constituting a quorum were:

Ron Cervelli	Chairman
John Smith	Vice Chairman
Stephen Handler	Supervisor
Rob Lisotta	Supervisor
Dan Colin	Supervisor

Also present were:

Jim Oliver	District Manager, GMS
Christina Evans	District Engineer, Matthews DCCM
Alex Acree	District Engineer, Matthews DCCM
Jennifer Kilinski <i>by Zoom</i>	District Counsel, KVV
Erin Gunia	Director of Amenities, RMS
Dan Wright	Operations Manager, RMS
Alison Mossing	Vice President, RMS
Richard Gray	RMS
Michael Woolridge	Duval Landscape
Joshua Boucher	Duval Landscape
Matt Biagetti	GMS

The following is a summary of the discussions and actions taken at the March 11, 2025 Sweetwater Creek Community Development District's Regular Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Cervelli called the meeting to order at 4:00 p.m. Five Board members were physically present, constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment

A Rio Del Norte resident showed the Board his debt service assessment amounts from 2016 and 2017 and stated that Lennar changed the basis on which the assessments are billed from being

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based on lot frontage, which increased the assessments by 59% and the debt service amounts have changed again since then. He also showed the Board the rates for the new Lennar homes. He requested the Board review the information and take corrective action to reverse the decision to make the assessments based on lot frontage again.

Mike Miskelly asked who owns the cell tower on Las Calinas.

Mr. Smith responded that Lennar sold the land to a company that leases the land to various cellular companies.

Tiffany Satterfield stated that she is a certified swim instructor for a flotation and swim training program. The swim team has complained about use of some of the lanes in the pool for swim instruction. She was told she cannot hold lessons between 3:30 and 6:30 because working adults have a limited amount of time to use the amenities, therefore the remaining two lap lanes are to be used for adult lap swimming only. She was also told children have a designated place to swim at the family pool. The residents she teaches lessons to have expressed that they do not feel young families are given equal opportunities to use the amenities. The lap pool is not an adult pool and it is not included in the rules that the two lanes need to be available for lap swim. She asked why there are children on the swim team that are not Palencia residents. She also requested that the two remaining lap lanes be made first come first serve and be available to all residents despite their age.

Ms. Gunia responded that there is a requirement that 75 or 80% of the children on the swim team be Palencia residents, and they do pay to use the facilities. The two lap lanes are designated for lap swim during the swim practice. The pool is first come first serve until the 3:30 to 6:30 window during which the swim team program is held.

Mike Barber stated that he met with Supervisor Smith regarding the possibility of selling a portion of property to developers for construction of new homes. He feels Onda residents have been completely disregarded in the Board's discussions and he does not feel the Board has thought through the implications selling the property would have on the current residents. The thousands of dollars spent on engineering fees associated with getting the modification approved is wasted money. He asked the Board to scrap the idea of selling the land for the development of more homes.

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Mr. Cervelli stated that the Board is obligated to look at how to benefit the entire community. The modification is something that needs to be looked at, but there has been no decision to move forward.

THIRD ORDER OF BUSINESS

Approval of the Consent Agenda

A. Minutes of the February 6, 2025 Meeting

Copies of the minutes were included in the agenda package for the Board's review.

B. Financial Statements

Copies of the financial statements were provided to the Board for their review.

C. Check Register

A copy of the check register was included in the agenda package for the Board's review.

D. Ratification of Requisition Nos. 147-151

On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, the consent agenda was approved 5-0.

FOURTH ORDER OF BUSINESS

Staff Reports

A. Landscape Team

1. Maintenance Report

Mr. Woolridge provided an overview of the items that have been completed and that are still in progress.

Mr. Lisotta added that the topsoil installed just past the roundabout on Las Calinas was to attempt to regrow the sod that is there. If that sod turns out to be dead, it will be replaced. The winter rye that was put down in the roundabout was temporary and will likely be replaced with sod.

Mr. Colin asked that the irrigation invoices be cleaned up to show exactly what the District is paying for rather than listing miscellaneous irrigation repairs.

Mr. Boucher stated that the miscellaneous category contains items such as wire nuts and pipes that have not been categorized in their system. Going forward, more detail will be added.

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2. Discussion of Tree and Irrigation Costs

Mr. Lisotta stated that there has been \$42,000 spent on irrigation repairs in the last six months. He wants to ensure that is being budgeted for. Same goes for tree trimming and cutting.

B. District Engineer

1. Update Regarding Major Modification Application

Ms. Evans stated that a site plan for Parcel K has been drafted to be distributed to the Board for their consideration that includes seven lots with an extension of the roadway and a stormwater pond.

Mr. Smith added that around \$230,000 in interest could be raised from \$1 million in bond money. Alternatively, \$1.5 million would raise around \$343,000 in interest.

2. Acceptance of the 2024 Public Facilities Report

No action was taken on this item.

C. District Counsel

Ms. Kilinski reminded the Board that Supervisor Colin asked her firm to work with the underwriter and bond counsel on getting information on what it would take to make Sweetwater Creek's roads private and what a taxable bond reissuance may look like. She also relayed the opinion from bond counsel on whether this undertaking would even be possible under the current tax law. Bond counsel is of the opinion that it is legally feasible. She presented an engagement letter from MBS Capital Markets for underwriting services and noted MBS would not receive any fees unless bonds are issued. That fee would be 1.5% of par. The engagement would allow MBS to do an analysis to determine what the assessment impacts would be and provide an update at the next meeting.

On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, the engagement letter from MBS Capital Markets for underwriting services was approved 5-0.

D. District Manager

1. Update on Cost Share True-Up

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Mr. Oliver reported that his counterpart at Marshall Creek has been asked to provide all of Marshall Creek's numbers for the cost share, which Darrin Mossing with GMS will review.

2. Financial Update

Mr. Oliver reported that the capital reserve balance is \$409,000 and \$100,000 is being added from this budget year. The capital reserves will need to be increased in future years. The capital reserve report is in process.

Mr. Cervelli stated that he has not been sent the GMS and RMS invoices for review in four weeks.

Mr. Oliver stated that he will send Mr. Cervelli the last three months of invoices.

Mr. Colin stated that are invoices being paid late on a constant basis.

Mr. Oliver stated that the payment date depends on the date the invoice is received by GMS and how long the review process takes to get the invoice approved for payment. He recommended a workshop to discuss the invoices in detail if desired. He also noted that the month of the financials can be aligned with the month of the check register when they're included in the agenda package.

E. Field Manager

1. Report

A copy of the field operations report was included in the agenda package for the Board's review.

2. Consideration of Proposals for Concrete Repairs

Mr. Wright presented three proposals ranging from \$2,290 to \$3,076 replace two areas of concrete at the Privado park due to trip hazards. He noted All Weather Contractors is the proposal that has been used recently for other concrete and asphalt repairs.

Mr. Colin asked about All Weather's warranty as it's not included in the proposal.

Mr. Wright responded that he would make sure the warranty is confirmed before he signs off on the work.

On MOTION by Mr. Lisotta, seconded by Mr. Colin, with all in favor, the proposal from All Weather Contractors was approved 5-0.

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3. Consideration of Proposals for Deck Construction

Mr. Wright presented a proposal from Playmore totaling \$4,092.27 to replace the floor panels of the playgrounds at the Ensenada and La Palma parks. The current floor panels are rusting and thinning out.

On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, the proposal from Playmore to replace the floor panels on the playgrounds was approved 5-0.

Mr. Smith informed the Board that he and a Marshall Creek board member are looking at different companies for the gate security system.

F. Director of Amenities – Report

A copy of the amenities report was included in the agenda package for the Board's review.

Ms. Gunia reported that she's been in contact with FCC regarding a few missing roof tiles. She reminded the Board the roof will need to be addressed in the near future. The starting blocks should be installed next week. The tarps have been pulled from the pool for the season.

Next, Ms. Gunia stated that there is a fitness training convention that includes business models on running facilities, and trends on equipment and classes that she'd like to attend. The total cost would run around \$800 for all four days.

On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, a travel allowance not to exceed \$1,500 for Ms. Gunia to attend a fitness training convention was approved 5-0.

FIFTH ORDER OF BUSINESS

Selection of Audit Committee

Mr. Oliver stated that the Florida Statutes require that CDDs select a third-party auditor to perform the annual audits, and it is time to go through the proposal process again. Typically, the board members serve as the audit committee in order to hold the audit committee and board meetings on the same day. The audit committee will approve evaluation criteria and review proposals based on those criteria to select an auditor.

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On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, appointing the board members as the audit committee was approved 5-0.

SIXTH ORDER OF BUSINESS**Update Regarding Staffing Models**

Mr. Cervelli stated that he feels efficiency is lacking in the current staffing structure. The structure ties to what is paid and what can be saved. He asked the Board to allow him to work with District Counsel on a request for proposal package. Part of what he's looking at is what the cost of a PEO is today compared to what the cost is for maintaining RMS going forward. He also believes that contracting for pool maintenance directly may result in more savings than going through RMS to subcontract the pool maintenance provider.

Mr. Colin asked that the board members be provided the opportunity to provide feedback on the RFP documents before it goes out.

Mr. Lisotta stated that he doesn't see the proposed plan as a cost savings, he sees a significant reduction in resources and a loss of ability to handle issues when they arise. Third parties will need to be brought in to perform most of the work currently handled by RMS staff. His counter proposal was to allow a rectification period with RMS and to schedule another workshop to allow a complete review of what the deficiencies are.

Dr. Handler stated that there is no reason the Board can't follow two tracks and work with RMS to rectify while simultaneously getting more information on a PEO.

Mr. Smith motioned to authorize the Chair to work with District Counsel on an RFP package to bid out operations and maintenance services.

Mr. Colin reiterated that he would like the Chair to allow the other board members to provide input on the RFP package prior to finalizing it.

Mr. Cervelli suggested letting the bidders put together their recommended scope as they are the experts in the field.

The above motion failed due to lack of a second.

On MOTION by Mr. Cervelli, seconded by Dr. Handler, with all in favor, authorizing the Chair to work with Counsel on developing a scope for the operations and maintenance RFP was approved 5-0.

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Mr. Lisotta confirmed that the RFP package will be brought back to the entire board for approval prior to being sent out to bidders. He then asked if there is a supervisor willing to work with RMS on improving documentation and accounting.

Mr. Colin and Mr. Smith stated that they would.

On MOTION by Mr. Lisotta, seconded by Mr. Smith, with all in favor, authorizing Supervisor Colin to work with RMS on improving documentation and accounting processes and authorizing Supervisor Lisotta to work with RMS on skills and communication was approved 5-0.

SEVENTH ORDER OF BUSINESS Update Regarding Capital Project Plan

There being no further discussion needed on this item, the next item followed.

EIGHTH ORDER OF BUSINESS Discussion of Envera

This item was covered briefly earlier in the meeting.

NINTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS Supervisor Requests / Public Comment

Bruce Branberg commended the Board on addressing things that have needed to be addressed for years.

A resident asked to confirm that the feedback from the residents on the objections to the modification of the use of Parcel K were heard/seen.

Mr. Smith responded that all the emails and comments from his in person meeting with the residents has been filed with District Counsel and are on record. The entire plan will be up for review with the whole board once all information is in. He added that he is sensitive to the resident's concerns, however, he must look at the asset that can benefit all 736 houses.

A resident stated that there have not been enough discussions on the negative financial impact the modification will have to the Onda residents.

Mr. Cervelli stated that the Board is obtaining all of the information on this project so the board can review it all and have a discussion to make the best decision they can for the community.

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ELEVENTH ORDER OF BUSINESS

Next Scheduled Meeting – Thursday, April 3, 2025 at 4:00 p.m. at the Fitness Center, 1865 N. Loop Parkway, St. Augustine, Florida 32095

TWELFTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned at approximately 6:07 p.m.

DocuSigned by:

Jim Oliver

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Secretary/Assistant Secretary

Signed by:

Ron Cervelli

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Chairman/Vice Chairman