

**MINUTES OF MEETING  
SHADOWLAWN COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Shadowlawn Community Development District held a Regular Meeting on May 28, 2024 at 2:00 p.m., at Reinhold Corporation, 1845 Town Center Blvd, Suite 105, Fleming Island, Florida 32003.

**Present were:**

Liam O'Reilly  
George Egan  
Cooper Murphy  
Jacob (Jeff) Bryan

Chair  
Vice Chair  
Assistant Secretary  
Assistant Secretary

**Also present:**

Craig Wrathell  
Antonio Shaw  
Katie Buchanan  
Daniel Welch (via telephone)  
Kelly Fitzpatrick Powell

District Manager  
Wrathell, Hunt and Associates, LLC  
District Counsel  
District Engineer  
Reinhold Corporation

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 2:09 p.m.

Supervisors O'Reilly, Egan, Murphy and Bryan were present. Supervisor Williams was not present.

Mr. Wrathell asked the Board to consider adding on an item to the agenda related to assignment of the Construction Contract for the Jax Utilities Management Phase 1 work for Greenpoint Parcel 61 to the CDD.

<p><b>On MOTION by Mr. O'Reilly and seconded by Mr. Bryan, with all in favor, the add-on item to the agenda related to consideration of assignment of the Construction Contract for the Jax Utilities Management Phase 1 work for Greenpoint Parcel 61 to the CDD, was approved.</b></p>
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**SECOND ORDER OF BUSINESS****Public Comments**

No members of the public spoke.

**THIRD ORDER OF BUSINESS****Consideration of Resolution 2024-13, Approving a Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date**

Mr. Wrathell presented Resolution 2024-13. He reviewed the proposed Fiscal Year 2025 budget highlighting line item increases, decreases and adjustments, compared to the Fiscal Year 2024 budget, and explained the reasons for any adjustments. The CDD's field operations and maintenance (O&M) budget will be developed further, prior to the Public Hearing.

Discussion ensued regarding maintenance for Cathedral Oak Parkway, which will begin in phases and obtaining and presenting bids at an upcoming meeting for a landscape contract that might begin in August.

Staff will continue working with Mr. Kern regarding budgeting and implementing landscape maintenance for Parcel 61 Phase 1.

Mr. Wrathell stated the CDD will continue to be Landowner-funded in Fiscal Year 2025, with Cathedral Oak, LLC funding the administrative and O&M expenses through December 31, 2024 and Parcel 61 Ventures funding administrative and O&M expenses from January 1, 2025 through September 30, 2025, pending timing of completion of Cathedral Oak Parkway.

Discussion ensued regarding the Developer-funded budget, in which expenses would be funded as they are incurred and O&M costs typically being prorated and collected at lot closings. It was noted that no lots are currently platted.

Mr. Wrathell stated that the proposed Fiscal Year 2025 budget will be updated to reflect the platted lots to be collected on the tax bill next year, in June 2025; at that point, the balance of lots will be direct-billed off-roll assessments.

Ms. Buchanan asked for the cutoff date for the bills for drafting purposes, given that some bills might not be received until later. Mr. O'Reilly stated the defining date will be the date of substantial completion of the road; the date that occurs will be the cutoff for payment expenses incurred as of that date. Mr. Wrathell stated that the only O&M expenses anticipated will be related to Cathedral Oak Parkway landscaping, estimated at approximately \$5,000 through the end of September 2024, and then October, November and December 2024.

Mr. Wrathell presented the Debt Service Fund Budget and stated the off-roll assessments totaling approximately \$1.384 million will be billed directly to GreenPointe for the properties encumbered by the Series 2024 bonds, as none of the lots are platted.

Mr. Wrathell discussed the use of bond proceeds, noting that part of the bond proceeds are allocated to the Debt Service Fund for capitalized interest, costs of issuance, Underwriter's discount and Debt Service Reserve. The balance of the bond proceeds totaling \$16,914,992 are deposited into the Capital Projects Fund, as shown on the Balance Sheet on Page 1 of the Unaudited Financials.

Discussion ensued regarding the review, processing and approval of Requisitions; it was recommended that, to comply with the prompt payment requirements, Bond Requisitions should be reviewed and approved in between meetings and ratified at the next meeting.

The Board and Staff discussed whether Reinhold revenues coming in and monies going out should be reflected in the Fiscal Year 2025 budget. This will be discussed in the future.

**On MOTION by Mr. Murphy and seconded by Mr. O'Reilly, with all in favor, Resolution 2024-13, Approving a Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law on August 20, 2024 at 2:00 p.m., at Reinhold Corporation, 1845 Town Center Blvd, Suite 105, Fleming Island, Florida 32003; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.**

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

**Consideration of Resolution 2024-14, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year**

**2024/2025 and Providing for an Effective Date**

Mr. Wrathell presented Resolution 2024-14.

The following will be inserted into the Fiscal Year 2025 Meeting Schedule:

DATES AND TIMES: October 22, 2024 at 9:30 AM and January 21, 2025, May 20, 2025 and August 19, 2025 at 2:00 PM

**On MOTION by Mr. Bryan and seconded by Mr. O'Reilly, with all in favor, Resolution 2024-14, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2024/2025, as amended, and Providing for an Effective Date, was adopted.**

**FIFTH ORDER OF BUSINESS****Acceptance of Unaudited Financial Statements as of April 30, 2024**

Mr. Wrathell stated the acceptance of the Unaudited Financial Statements will be deferred. He discussed a new process to be implemented with regard to the Accounts Payable (A/P) aging. District Management's Accounting Staff sent the A/P aging for the General Fund, which includes all pending invoices, to Ms. Powell and Mr. O'Reilly. Ms. Powell will also be given Quickbooks access in the next day or two for real time transaction viewing.

Discussion ensued regarding the "Accounts payable" amount of \$1,235,528 and the "Unearned revenue" amount of \$750,847. Mr. Wrathell will research the transactions related to those line items and the CCUA to determine if the "Unearned revenue" represents an amount billed to Reinhold but not paid.

Discussion ensued regarding the negative fund balances shown on Page 1. Mr. Wrathell stated these are related to the funding of public improvements not owned by the CDD.

Mr. Wrathell discussed the difference between approving and accepting documents and stated that the Board is not expected to approve the Unaudited Financials. Rather, the Board will ultimately make a motion to accept the Unaudited Financials, which indicates that the Unaudited Financials have been presented to the Board.

This item was deferred.

**SIXTH ORDER OF BUSINESS****Approval of March 26, 2024 Public Hearing,  
Regular Meeting and Audit Committee  
Meeting Minutes**

Mr. Wrathell presented the March 26, 2024 Public Hearing, Regular Meeting and Audit Committee Meeting Minutes. The following change was made:

Line 134: Change “right-of-ways (ROWs)” to “assessment area”

**On MOTION by Mr. Egan and seconded by Mr. Murphy, with all in favor, the March 26, 2024 Public Hearing, Regular Meeting and Audit Committee Meeting Minutes, as amended, were approved.**

**SEVENTH ORDER OF BUSINESS****Staff Reports****A. District Counsel: Kutak Rock LLP****▪ Assignment of Construction Contract for Jax Utilities Management Phase 1**

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

Ms. Buchanan presented the request from Parcel 61 Ventures for Assignment of the Construction Contract between Parcel 61 Ventures and Jax Utilities Management. She noted the following:

- The total value of the Construction Contract is \$18,131,630 for infrastructure related to the Phases 1A through 1C construction and development. The contract will include CDD improvements, such as earthwork, grading, paving, drainage, water, sewer and stormwater improvements.
- The contract is to be constructed in accordance with the plans prepared by England-Thims & Miller, Inc. (ETM).
- The schedule for the contract is estimated to be June 1, 2024 to March 30, 2026.
- The terms of the Agreement are based on the initial EJCDC documents that have been modified to be specific to CDDs. District Counsel prepared the contract, which is similar to those used in all the firm’s CDD clients.
- The contract does incur a \$1,000 a day LD penalty for underperformance.

- The contract requires a Payment and Performance Bond in a form acceptable to the CDD before taking assignment.
- The payment terms are consistent with the Prompt Payment Act set forth under Florida law.
- Retainage is set to be 5%, which is consistent with public construction contracts. In the past, 10% was typical.
- Direct purchase of materials was asked to be included in the contract, which allows for purchases to be made directly by the District Engineer to save sales tax. Some deductive change orders might be submitted.

The Board and Staff discussed the value of the contract and funds remaining in the Construction Account. Ms. Buchanan stated that bond proceeds will be insufficient to fund the contract, so the balance will be funded by the Completion Agreement signed in connection with the bonds.

Mr. Murphy stated that he will do a final review once the Agreement is signed and executed.

**On MOTION by Mr. Murphy and seconded by Mr. Bryan, with all in favor, assignment of the Jax Utilities Management Construction Contract for Phases 1A through 1C work, in the amount of \$18,131,630, to the CDD, and authorizing the Chair to finalize, was approved.**

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

There was no report.

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

- **0 Registered Voters in District as of April 15, 2024**
- **NEXT MEETING DATE: August 20, 2024 at 2:00 p.m.**
- **QUORUM CHECK**

**EIGHTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

Discussion ensued regarding the lack of registered voters within the CDD boundaries.

Mr. Wrathell noted that is related to the number of registered voters, not residents who live in the CDD. He discussed election processes and stated that the CDD will not be required to transition to having residents to the Board until it has been in existence for six years or more and has at least 250 qualified electors residing within the CDD boundaries.

**NINTH ORDER OF BUSINESS****Public Comments**

No members of the public spoke.

**TENTH ORDER OF BUSINESS****Adjournment**

**On MOTION by Mr. O'Reilly and seconded by Mr. Bryan, with all in favor, the meeting adjourned at 3:01 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair