

**MINUTES OF MEETING  
HUNTER'S RIDGE  
COMMUNITY DEVELOPMENT DISTRICT NO. 1**

A Regular Meeting of the Board of Supervisors of the Hunter's Ridge Community Development District No. 1 was held on Thursday, June 11, 2015 at 2:00 p.m., in the Board Room at the Flagler County Chamber of Commerce, located at 20 Airport Road, Palm Coast, Florida 32164.

**Present at the meeting were:**

Charles Faulkner	Assistant Secretary
Chelsea Anderson	Assistant Secretary
Steve Thompson	Assistant Secretary
Howard Lefkowitz	Supervisor-Elect

**Also present were:**

Michal Szymonowicz	Wrathell, Hunt and Associates, LLC
Mark Watts	District Counsel
Randy Hudak	District Engineer
Susanne Wilde	Huntington Village

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Szymonowicz called the meeting to order at 2:02 p.m., and noted, for the record, that Supervisors Faulkner, Anderson and Thompson were present, in person. Mr. Annon was not present. One seat was vacant.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There being no public comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Consideration of Appointment to Seat 1;  
Term Expires November, 2018**

Mr. Watts indicated that Landowner representatives had authority to appoint Board replacements. Mr. Howard Lefkowitz nominated himself, as a proxy holder, to serve as Chair and requested appointment to Seat 1.

**On MOTION by Mr. Faulkner and seconded by Ms. Anderson, with all in favor, the appointment of Mr. Lefkowitz to Seat 1, was approved.**

**A. Administration of Oath of Office (*the following to be provided in a separate package*)**

Ms. Wilde, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Lefkowitz.

**i. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**

Mr. Szymonowicz reminded Mr. Lefkowitz that he was subject to the provisions of the Sunshine Law and asked him to complete and submit "Form 1: Statement of Financial Interests" to the Supervisor of Elections in the county where he resides.

Mr. Szymonowicz provided and explained the following items:

**ii. Membership, Obligations and Responsibilities**

**iii. Financial Disclosure Forms**

**i. Form 1: Statement of Financial Interests**

**ii. Form 1X: Amendment to Form 1, Statement of Financial Interests**

**iii. Form 1F: Final Statement of Financial Interests**

**iv. Form 8B, Memorandum of Voting Conflict**

**B. Consideration of Resolution 2015-1, Electing Officers of the District**

Mr. Szymonowicz presented Resolution 2015-1 for the Board's consideration.

Mr. Szymonowicz suggested appointment of Mr. Craig Wrathell, as Secretary and Treasurer.

Mr. Thompson nominated the following slate of officers; Mr. Lefkowitz as Chair, Mr. Faulkner as Vice Chair, Supervisors Anderson, Thompson and Annon as Assistant Secretaries, Mr. McGaffney as Assistant Secretary and Mr. Wrathell as Secretary and Treasurer.

**On MOTION by Mr. Thompson and seconded by Ms. Faulkner, with all in favor, Resolution 2015-1, Electing Officers of the District, as nominated, was adopted.**

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-2, Approving the District's Proposed Budget for Fiscal Year 2015/2016 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; and Providing An Effective Date**

Mr. Watts explained that, each year, the Board is required to approve a preliminary budget, prior to June 15, and set a public hearing for final adoption. The Public Hearing was proposed for August 26, 2015 at 2:00 p.m., at the Huntington Village Model Center, 6 Huntington Place, Ormond Beach, Florida 32174.

Discussion ensued regarding dissemination agents.

Mr. Watts reported that bondholders participated in quarterly conference calls and were informed of project progressions.

Mr. Szymonowicz indicated that the proposed budget would be forwarded to Flagler County and posted on the District's website.

**On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, Resolution 2015-2, Approving the District's Proposed Budget for Fiscal Year 2015/2016 and Setting a Public Hearing Thereon Pursuant to Florida Law for August 26, 2015 at 2:00 p.m., at the Huntington Village Model Center, 6 Huntington Place, Ormond Beach, Florida 32174, was adopted.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Interlocal Agreement with Flagler County (to be provided under separate cover)**

Referring to the Interlocal Agreement, first amendment draft, Mr. Watts noted that the CDD and Interlocal Agreement were approved by the county, simultaneously, and included specific stipulations. Capital assessments will cap at \$1,000, per lot. The Capital Improvements budget will be more than \$1,000. The District proposed two assessment increases for lot classifications.

Mr. Watts indicated that the first amendment to the Interlocal Agreement draft would legally change the maximum assessment amount. This adjustment stated that 35'-wide lots will

have a maximum assessment of \$1,000, a maximum assessment of \$1,500 for 60' lots and a maximum assessment of \$1,750 for 75' lots, per year. Mr. Watts stipulated that the Interlocal Agreement could be modified slightly but not changed drastically, provided the maximum cap limit remained intact.

**On MOTION by Mr. Faulkner and seconded by Ms. Anderson, with all in favor, the Interlocal Agreement with Flagler County, in substantive form, and authorization to execute, were approved.**

**SIXTH ORDER OF BUSINESS**

**Approval of August 8, 2014 Public Hearing and Regular Meeting Minutes**

Mr. Szymonowicz presented the August 8, 2014 Public Hearing and Regular Meeting Minutes and asked for any additions, deletions, or corrections.

Mr. Lefkowitz requested an abstention, since he was not part of the Board during the August 8, 2014 meeting.

**On MOTION by Ms. Anderson and seconded by Mr. Thompson, with Ms. Anderson, Mr. Thompson and Mr. Faulkner in favor and Mr. Lefkowitz abstaining, the August 8, 2014 Public Hearing and Regular Meeting Minutes, as presented, were approved.**

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being no other business, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

It was reported that, on December 14, 2014, the courts validated approximately \$18,000,000 in bonds.

**B. District Engineer**

Mr. Hudak stated that the Engineer's Report had minor revisions. He specified that the number of residential dwelling units increased from 307 to 341. Mr. Hudak noted that Huntington Lakes was renamed Huntington Green and Huntington Townhomes changed to Huntington Willows.

The distribution costs increased, from \$5,832,000 to \$6,489,341. Net increases were 35 per unit, consistent with initial budget costs.

Mr. Szymonowicz was informed that the Villas plat was scheduled for final approval by the County Commission Board, on Monday, June 15, 2015, and The Woods were approved and platted. Final platting for The Greens was submitted to Flagler County, for review, with an anticipated approval date between October and November. Mr. Lefkowitz noted that the Engineer's Report received PUD authorization and full entitlement.

In response to Ms. Anderson's question, Mr. Hudak indicated "a section of The Woods, previously platted and owned by the Homeowners Association (HOA), was deeded back to the CDD upon closing of the bond issuance". He noted that the Engineer's Report would be updated to reflect this change.

Mr. Lefkowitz asked why \$500,000, for an irrigation system, was incorporated into the Engineering budget. He believed this system would be used privately, for residents of the community, and felt that, since the irrigation system was not an entitlement for greater public use, it should not be included in the Engineer's budget. Mr. Watts responded that the irrigation system was part of the District's infrastructure and served residents.

Mr. Watts confirmed that bond proceeds could be used for installation, if the CDD owned and operated the facility. Once capital funds were acquired, as a result of the bonds, the CDD could decide if it wanted to own the facility.

Mr. Watts indicated that the CDD anticipated that bonds would cost less than infrastructure and the portion of infrastructure covered by bond proceeds would be determined by the CDD. He stated that components could be deeded to the CDD without compensation, or retained by a private third party, for example, a utility operator.

Mr. Watts stated that alternative plans could be acquired if capital improvements superseded bond proceeds. Mr. Lefkowitz felt that the "deficiency in monies for development" category should be included in the Engineer's Report and a third party could own this component.

Mr. Watts noted that capital plans included relevant CDD costs and that capital improvements served residents of the District. He indicated that there was no guarantee the bond issuance would be financed and other strategies could be employed.

Mr. Lefkowitz reported that the owner and operator of the facility was not established. He indicated that either the HOA or CDD bondowners could become the owning entity. Mr. Lefkowitz stated that an independent group could own and operate the facility, providing services benefit the HOA, although, it might not benefit the CDD.

Mr. Szymonowicz agreed that the Engineer's Report should include the "irrigation system" budgets. He noted that funding from tax-exempt bonds was pending approval.

Mr. Watts explained that the underwriting process was approved as "a Supplemental Engineer's Report" and could be modified.

**On MOTION by Ms. Lefkowitz and seconded by Mr. Faulkner, with all in favor, the Hunter's Ridge CDD Supplemental Engineer's Report, as of May 14, 2015, as amended, was approved.**

**C. District Manager**

**i. Approval of Unaudited Financial Statements as of April 30, 2015**

Mr. Szymonowicz presented the Unaudited Financial Statements as of April 30, 2015. He indicated that the District's activity was within the adopted Fiscal Year 2015 budget.

**On MOTION by Ms. Anderson and seconded by Mr. Faulkner, with all in favor, the Unaudited Financial Statements as of April 30, 2015, were approved.**

**NINTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

There being no Board Members' comments or requests, the next item followed.

**TENTH ORDER OF BUSINESS**

**Public Comments**

There being no public comments, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

There being no further business to discuss, the meeting adjourned.


**On MOTION by Mr. Lefkowitz and seconded by Mr. Faulkner, with all in favor, the meeting adjourned at 2:47 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



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Secretary/Assistant Secretary



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Chair/Vice Chair