

**MINUTES OF MEETING  
THE DISTRICT  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of The District Community Development District held a Special Meeting on February 14, 2022, at 1:30 P.M., at 602 Shetter Avenue, Jacksonville Beach, Florida 32250.

**Present at the meeting were:**

Art Lancaster	Chair
John Dodson	Vice Chair
Jay Dodson	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Cindy Cerbone	Wrathell, Hunt and Associates, LLC (WHA)
Stephanie Schackmann	Wrathell, Hunt and Associates, LLC (WHA)
Sarah Sandy (via telephone)	District Counsel
Bill Schilling (via telephone)	District Engineer

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 1:31 p.m. Supervisors Lancaster, John Dodson and Jay Dodson were present in person. Supervisor Scandurra was not present. One seat was vacant.

**SECOND ORDER OF BUSINESS**

**Public Comments: Agenda Item *(limited to 3 minutes per individual)***

There were no public comments.

Mr. Wrathell stated that all bond financing related agenda items will be deferred, as Preston Hollow Capital, LLC (PHC) is still working on the numbers to issue the next series of bonds.

**THIRD ORDER OF BUSINESS**

**Presentation of Supplemental District Engineer's Report**

This item was deferred to the next meeting.

**FOURTH ORDER OF BUSINESS**

**Presentation of Supplement to Supplemental Special Assessment Methodology Report**

This item was deferred to the next meeting.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-11, Setting Forth the Specific Terms of the District's 2022 Bonds; Making Certain Additional Findings and Confirming and/or Adopting a Supplemental Engineer's Report and a Supplemental Assessment Report; Confirming the Maximum Assessment Lien Securing the 2022 Bonds and Addressing DIA Funding; Addressing the Allocation and Collection of the 2022 Assessments Securing the 2022 Bonds; Addressing Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date**

This item was deferred to the next meeting.

**SIXTH ORDER OF BUSINESS**

**Consideration of Issuer's Counsel Documents**

- A. Declaration of Consent**
- B. Collateral Assignment Agreement**
- C. True-Up Agreement**
- D. Third Restated Acquisition Agreement**
- E. Second Restated Completion Agreement**

- F. Notice of Special Assessments
- G. First Amendment to Interlocal Agreement (*under separate cover*)
- H. First Amendment to CRA Infrastructure Improvements Costs Disbursement Agreement (*under separate cover*)

These items were deferred to the next meeting.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-09, Approving the Conveyance of Certain Property to Elements Development of Jacksonville, LLC; Providing a Severability Clause and Providing an Effective Date**

Ms. Sandy presented Resolution 2022-09. This Resolution summarizes conveyance of a right-of-way (ROW) easement back to Elements Development of Jacksonville, LLC, (Elements) to reflect the changes in which the boundaries of the ROW shrunk 3' overall. This requires correcting the deed to true-up and correct what is the final legal description for the ROW, which will result in the acreage shrinking by .014 acres from what the CDD previously acquired. It also provides for Elements to use funds owed to the CDD for this property to offset the cost of the CDD acquiring additional property from Elements that is being used for an additional ROW at the Prudential Drive Extension. The Certificate from the Engineer states that the CDD does not need the additional 3' of ROW and acres in order to complete the Capital Improvement Project (CIP).

Ms. Sandy stated that she will replace the unexecuted District Engineer's Certificate in the agenda package with the executed one. She requested approval, in substantial form, as minor changes might be made to the corrected deed.

**On MOTION by Mr. Jay Dodson and seconded by Mr. Lancaster, with all in favor, Resolution 2022-09, Approving the Conveyance of Certain Property to Elements Development of Jacksonville, LLC, in substantial form to include any necessary changes; Providing a Severability Clause and Providing an Effective Date, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-10, Approving the Acquisition of Certain Real Property; Providing General Authorization; and Addressing Severability, Conflicts and an Effective Date**

Ms. Sandy presented Resolution 2022-10. She stated that, as part of the 2020 project, the CDD is acquiring land at Prudential Drive Extension from Elements, in a not-to-exceed amount of \$325,000. The amount is based on the fair market value of the property or Elements' costs basis of the property, which is \$620,900.25 per acre.

Ms. Sandy stated that the parcel is comprised of .52 acres for a purchase price of \$322,881.00, which was rounded up to \$325,000, although the credit was not applied yet, so the amount will be lower than stated.

The same documents and true-up process that was used in the prior acquisition would be used for this.

**On MOTION by Mr. Lancaster and seconded by Mr. John Dodson, with all in favor, Resolution 2022-10, in substantial form, Approving the Acquisition of Certain Real Property; Providing General Authorization, as described and subject to adding the legal description that was provided and described; and Addressing Severability, Conflicts and an Effective Date, was adopted.**

▪ **Elements Request for Temporary Access Agreement**

**This item was an additional to the agenda.**

Ms. Sandy presented a request received from Counsel for Elements to grant Elements a temporary access easement over the corrected CDD ROW parcels, encompassing the two legal descriptions she discussed earlier. Elements needs access to certain portions of the property at the southeast corner that is separated from the remainder of their property.

Ms. Sandy stated that this addition to the agenda would typically require receiving public comments; however, no members of the public are present. The easement covers 2.75 acres over the corrected CDD ROW and the Prudential Drive extension.

**On MOTION by Mr. Lancaster and seconded by Mr. John Dodson, with all in favor, entering into a Temporary Access Agreement to Elements Development of Jacksonville, LLC over the corrected right-of-way and Prudential Drive extension, subject to District Counsel drafting the Easement Agreement, was approved.**

**NINTH ORDER OF BUSINESS**

**Consideration of ADA Site Compliance Proposal for Website Compliance Shield, Accessibility Policy and One (1) Annual Technological Audit**

Mr. Wrathell presented the ADA Site Compliance Proposal.

**On MOTION by Mr. Lancaster and seconded by Mr. Jay Dodson, with all in favor, the ADA Site Compliance Proposal for Website Compliance Shield, Accessibility Policy and One (1) Annual Technological Audit, in the amount of \$210 per year, was approved**

**TENTH ORDER OF BUSINESS**

**Consideration of Engagement of Akerman LLP, Special Counsel Regarding Brownfield Redevelopment**

Mr. Wrathell presented the Akerman LLP (Akerman) Engagement Letter and Fee Schedule to serve as Special Counsel for the CDD concerning the Brownfield Redevelopment. Mr. Lancaster asked if Kimley-Horn requested this engagement and, if so, why they requested it. Ms. Sandy stated she discussed this with PHC representatives who felt it prudent to engage Mr. Jason Lichstein, of Ackerman, as he also represents Elements and is familiar the the Brownfield Redevelopment and the Brownfield Site Rehabilitation Agreement (BSRA). Mr. Schilling stated they also requested this, as certain items come up during construction that they need Mr. Lichstein to weigh in on. They also felt that Mr. Lichstein should be engaged to represent the CDD, contractually, which extends to attorney-client privilege. He gave a general overview of the scope of work that would be provided.

**On MOTION by Mr. Jay Dodson and seconded by Mr. Lancaster, with all in favor, engaging Akerman LLP, as Special Counsel regarding the Brownfield Redevelopment and the Akerman Fee Schedule, was approved.**

**ELEVENTH ORDER OF BUSINESS**

**Consideration of Kutak Rock LLP Retention and Fee Agreement**

Mr. Wrathell resented the Kutak Rock LLP Retention and Fee Agreement Agreement.

**On MOTION by Mr. Lancaster and seconded by Mr. John Dodson, with all in favor, the Kutak Rock LLP Retention and Fee Agreement, was approved.**

**TWELFTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial Statements as of December 31, 2021**

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2021. In response to a Developer Funding Request, PHC sent \$10,000 to pay the four tax bills, for which DPFG did not file an exemption last spring, and an additional \$50,000 to ensure invoices are paid timely. He confirmed the exemptions on the four properties were being filed now, for Fiscal Year 2022.

**On MOTION by Mr. Lancaster and seconded by Mr. Jay Dodson, with all in favor, the Unaudited Financial Statements as of December 31, 2021, were accepted.**

**THIRTEENTH ORDER OF BUSINESS**

**Approval of December 20, 2021 Regular Meeting Minutes**

Mr. Wrathell presented the December 20, 2021 Regular Meeting Minutes.

**On MOTION by Mr. Lancaster and seconded by Mr. John Dodson, with all in favor, the December 20, 2021 Regular Meeting Minutes, as presented, were approved.**

## FOURTEENTH ORDER OF BUSINESS

## Staff Reports

**A. District Counsel: *Kutak Rock LLP***

There was no report.

**B. District Engineer: *Kimley-Horn and Associates, Inc.***

Mr. Schilling reported the following:

- Phase II: The bulkhead contractor installed all the sheets for the new bulkhead over the entire river frontage, except for the new rip-rap embankment portions where rip-rap was installed.
- The shore-line contractor is working on installing the concrete caps on the bulkhead, starting at the west end and working east.
- J.B. Coxwell mobilized and is working on proceeding with the outflow portion of the project. The lift station was delivered.
- Construction is progressing nicely.

Mr. Lancaster asked if the bulkhead contractor is responsible for demolishing the concrete structures in the river, outside of the bulkhead. Mr. Schilling stated they are pursuing a new permit to allow them to install a bulkhead and reclaim the two intake structures in the river. He noted that Elements owns portions of the storage lands of those intake structures. He stated that a few sections of the other old fueling pier concrete structure will be demolished to install a new bulkhead when the marina is constructed; this is included in the Marina contractor's scope of work.

Mr. Wrathell provided the following updates:

- Change Orders: The Internal Team discussed and decided to transfer Change Orders out of the J.B. Coxwell Agreement in order to take advantage of the CDD's sale tax-exempt status when purchasing materials.
- Purchase Orders: Ms. Schackmann, of WHA, and Mr. Schilling are working on issuing a Purchase Order for about \$1.1 million to Ferguson Pipe to purchase piping.
- Insurance: PHC representatives, the Construction Team and CDD Staff discussed and decided to obtain \$2.5 million of Builder's Risk Insurance for coverage of the materials being stored at the J.B. Coxwell land side project. Coverage is for 18 months and the new premium

amount will be offset by the premium for the inland marine coverage, which will net about \$15,000. This will be ratified at the next meeting.

➤ Bond Requisitions: Mr. Wrathell, Ms. Schackmann, Mr. Schilling, the Team, Mr. Duncan and Mr. Sheridan met today to discuss processing bond requisitions and reimbursement requests to the City/CRA. Thus far, only three Requisitions were submitted since August and those were related to the shoreline project. DPGF submitted Requisition #3 in January. As no reimbursements were received from the City, they are working on catching up with the reimbursement requests, for which funds will be deposited into the construction account for the Trustee to control.

➤ Requisition Request #4, for September, was being prepared and, once approved, the remaining ones will be submitted at once.

**C. District Manager: *Wrathell, Hunt and Associates, LLC***

- **NEXT MEETING DATE: February 21, 2022 at 1:30 P.M.**
  - **QUORUM CHECK**

The next meeting would be held on March 21, 2022.

**FIFTEENTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

There were no Board Members' comments or requests.

**SIXTEENTH ORDER OF BUSINESS**

**Public Comments: Non-Agenda Items  
(limited to 3 minutes per individual)**

There were no public comments.

**SEVENTEENTH ORDER OF BUSINESS**

**Adjournment**

**On MOTION by Mr. Jay Dodson and seconded by Mr. Lancaster, with all in favor, the meeting adjourned at 2:00 p.m.**





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Secretary/Assistant Secretary



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Chair/Vice Chair