

MINUTES OF MEETING
RIVERS EDGE III COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rivers Edge III Community Development District was held on Wednesday, May 21, 2025 at 9:00 a.m. at the RiverTown Amenity Center, 156 Landing Street, St. Johns, Florida.

Present and constituting a quorum were:

DJ Smith	Chairman
Jason Thomas	Vice Chairman
Jarrett O’Leary	Supervisor
Stacey Robertson	Supervisor

Also present were:

Corbin deNagy	District Manager
Lauren Gentry	District Counsel
Mary Grace Henley <i>by phone</i>	District Counsel
Ryan Stilwell <i>by phone</i>	District Engineer
Richard Losco	General Manager
Jason Davidson	Regional General Manager
Kevin McKendree	Field Operations Manager
Garrett Cannady	Yellowstone Landscape
Mike Scuncio	Yellowstone Landscape
Malcolm Santos	Yellowstone Landscape
Kim Fatuch	Assistant General Manager
Ken Council	Amenity Manager
Cynthia Wilhelm <i>by phone</i>	Bond Counsel
Sete Zare <i>by phone</i>	MBS Capital Markets
Kendall Bulleit <i>by phone</i>	MBS Capital Markets
Several Residents	

The following is a summary of the discussions and actions taken at the May 21, 2025 meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at approximately 9:07 a.m.

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

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THIRD ORDER OF BUSINESS**A. Presentation of the Supplemental Engineer's Report**

Mr. Stilwell presented the supplemental engineer's report. The improvements include the stormwater management system, the RiverLodge, and connector roadways. The report has been updated to include the actual costs for prior phases of the MainStreet RiverTown project and the River Lodge. The total cost for the Phase 3 project is \$28,498,550.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the supplemental engineer's report was approved in substantial form.

B. Presentation of the Supplemental Assessment Methodology Report

Ms. Gentry noted the supplemental assessment methodology report will be updated once the bonds have been priced and the final numbers have come in.

Mr. deNagy stated that the total par amount is \$9.9 million. The bond will be paid back over a period of 30 years at an average coupon rate of 6% and will mature in 2056. The estimated maximum annual debt service amount is \$719,029. The gross annual debt service amount per unit ranges from \$980 for the townhomes up to \$3,380 for 80-foot plus lots.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor the supplemental assessment methodology report was approved in substantial form.

C. Consideration of Delegated Award Resolution 2025-06

- 1. Supplemental Indenture**
- 2. Preliminary Limited Offering Memorandum**
- 3. Bond Purchase Agreement**
- 4. Continuing Disclosure Agreement**

Ms. Wilhelm stated that the delegated award resolution serves two main purposes, which are first to delegate the Chair the authority to enter into the bond purchase agreement so long as it meets the parameters shown in Schedule I, attached to the resolution. The second is to approve the forms of the documents needed to market, price and sell the bonds, including the bond purchase agreement, the supplemental indenture, the preliminary limited offering

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memorandum and the continuing disclosure agreement. The maximum principal amount of the bond is not to exceed \$11 million.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor the delegated award resolution, number 2025-06, was approved.

D. Consideration of True-Up Agreement

E. Consideration of Completion Agreement

F. Consideration of Collateral Assignment Agreement

Ms. Gentry stated that the true-up agreement provides that if the product mix that secures the bonds changes in a way that would result in increased assessments, the developer would agree to make a true-up payment to keep the assessments from exceeding what is set forth based on the final numbers. The completion agreement provides that the developer will complete the improvements, and the district will not have to issue additional bonds to fund the improvements. The collateral assignment agreement provides that in the event there were a default in the project, the developer would assign the rights necessary to complete the improvements to the district. She also noted there is an acquisition agreement still in place from a previous bond issuance that provides the right for the district to acquire infrastructure completed by the developer and reimburse them from any bond proceeds available.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor the true-up agreement, completion agreement and collateral assignment agreement were approved in substantial form.

Ms. Zare presented a supplement to the investment banking agreement with MBS Capital Markets, noting all existing terms from the original investment banking agreement are still in place.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor the supplement to the investment banking agreement with MBS Capital Markets was approved.

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G. Consideration of Supplemental Assessment Resolution 2025-07

Ms. Gentry stated that the supplemental assessment resolution delegates authority to approve the final engineer's report and assessment methodology report and gives flexibility to close on whatever schedule works for the bond procedures. Additionally, it makes findings that the Phase 3 project will benefit all of the remaining developable property in the district and that the benefits yielded by the project equal or exceed the amount of the funds needed. Once finalized, it will levy the assessments that secure the bonds based on the final numbers.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor the supplemental assessment resolution, number 2025-07, was approved.

FOURTH ORDER OF BUSINESS**Staff Reports****A. Landscape Maintenance – Monthly Report**

A copy of Yellowstone's monthly landscape maintenance report was included in the agenda package for the Board's review. Mr. Scuncio informed the Board that a lot of the Holly trees are declining due to the soil in the area. They've found Japanese Blueberries do well, so when the Holly trees are replaced, that is what they recommend.

B. District Engineer

Mr. Stilwell reported that the roundabout project is still in progress.

C. District Counsel – Rates for 2026 and 2027

Ms. Henley reported that the legislative session has ended. The bill to increase the sovereign immunity limits did not pass, nor did the bill that would shift liability of a fallen tree to the owner of the property from which the tree is located.

Next, Ms. Gentry presented proposed rate increases for her firm for 2026 and 2027. She noted there is a typo in the paralegals rates. It should be \$175-\$190

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the rate increases for Kilinski | Van Wyk for 2026 and 2027 were approved as revised.

D. District Manager – Report on the Number of Registered Voters (715)

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Mr. deNagy informed the Board that there are 715 registered voters reported to be residing within the District's boundaries.

E. General Manager - Monthly Operations and Pond Reports

A copy of the monthly operations report was included in the agenda package. Mr. Losco provided a financial update for the RiverClub. He also reported that the RiverHouse pool repairs are still underway. Staff will inform the residents of an opening date for the pool once it's available.

FIFTH ORDER OF BUSINESS

Approval of Consent Agenda

- A. Minutes of the April 16, 2025 Meeting**
- B. Financial Statements as of March 31, 2025**
- C. Check Register**
- D. Ratification of Construction Funding Request No. 8**

Copies of the minutes, financial statements, check register totaling \$133,435.46, and construction funding request #8 totaling \$49,873.86 were included in the agenda package for the Board's review.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the consent agenda was approved.

SIXTH ORDER OF BUSINESS

Acceptance of the Audit Committee's Recommendation

Mr. deNagy stated that the audit committee ranked Grau & Associates as the number one audit firm.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the audit committee's recommendation to rank Grau & Associates as the number one audit firm and Berger Toombs Elam Gaines & Frank as the number two audit firm, and to award a contract to Grau & Associates, was accepted.

SEVENTH ORDER OF BUSINESS

Cost Share Requests

- A. Ratification of Slide Tower Decking**

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Mr. Losco stated that this cost share request is for additional decking on the slide tower that had to be installed. He noted this project was approved at the February meeting. The total cost of the project is \$8,696.48. Rivers Edge III's portion of the cost share is \$3,049.86.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor cost sharing the \$8,696.48 slide tower decking expense was ratified.

B. Repairing the Fountain at the Keystone Corners Entrance

Mr. Losco presented two proposals from Solitude to replace the fountain at the Keystone Corners entrance with an Airmax product. The first option is a 3-horsepower model for a total of \$14,580. The second option is a 5-horsepower model for a total of \$19,347.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the cost share for the proposal from Solitude for the 5-horsepower model totaling \$19,347 was approved.

C. Emergency RiverHouse Pool Repair

Mr. Losco reminded the Board that the proposal from Crown Pools for a total of \$12,500 with an additional \$5,000 contingency for plaster repairs for a total not-to-exceed amount of \$17,500 to repair the expansion joints in the RiverHouse pool was approved at the special joint meeting held on May 9th. The project is underway. Rivers Edge III's portion totals \$4,383.75

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor cost sharing the expense for the RiverHouse expansion joint repairs totaling not-to-exceed \$17,500 was ratified.

D. RiverHouse Pool Resurfacing and Pool Deck Replacement

Mr. Losco reminded the Board that the pool resurfacing, and pool deck replacement project was awarded to Crown Pools at the February meeting, whose proposal totaled \$798,412.92. Rivers Edge III's portion totals \$280,003.41

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On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor cost sharing the expense to resurface the RiverHouse pool and replace the pool deck at a total cost of \$798,412.92.

E. Basketball Court Lighting Repair

Mr. Losco reminded the Board that the proposal from All Service Electric Group totaling \$5,200 was approved at the May 9th special joint meeting. Rivers Edge III's portion totals \$1,733.33.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor cost sharing the expense for the basketball court lighting repair totaling \$5,200 was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2025-08, Approving the Proposed Budget for Fiscal Year 2026 and Setting a Public Hearing Date

Mr. deNagy provided an overview of the proposed fiscal year 2026 budget, noting a 20% increase in assessments is being proposed.

Mr. Thomas stated that the debt assessments seem low on PDF page 591.

Ms. Gentry stated that the main purpose is to approve the budget associated with the operations and maintenance assessments, so there is flexibility with adjusting the debt service assessments if they need to be corrected.

On MOTION by Mr. Thomas seconded by Mr. Smith with all in favor Resolution 2025-08, approving the proposed budget for fiscal year 2026 as presented and setting a public hearing for August 20, 2025 at 9:00 a.m. was approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2025-09, Adopting a Policy for Event Sponsorships

Ms. Gentry stated that Ms. Fatuch has come up with an idea to offer event sponsorships to offset the cost of future events. She advised getting some guidelines in place so there is no question as to why some advertisements may be denied. A copy of the proposed policy was included in the agenda package for the Board's review. The policy lays out the application

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process, prohibited advertisements and states that the District is not endorsing the sponsor, content or message.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Resolution 2025-09, adopting a policy for event sponsorships approved.

TENTH ORDER OF BUSINESS**Supervisor Requests**

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS**Audience Comments**

A resident asked what portion of the 20% proposed assessment increase is due to ongoing cost increases, versus what portion will go towards setting aside for future expenses.


Mr. deNagy responded that a large portion of the increase is in anticipation of future expenses.

TWELFTH ORDER OF BUSINESS

Next Scheduled Meetings – June 18, 2025 at 9:00 a.m. at the RiverHouse

THIRTEENTH ORDER OF BUSINESS**Adjournment**

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the meeting was adjourned.

Signed by:

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Secretary/Assistant Secretary

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Chairman/Vice Chairman