

**MINUTES OF MEETING
EAST NASSAU STEWARDSHIP DISTRICT**

The Board of Supervisors of the East Nassau Stewardship District held a Regular Meeting and Auditor Selection Committee Meeting on November 16, 2023 at 10:00 a.m., at the Fernandina Beach Municipal Airport, 700 Airport Road, Fernandina Beach, Florida 32034.

Present were:

Mike Hahaj	Chair
Tommy Jinks	Vice Chair
Max Hord	Assistant Secretary
Jaime Northrup	Assistant Secretary
Rob Fancher	Assistant Secretary

Also present were:

Ernesto Torres	District Manager
Michelle Rigoni (via telephone)	District Counsel
Zach Brecht	District Engineer
Amy Norsworthy (via telephone)	Operations Manager
Todd Haskett	CCMC
Carol Brown	Landowner Representative

FIRST ORDER OF BUSINESS

Call to Order

Mr. Torres called the meeting to order at 10:00 a.m.

SECOND ORDER OF BUSINESS

Roll Call

All Supervisors were present.

THIRD ORDER OF BUSINESS

Chairman's Opening Remarks

Mr. Hahaj thanked all meeting attendees, including Ms. Rigoni and Ms. Norsworthy, who attended via telephone. He stated that Staff has been processing a great deal of data and the agenda was pared down ahead of today's meeting for the Board to consider several items, particularly the items in the Sixth, Seventh and Eighth Orders of Business. Mr. Hahaj stated it will be a busy time of year for the District and voiced his appreciation for everyone's hard work.

Mr. Torres stated the Chair, some of the other Board Members and Staff have been working through the agenda for several days and he, Ms. Rigoni and Mr. Brecht will try to deliver the agenda items as briefly and as quickly as possible.

FOURTH ORDER OF BUSINESS

Consent Agenda

Mr. Torres presented the following:

- A. Acceptance of Unaudited Financial Statements as of September 30, 2023**
- B. Approval of October 19, 2023 Regular Meeting and Audit Selection Committee Regular Meeting Minutes**
- C. Ratification Items**
 - I. ETM, Inc. Work Authorization No. 5 [2023/2024 General Consulting Engineering Services]**

On MOTION by Mr. Hahaj and seconded by Mr. Fancher, with all in favor, the Consent Agenda Items, as presented, were accepted, approved and ratified, respectively.

FIFTH ORDER OF BUSINESS

Public Comments (limited to 3 minutes per person)

No members of the public spoke.

SIXTH ORDER OF BUSINESS

Consideration of Amended and Restated Capital Improvement Plan for Detailed Specific Area Plan #2, dated November 16, 2023

Mr. Brecht stated a few changes were made in the narrative of the Amended and Restated Capital Improvement Plan for Detailed Specific Area Plan #2 after the previous meeting based on comments received from Counsel and others. There were no real substantive changes except for cost; the units and acreages are all still consistent with what was previously reviewed, approved and considered; however, the costs changed based on recent data that Staff received for other projects of similar nature. The costs have been updated to reflect a total buildout cost over 40 years of just shy of \$5 billion. This is a \$2 billion savings from the initial \$7 billion estimate.

Mr. Torres asked if the Engineer’s and Methodology Reports should be considered in conjunction with adoption of Resolution 2024-06 during the Eighth Order of Business or by separate motions. Ms. Rigoni stated, if the Board is amenable, she prefers separate motions and a vote for each Report because the bond resolution does not necessarily include the Reports. She asked the following questions of Mr. Brecht:

Ms. Rigoni: Are the cost estimates in your Amended and Restated Report reasonable and proper for the project size and scope?

Mr. Brecht: Yes.

Ms. Rigoni: Are you aware of any reason the District cannot carry out the improvement program in the Report as it is currently contemplated?

Mr. Brecht: Not at this time.

Ms. Rigoni: Thank you.

Mr. Hahaj expressed his appreciation for Staff’s efforts revising and refining the Reports.

On MOTION by Mr. Jinks and seconded by Ms. Northrup, with all in favor, the Amended and Restated Capital Improvement Plan for Detailed Specific Area Plan #2, dated November 16, 2023, was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Amended and Restated Master Validation Report for Detailed Specific Area Plan #2, dated November 16, 2023

Mr. Torres stated District Management updated the numbers to match the capital improvement numbers that were updated in Mr. Brecht’s Report. The current capital improvement buildout cost is \$1,281,408,410. He reviewed the other items in the Amended and Restated Master Validation Report for Detailed Specific Area Plan #2, which were updated to reflect the new Reports for the Capital Improvement Plan (CIP).

On MOTION by Mr. Jinks and seconded by Mr. Hahaj, with all in favor, the Amended and Restated Master Validation Report for Detailed Specific Area Plan #2, dated November 16, 2023, was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2024-06, Authorizing the Issuance of Not to exceed

\$6,886,076,000 Aggregate Principal Amount of East Nassau Stewardship District Special Assessment Revenue Bonds, in One or More Series to Pay All or a Portion of the Costs of the Planning, Financing, Construction and/or Acquisition of Public Infrastructure Improvements Including, But Not Limited to Roadways, Stormwater Management Systems, Recreation, Decorative Walls, Fences, Water, Sewer, and Reclaim Facilities, and Other Improvements Permitted by Chapter 2017-206, Laws of Florida and Associated Professional Fees and Incidental Costs Related Thereto Pursuant to Chapter 2017-206, Laws of Florida, as Amended; Appointing a Trustee; Approving the Form of and Authorizing the Execution and Delivery of a Master Trust Indenture; Providing that Such Bonds Shall Not Constitute a Debt, Liability or Obligation Of East Nassau Stewardship District, Nassau County, Florida, or the State of Florida or of Any Political Subdivision Thereof, But Shall Be Payable From Special Assessments Assessed and Levied on the Property Within The District Benefited By The Improvements And Subject to Assessment; Providing for the Judicial Validation of Such Bonds; Repealing Resolution No. 2024-03 Adopted October 19, 2023; and Providing for Other Related Matters

Ms. Rigoni presented Resolution 2024-06, which accomplishes the following:

- Supersedes Resolution 2024-03, which was adopted at the October 19, 2023 meeting.
- Changes the aggregate principal amount from \$10 billion to \$6,886,076,000 to correspond with the changes made to the Engineer's and the Master Validation Reports that were just approved.
- This begins the first step in the bond issuance process for the area of development referred to as Detailed Specific Area Plan #2 (DSAP2).

On MOTION by Mr. Hord and seconded by Mr. Hahaj, with all in favor, Resolution 2024-06, Authorizing the Issuance of Not to exceed \$6,886,076,000 Aggregate Principal Amount of East Nassau Stewardship District Special Assessment Revenue Bonds, in One or More Series to Pay All or a Portion of the Costs of the Planning, Financing, Construction and/or Acquisition of Public Infrastructure Improvements Including, But Not Limited to Roadways, Stormwater Management Systems, Recreation, Decorative Walls, Fences, Water, Sewer, and Reclaim Facilities, and Other Improvements Permitted by Chapter 2017-206, Laws of Florida and Associated Professional Fees and Incidental Costs Related Thereto Pursuant to Chapter 2017-206, Laws of Florida, as Amended; Appointing a Trustee; Approving the Form of and Authorizing the Execution and Delivery of a Master Trust Indenture; Providing that Such Bonds Shall Not Constitute a Debt, Liability or Obligation Of East Nassau Stewardship District, Nassau County, Florida, or the State of Florida or of Any Political Subdivision Thereof, But Shall Be Payable From Special Assessments Assessed and Levied on the Property Within The District Benefited By The Improvements And Subject to Assessment; Providing for the Judicial Validation of Such Bonds; Repealing Resolution No. 2024-03 Adopted October 19, 2023; and Providing for Other Related Matters, was adopted.

NINTH ORDER OF BUSINESS

Consideration of Acquisition of Wildlight PDP 3 / Pod 4 North Landscape, Pond, Mobility Trail and Recreation Tracts and Related Improvements and Authorization for Staff and Chairperson to Prepare and Finalize Acquisition Documents

- A. Map of Tracts and Improvements Location**
- B. Description of Improvements and Parcel Information**

Mr. Torres presented the Acquisition of Wildlight PDP 3/Pod 4 North Landscape, Pond, Mobility Trail and Recreation Tracts and Related Improvements and Authorization for Staff and Chairperson to Prepare and Finalize Acquisition Documents.

Referencing the map in the agenda packet, Ms. Rigoni stated the Developer completed construction of the tracts and improvements located in those areas, pursuant to the Acquisition Agreement that the CDD already has with the Developer. At this time the District is acquiring these items at no cost.

On MOTION by Mr. Hahaj and seconded by Ms. Northrup, with all in favor, the Acquisition of Wildlight PDP 3 / Pod 4 North Landscape, Pond, Mobility Trail and Recreation Tracts and Related Improvements and Authorizing District Staff

to coordinate with the Board Chair and Developer to prepare and finalize the Acquisition Documents, was approved.

TENTH ORDER OF BUSINESS

Consideration of Acquisition of Trails Tract and Improvements from Fellowship and Wildlight and Acquisition of Trails Improvements from Wildlight

Ms. Rigoni explained that Fellowship is a third-party entity within the District who owns and develops their land, including mobility trails that the District will eventually own and maintain, and Fellowship is looking to convey to the District the portions of land on which the mobility trails are located. There are two separate components to the acquisition; the acquisition of lands from Fellowship and the acquisition of improvements from Wildlight.

Ms. Rigoni stated there are proposed forms associated with this item and recommended approval of the forms, in substantial form, in order to allow Fellowship and Wildlight to review them, and to authorize Staff and the Board Chair to finalize the same.

On MOTION by Ms. Northrup and seconded by Mr. Hord, with all in favor, the Acquisition of Trails Tract and Improvements from Fellowship and Wildlight and Acquisition of Trails Improvements from Wildlight, in substantial form, and authorizing Staff and the Board Chair to finalize the forms, was approved.

ELEVENTH ORDER OF BUSINESS

Consideration of Advance Acquisition Agreement Regarding Commerce Park

Ms. Rigoni presented the Advance Acquisition Agreement regarding Commerce Park. Because the District lacks the funds to pay for the master improvements in the commercial area, the Developer generously offered to provide the improvements at no cost. The Acquisition Agreement provides that it will not be for reimbursement purposes.

Mr. Hahaj stated this is consistent with the Special Revenue Fund that is in the budget and it is an additional step in the process.

On MOTION by Mr. Hord and seconded by Ms. Northrup, with all in favor, the Advance Acquisition Agreement Regarding Commerce Park, was approved.

**Consideration of Amended and Restated
Cost Share Agreement for the Use of Bulk
Reclaimed Water**

Mr. Torres presented the Amended and Restated Cost Share Agreement for the Use of Bulk Reclaimed Water. The Agreement is being amended to add an additional water meter.

Ms. Norsworthy stated the Agreement lists the commercial association and the meter that is being added is with the residential association, so Staff needs to add the residential association to the Agreement. Ms. Rigoni recommended approval in substantial form, subject to incorporation of the residential association, as a party to the Agreement.

On MOTION by Mr. Hahaj and seconded by Mr. Hord, with all in favor, the Amended and Restated Cost Share Agreement for the Use of Bulk Reclaimed Water, in substantial form, was approved.

THIRTEENTH ORDER OF BUSINESS

**Consideration of License Agreement to
Nassau County Regarding Bicentennial
Event**

Mr. Torres presented the License Agreement to Nassau County Regarding Bicentennial Event. Staff is working with the District's insurance to make sure the County provides the proper coverage for the District to be indemnified properly for the event.

Ms. Rigoni clarified that the special events insurance will be coming from the County and Staff is working with the District's insurance to see what they recommend the CDD require under the coverage that the County provides. The general form of the license is being negotiated between Developer's Counsel and the County Attorney. The idea is for each of the landowners to have license agreements based on one set of license agreement forms. Staff is working on streamlining the license agreement process. She recommended approval in substantial form and authorizing the Chair to execute the final agreement.

Mr. Hahaj voiced his appreciation to District Staff for their work ensuring that all the businesses and the District are appropriately-protected.

On MOTION by Mr. Fancher and seconded by Mr. Hord, with all in favor, the License Agreement to Nassau County Regarding Bicentennial Event, in substantial form, and authorizing the Chair to execute the final agreement, was approved.

FOURTEENTH ORDER OF BUSINESS

Consideration of Proposal for Environment Consultant Services for Conservation Habitat Network Monitoring and Maintenance

Mr. Jinks presented the Proposal for Environment Consultant Services for Conservation Habitat Network Monitoring and Maintenance. Asked if the cost estimates associated with the proposal are for the current fiscal year, Mr. Jinks stated the monitoring is performed once per year and the costs are for the entire duration of the monitoring.

Ms. Rigoni asked for approval, subject to her firm preparing a professional services agreement.

On MOTION by Mr. Hahaj and seconded by Mr. Hord, with all in favor, the Proposal for Environment Consultant Services for Conservation Habitat Network Monitoring and Maintenance and authorizing District Counsel to prepare a professional services agreement, was approved.

FIFTEENTH ORDER OF BUSINESS

Discussion Regarding Updates to the Conservation Habitat Network, Conservation Land Acquisition and Acceptance of Permit Responsibilities, and Authorizing Staff to Proceed to Preparing Related Documents

Ms. Rigoni recalled that, sometime in 2022, the Board adopted a Conservation Habitat Maintenance Manual that spoke to the types of monitoring and other activities that need to occur based on the Environment Resource Permit (ERP) recommendation to be compliant with the various permit responsibilities and requirements for proper maintenance of the Conservation Habitat Network. Part of the District's purpose is to perpetually own and maintain the various conservation lands throughout the District, which are numerous. After a review of the maintenance process and upon further discussions with the Developer, they would like for the District to acquire the land at the monitoring stage of the conservation land and have requested that the District take over the conservation lands for the monitoring and perpetual maintenance. The Developer has agreed to pay for the monitoring activities. She voiced her plan to update the Board on what is going on and prepare the paperwork, evidencing the first

tract of the conservation lands that are ready for monitoring. She asked for further authorization to work with the Environmental Consultant, the Developer and District Staff to prepare the conservation land acquisition documents, as well as enter into a funding agreement for the monitoring activities.

In response to Mr. Hahaj’s question regarding whether the funding agreement will include Agenda Items 15 and 16, Ms. Rigoni stated that is being discussed with the Developer; however, the scope of the funding and if the Environmental Consultant’s fee as it relates to the monitoring activity is covered but Staff will request clarification of these items.

Discussion ensued regarding the \$15,000 invoice from Dewayne Crews, Inc., the Florida Waterways Inc. proposal for pond maintenance and a cost-share for a portion of the monitoring.

Asked if a motion is needed for the Conservation Habitat Network, Ms. Rigoni stated she would like authorization to continue to prepare the acquisition and related documents.

On MOTION by Mr. Hord and seconded by Mr. Jinks, with all in favor, authorizing District Counsel to continue preparing acquisition and related documents for the conservation lands, was approved.

SIXTEENTH ORDER OF BUSINESS

Consideration of Florida Waterways Inc., Quote to Add Additional Pond to Routine Monthly Service

Mr. Torres presented the Florida Waterways Inc., Quote adding Pond #13 to the Routine Monthly Service, for \$66.25, and Invoice #6913 from Dewayne Crews, Inc., in the amount of \$15,410. The expenditures are already within budget and District Counsel will prepare an amendment to the current agreement.

On MOTION by Mr. Hahaj and seconded by Mr. Fancher, with all in favor, the Florida Waterways Inc., Quote adding Pond #13 to the Routine Monthly Service, and Dewayne Crews, Inc., Invoice #6913, in the amount of \$15,410, were approved.

SEVENTEENTH ORDER OF BUSINESS

Consideration of Landscape Maintenance Proposals

Mr. Torres presented The Greenery Inc, Proposal, in the amount of \$1,386 per month, which is an addendum to the Commercial Landscape contract.

Ms. Rigoni stated the proposal might need an additional amendment to include a small tract on the east side of the entrance road, to remove Tract 5. The contract does not include pine straw and/or palm tree trimming. Ms. Rigoni will complete and formalize the amendment and present it at the next meeting for ratification.

On MOTION by Mr. Hahaj and seconded by Mr. Hord, with all in favor, the Landscape Maintenance Proposal, adding an additional proposed area that was not included, and authorizing the Chair to execute the proposal, subject to the changes discussed, was approved.

EIGHTEENTH ORDER OF BUSINESS

Consideration of Request for Run Wild 2024 5K/10K Event from Road Runners Club of America and Authorization to Staff to Coordinate Same

Mr. Torres presented the Request for Run Wild 2024 5K/10K Event from Road Runners Club of America.

Ms. Rigoni stated, once the mobility trails in the conservation areas come online, the Road Runners Club of America requests holding the “Run Wild” event on the trails. She asked for approval of the request for the event, subject to proper documentation of license agreements, retainage of the proper insurance and the consent waiver forms.

On MOTION by Mr. Hahaj and seconded by Ms. Northrup, with all in favor, the Request for Run Wild 2024 5K/10K Event, authorizing District Counsel to prepare the necessary documentation and for Staff to coordinate the event, was approved.

NINETEENTH ORDER OF BUSINESS

Consideration of MBS Capital Markets, LLC Supplement to Investment Banking Agreement

Ms. Rigoni presented the MBS Capital Markets, LLC Supplement to the Investment Banking Agreement.

On MOTION by Mr. Hahaj and seconded by Mr. Jinks, with all in favor, the MBS Capital Markets, LLC Supplement to the Investment Banking Agreement, was approved.

TWENTIETH ORDER OF BUSINESS

Recess Regular Meeting/Commencement of Auditor Selection Committee Meeting

Mr. Torres recessed the Regular Meeting and the Auditor Selection Committee Meeting commenced.

A. Review of Audit Proposals Received in Response to RFP for Annual Audit Services

I. Affidavit of Publication

II. RFP Package

III. Respondents

a. Berger, Toombs, Elam, Gaines & Frank

b. Grau & Associates

Mr. Torres stated Berger, Toombs, Elam, Gaines & Frank (BTEGF) prepared the CDD’s Fiscal Year 2022 audit, which did not meet the June 30th submittal deadline.

Mr. Torres reviewed the fee schedules for each respondent.

Mr. Torres and Ms. Rigoni responded to questions regarding if BTEGF responded to the timeliness issue of the prior year’s audit, the bond issuance fees, the length of two contracts, a termination provision and advertising costs.

A Board Member stated the BTEGF proposal is incomplete as it does not include bond fees.

B. Auditor Evaluation Matrix/Ranking

The Committee completed the Auditor Evaluation Matrix.

The Committee’s recommendation is to select Grau & Associates.

TWENTY-FIRST ORDER OF BUSINESS

Termination of Auditor Selection Committee Meeting/Reconvene Regular Meeting

Mr. Torres terminated the Auditor Selection Committee Meeting and reconvened the Regular Meeting.

**Consideration of Recommendation of
Auditor Selection Committee and Ranking
of Proposals from Auditors**

Mr. Torres announced the Auditor Selection Committee rankings and total score for each respondent, as follows:

#1	Grau & Associates	98 points
#2	BTEGF	87 points

Staff's recommendation is to proceed with an engagement letter to Grau & Associates. Ms. Rigoni will issue a notice of intent to award the contract for Annual Audit Services.

On MOTION by Mr. Jinks and seconded by Mr. Hord with all in favor, awarding the Audit Services contract to Grau & Associates, the #1 ranked respondent to the RFP for Annual Audit Services, and authorizing District Counsel to prepare and send an Engagement Letter to Grau & Associates, was approved.

TWENTY-THIRD ORDER OF BUSINESS

Development Update/Staff Reports

A. Developer

Ms. Brown stated that she will be coordinating with the Board and District Staff in the preparation of the conveyances to be completed and finalized by the December meeting and additional conveyances, including the Conservation Habitat Network, which is ready to be conveyed will be presented at the next meeting as well.

B District Counsel: Kutak Rock LLP

Ms. Rigoni stated the Bond Validation Hearing for DSAP 2 is scheduled for December 19, 2023. The Chair, District Manager and District Engineer will need to attend in case any testimony is requested. Immediately following the meeting, Staff will file an amended complaint to reflect the revised bond validation amount. Staff is coordinating with all parties to meet all publishing/noticing deadlines. In response to Mr. Hahaj's question, Ms. Rigoni stated a first draft of the Joint Stipulation Agreement should be ready by late November-early December.

B. District Engineer: England-Thims & Miller, Inc.

Mr. Brecht stated Engineering is working on obtaining approvals and submitting plans for the next phase of development of master infrastructure for the Wildlight expansion, and on

setting up a website portal strictly for the District to monitor the conveyances, track mapping and all its assets.

C. Field Operations: CCMC

Mr. Haskett presented the Operations Report dated October 2023 and discussed an erosion issue on the dock near St. Claire and a recent request by homeowners for speed bump installation on Daydream Avenue between Floco and Wildlight Avenues.

E. District Manager: Wrathell, Hunt and Associates, LLC

- **NEXT MEETING DATE: December 21, 2023 at 10:00 AM**
 - **QUORUM CHECK**

All Supervisors confirmed their attendance at the December, meeting with the exception of Mr. Fancher.

TWENTY-FOURTH ORDER OF BUSINESS

Board Members' Comments/Requests

Mr. Hahaj thanked everyone for their hard work.

TWENTY-FIFTH ORDER OF BUSINESS

Public Comments

There were no public comments.

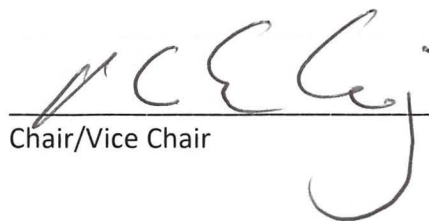
TWENTY-SIXTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Fancher and seconded by Mr. Hord, with all in favor, the meeting adjourned at 11:20 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair