

MINUTES OF MEETING
BANNON LAKES
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Bannon Lakes Community Development District was held on Thursday, January 23, 2025, at 6:00 p.m. at the World Golf Village Renaissance Hotel, 500 S. Legacy Trail, St. Augustine, Florida.

Present and constituting a quorum were:

Michael Sheldon	Chairman
Kim Crenier	Vice Chairperson
Sandy Gehring	Supervisor
Thomas Cooper	Supervisor
John Ter Louw	Supervisor

Also present were:

Jim Oliver	District Manager
Kyle Magee <i>by phone</i>	District Counsel
Matt Biagetti	GMS
Jeff Johnson	RMS

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order. Five Supervisors were present in person constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment

Mr. Oliver stated there were two public comment sections, one at the beginning of the meeting regarding items that were on the agenda then another opportunity under the 11th order of business, and that can be CDD matters, on the agenda or not. Mr. Oliver added that the comments needed to be limited to three minutes. Mr. Oliver noted that it was possible that the Board members would not engage in conversation during audience comments. They may reserve comments until after that period or when they get to the agenda items during the meeting.

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THIRD ORDER OF BUSINESS**Approval of Minutes of the December 10, 2024, Meeting**

Mr. Oliver presented the minutes from the December 10, 2024, Board of Supervisors meeting and asked for any comments, corrections, or changes. A Board member mentioned paragraph 2, page 6. He noted an item that needed to be corrected: the \$50 fee for rentals to private parties. It initially stated that it was non-refundable, but it is refundable.

On MOTION by Ms. Gehring, seconded by Ms. Crenier, with all in favor, the Minutes of the December 10, 2024, Meeting, were approved as amended 5-0.

FOURTH ORDER OF BUSINESS**Discussion of Rate Hearing****A. Consideration of Resolution 2025-02, Setting a Public Hearing Date to Adopt Rates**

Mr. Oliver stated this was a discussion of the rate hearing. He noted they need to approve a resolution to set a public hearing. Mr. Oliver stated that the meeting would be at the Good News Church near the development at the March meeting. Ms. Gehring wanted to clarify that the rate hearing, which was required, is about adding a rental fee for the non-refundable rental fee for use of the amenity center for private parties.

Mr. Oliver explained that the public hearing would focus on the maximum increase, which could be discussed and commented on by the Board. Ms. Gehring asked if the public hearing would occur at the regular meeting. Mr. Oliver responded yes. He noted that it would be at the beginning of the regular meeting.

On MOTION by Ms. Crenier, seconded by Ms. Gehring, with all in favor, Resolution 2025-02, Setting a Public Hearing Date to Adopt Rates for March 27, 2025 at 6:00 p.m., was approved 5-0.

FIFTH ORDER OF BUSINESS**Discussion of Pond Ownership**

Mr. Sheldon recalled from the last meeting they were going to set up work groups to meet with individual communities to determine upcoming items. Mr. Sheldon noted that he took ownership of looking at the issue with the pond transfer. He stated that he had appointments lined up with one or more of the communities, and the idea seemed feasible through the conversations. He noted there were engineering and legal items to review. He said it is likely that homeowners

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will vote to transfer assets from the CDD. Mr. Sheldon added he had asked for information from the communities about the quality of their lakes. For example, how much did they spend on it, what issues might they have had, etc. Those responses would help the engineering and legal process, ultimately deciding whether it goes to the HOA to transfer those assets.

Ms. Gehring asked about the timing and when this would be addressed. Mr. Sheldon answered he wanted to have a motion in place at the March meeting. He added that that would give legal and engineering time to prepare. Mr. Sheldon said they would like it done before late May because of the budget process in June for the budget of FY26 in August. Mr. Sheldon spoke of a contract on special maintenance for the lakes in terms of biological studies. Mr. Sheldon mentioned the ownership issue and the liability. Referring to the HOA not a government agency, the liability of that. He noted they may have greater problems than it would be for the CDD because they are a government agency.

SIXTH ORDER OF BUSINESS

Discussion of Amenity Center Enhancements

Ms. Crenier stated that there was a good turnout at the general workshop on January 9. There were 14 people and they all had a lot of ideas. It was decided that a survey of all the ideas would be circulated. The survey was in draft form but was being finalized and edited for clarity and formatting; it hadn't been sent out yet. The suggestions presented offered an idea of what was most important to the community. A Board member asked Ms. Crenier about the survey distribution method. Ms. Crenier noted that it would be on two community Facebook pages, and Ms. Diana Lambert also offered to send it out in her emails. There would be a link. Ms. Crenier noted that if anyone did not have an email or Facebook, they would print out the survey for them.

SEVENTH ORDER OF BUSINESS

Consideration of Proposal from Bio-Tech Consulting for Pond Treatment

Mr. Oliver noted that this item is related to mitigation work being required by St. Johns Water Management District. Mr. Oliver added that they have the proposal and were doing it for the Water Management District requirements. Mr. Oliver said they wanted the District Engineer to look at it to ensure they weren't doing more than required. Mr. Oliver noted they wanted to approve it substantially, subject to review by the Engineer and the chairman's approval. Mr. Oliver said that when the Engineer approves of it, he may have problems with some of the costs being

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too high or unnecessary. A Board member asked if there was value in having the legal department look at a couple of the paragraphs. Mr. Oliver said yes. Another Board member asked if this was replacing someone who had done this before or if it was the first time they did it. Mr. Oliver answered that it was the first time. He added that the work with this company and the development were built in phases, and not everything was done upfront. Mr. Oliver noted that they serve some littoral plants along the lake bank. Mr. Oliver stated that he wanted to ensure this was not something they were recommended to do but something they were required to do. Mr. Oliver asked for a motion to approve, subject to review by the Engineer and approval by the Chairman. The total price is \$16,800 for 16 quarterly treatments.

On MOTION by Mr. Sheldon, seconded by Ms. Crenier, with all in favor, the Proposal from Bio-Tech Consulting Pond Treatment, was approved in substantial form subject to District Engineer and Counsel's review and Chairman approval 5-0.

EIGHTH ORDER OF BUSINESS

Consideration of Agreement for Professional Engineering Services with Matthews Design Group, LLC

Mr. Oliver stated that the RGQ was initiated engage a new Engineer two meetings ago. The previous Engineer, England-Thims & Miller, had resigned from the Community Development District's in northeast Florida, adding that their focus was more on construction projects. He said they had received a response from Matthews Design, a local engineering group, and the Board had reviewed that they were the only proposers. He noted that many Engineering firms weren't up to the task, but they had provided their rate sheet and a copy of the agreement and the rate sheet. Mr. Oliver stated he was looking for a motion to approve.

On MOTION by Mr. Sheldon, seconded by Ms. Crenier, with all in favor, the Agreement for Professional Engineering Services with Matthews Design Group, LLC, was approved 5-0.

NINTH ORDER OF BUSINESS

Other Business

Mr. Oliver stated they didn't have any other business for discussion.

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TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Magee stated that in the last meeting the legal department mentioned the Master HOA for the community, which wanted to discuss documents. He noted that they seemed to be spending around \$13,000 on maintenance and collecting around \$40,000. Mr. Magee pointed out that most of the money that everyone is paying is being paid to another management company. He added that the amount wasn't \$45 but now \$49.40. Mr. Oliver noted there would need to be a detailed discussion and they need the Chairman, the Attorney, and the Engineer to analyze it thoroughly and determine how the community could benefit by engaging the CDD and attempting to work on a payment agreement. Mr. Oliver added they would have a detailed report at the next meeting.

Mr. Magee stated that there were no reports from the District Counsel but was happy to answer any questions.

B. Engineer

Mr. Oliver stated that the Engineer, Mr. Alex Acree, could not be present.

C. District Manager

Mr. Oliver said it was time to start discussing FY26 in Florida. He noted that statutes 190 required that they approve a proposed budget by June 15th, adopt it, and hold a public hearing for adoption no sooner than 60 days after the approval of the budget. Mr. Oliver said they would start working on the budget at the next meeting and plan to approve a proposed budget that the Board had already discussed. Mr. Oliver noted that in previous meetings, they would approve a budget in late May, continue discussing it at the June and July meetings, and adopt it at the August meeting. Mr. Oliver stated that the amenity manager was on vacation. He noted that her last meeting would be in February, and they would recognize her there.

D. General Manager

Mr. Johnson stated that he had nothing to report but was happy to answer any questions. Ms. Gehring asked if he was responsible for the cleaning service vendor agreement. He responded that he was. She asked if he was reevaluating them. He answered yes and added that he had several proposals that he was working on. He said he was giving Jani-King one more opportunity to make this right; if not, they would propose the next meeting to make a change. Mr. Johnson noted that

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he had not been happy with their service. Mr. Oliver added that Mr. Johnson had communicated with Jani-King regarding their deficiencies by e-mail and in person.

Mr. Johnson said that there was a roof issue at the amenity center. He noted that he had made the necessary calls to get the roof evaluated and fixed. It was stated that the roof was approximately 8 years old. Mr. Johnson said they would gather all the information and get it fixed.

ELEVENTH ORDER OF BUSINESS

Audience Comments

- Resident Hailey, 597, Blind Oak Circle, stated that she was the one helping with the survey. After being called on for her comment, Ms. Hailey said she couldn't recall what she would say. She did state that they wouldn't use Google Forms because they don't have an accurate ranking system built into their platform. She said instead that they were going to use Microsoft Forms. She indicated that she had done lots of research, and through much discussion, Ms. Hailey stated that she would be ready to present the survey to the community at the next meeting.
- Resident Christine, 764 Blind Oak Circle, stated that this would be mentioned at the next meeting, but as Ms. Diane Lambert was leaving, she had offered to e-mail it so they could find out who the new person was.
- Resident Kelly, 178 Ash Breeze, stated that he would make the same comment, but the survey is available and ready for use if you get an email from the respective HOA.
- Resident Mike Mortes, Bridge Bay, 275 Ridge Rd, had a question about the ponds. He asked how many ponds there were. The answer was 16. He asked how many were HOA-owned. After counting, it was determined that 6 were CDD-owned, and the rest were HOA-owned. A Board member asked how the amenity center enhancements were going to be paid for. Ms. Crenier stated that they would have to look at and see what people are looking for, what the upgrades will entail, and how much they will cost. She added that they would see if the enhancements could be afforded. Mr. Oliver stated that timing was one of the biggest things. He added that the community develops a list of what their future projects might be and then gets a course of resident input throughout the process and depending on those improvements, there will be a bond issue or refunding of existing bonds when the call period has ended so they can be refunded at a lower rate that generates fundings. Mr. Oliver stated that they weren't there yet, just talking about a half-million-dollar or

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\$1,000,000 issue or nothing at all. He indicated they just don't know yet. Mr. Oliver noted that for many years they had the resident controlled Board saying that they have it controlled by the residents, with no development control. He added that they would have those discussions when they go from developer control to resident control. He said they would start having those discussions. He noted that he didn't have many Districts that haven't had some type of expansion of facilities or new facilities. There was a Board member who asked about understanding Mr. Oliver, that in the last phase they worked to build, their bonds were issued to complete that. He also asked Mr. Oliver if he was saying that they potentially may not spend that money. Mr. Oliver answered that at that time, he was just putting a number out there, but, at that moment, they had approximately \$800,000 in the Project Fund that they could use for projects that were approved by the Engineers report. He noted that they couldn't use those funds for repairs or replacements, as in the roof, they couldn't use it for that but could use it for the intent of those funds, and it was construction of facilities. Mr. Oliver noted that the Engineer's report is broad in what it can be used for, but some things would not qualify. Ms. Crenier said that what would probably happen when they find out what the residents are most interested in, they would put a list of priorities together with prices. A Board member asked about approving the new biotech consulting pond treatment proposal. He wondered if that was above and beyond other lake treatments. Mr. Oliver stated that it was to conduct a mitigation that the Water Management District requires. He added that they need the new Engineer as well as the attorney to review it and then sign off on it, then we bring it to the chair for his execution.

- Resident Emily Coppell, 71 Artist Oaks, asked if the homeowners in the ponds got to vote. A Board member answered that he couldn't speak for the HOA but believed they would have to have 60% of those voting.
- Resident 398 Blue Jack Lane asked a question concerning the ponds. She stated that she wondered in their research if they were part of the CDD and if others weren't. She added that it would have been more straightforward from the beginning to know how much belonged to the CDD. Mr. Biagetti stated that, in his opinion, the developer had a responsibility. He asked if they remembered that there was deficit funding in some of the HOAs. When HOAs were 30% or 40% occupied, the budget for managing that HOA was more significant than the builder was on the hook for. He added that if the cost of the First

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Service Residential services was more important than what they were paying in their dues for the HOA, then Pulte Group was on the hook for the remainder. The same thing applied to the CDD. The developer would be on the hook if there were a management cost deficit. Mr. Biagetti stated that they had researched and understood the risk of being independently managed. Mr. Biagetti added that he thought it would be good if they considered consolidation and noted the community's concern for the lakes affected them all. He said that if one of the lakes has an algae problem, they are all likely to have a problem with algae. He stated they needed to know that they were all being managed correctly. The resident asked if they had talked to Pulte. Mr. Oliver wanted to point out that the CDD owned some of the bonds. The master developer had gone to the county to apply for permits, which were part of mitigation. The master developer didn't want to be responsible for the long term. They found a way to turn it back to the CDD. It was said the St. Johns River Management District was the oversight and the Army Corps of Engineers were involved. It was complicated in the surrounding areas that were previously owned by the developer that is part of the CDD. It was asked if there was an exclusivity clause that CDD entered into regarding the ISP with AT&T? He added that it seemed that they were locked to just one provider. Are there others allowed into the neighborhood or certain agreements? The answer to those questions was no. There were several different providers mentioned. A Board member noted that residents don't have to be hard-wired for the internet anymore.

- Resident Connie Fontaine, 42 Bridge Oak Lane, stated that she worked from home and that AT&T's service is the worst, and she had been with them for five years. She noted that she had complained every year about lowering her rate. She added that it was about purpose and connectivity service. She said she was hardwired in and still could not connect. She wants a new provider. Mr. Biagetti stated that the CDD had no authority in that area. He also added that there may be more alternatives through the HOA.

TWELFTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending December 31, 2024

Mr. Oliver presented the unaudited financials through December 31, 2024. Three months into the fiscal year, the income statement had no unusual variances. The Capital Projects Fund had a balance of \$872,000.00, and the Capital Reserve Fund was \$60,520.00.

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B. Assessment Receipt Schedules

Mr. Oliver noted the receipt schedule; the collection rate was 84.29%. He noted that they would be fully collected like every year, likely by the end of April.

C. Approval of Check Register

Mr. Oliver presented the check register for Board approval. Mr. Biagetti asked if they had authorized a reserve study. Mr. Oliver stated that they had, that Mr. Charlie Shepherd was going to do the study, and that they would have it in time for the budget process.

On MOTION by Mr. Sheldon, seconded by Ms. Crenier, with all in favor, the Check Register was approved 5-0.

THIRTEENTH ORDER OF BUSINESS

**Next Scheduled Meeting – February 27,
2025 @ 6:00 p.m. at the World Golf Village**

Mr. Oliver stated the next meeting is scheduled for February 27, 2025, at 6:00 p.m. This meeting will be at the World Golf Village, but the remaining meetings will be at the Good News Church. Mr. Oliver added that they were still working on dates. He noted that they would meet monthly and make it public as to when those meetings would be. Mr. Biagetti stated that they were still meeting their obligations with the contract they made with Renaissance. He said they still have two meetings left. Then, they had made arrangements with Good News Church for a meeting room there. A resident asked for microphones because it was hard for them to hear. Mr. Sheldon spoke of having a sound system they use for meetings that he would bring.

FOURTEENTH ORDER OF BUSINESS**Adjournment**

On MOTION by Mr. Sheldon, seconded by Mr. Cooper, all in favor, the meeting was adjourned 5-0.

DocuSigned by:

Jim Oliver

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Secretary / Assistant Secretary

Signed by:

Michael Sheldon

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Chairperson / Vice Chairperson