

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

The Hunter's Ridge Community Development District No. 1 Board of Supervisors held multiple Public Hearings and a Regular Meeting on August 13, 2019 at 3:30 p.m., at the Hilton Garden Inn Palm Coast, 55 Town Center Blvd., Palm Coast, Florida 32137.

Present at the meeting were:

Howard Lefkowitz	Chair
Charles Lichtigman (via telephone)	Vice Chair
Steve Thompson	Assistant Secretary
Patricia Hall	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Mark Watts (via telephone)	District Counsel
Randy Hudak	District Engineer

Residents present were:

Carolyn Herbert	Sue Edenfield
Theodore Krol	Mary Krol
Howard Janover	Maureen Janover
Cathy Weirich	Carol Hodak
Tom Eldredge	Peg Eldredge
Katherine Dockery	John J. Dockery Jr.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 3:34 p.m. Supervisors Lefkowitz, Hall and Thompson were present in person. Supervisor Lichtigman was attending via telephone. One seat was vacant.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

Disclaimer: These summary minutes are intended to highlight the topics discussed, items being considered and actions taken.

**HUNTER'S RIDGE CDD NO. 1
THIRD ORDER OF BUSINESS**

August 13, 2019

**Consideration of Resolution 2019-10,
Amending Resolution 2019-09,
Rescheduling and Resetting the Date of the
Public Hearing to Receive Public Comment
on and to Consider the Adoption of the
Fiscal Year 2019/2020 Budget**

Mr. McGaffney presented Resolution 2019-10.

On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, Resolution 2019-10, Amending Resolution 2019-09, Rescheduling and Resetting the Date of the Public Hearing to Receive Public Comment on and to Consider the Adoption of the Fiscal Year 2019/2020 Budget, was adopted.

Mr. Lichtigman joined the meeting at 3:39 p.m., via telephone.

FOURTH ORDER OF BUSINESS

**Public Hearing on Adoption of Fiscal Year
2019/2020 Budget**

A. Proof/Affidavit of Publication

The affidavit of publication was provided for informational purposes.

B. Consideration of Resolution 2019-11, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date

Mr. McGaffney reviewed the proposed Fiscal Year 2020 budget, including line item increases, decreases, adjustments, additions and/or deletions, compared to the Fiscal Year 2019 budget, and discussed the reasons for any changes.

On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, the Public Hearing was opened at 4:03 p.m.

Ms. Katherine Dockery, a resident, asked why the notice stated she would owe \$549.17 yet the budget showed \$1,856.45. Mr. Watts stated that was the total sum of the Debt Service and General Fund assessment amounts. Discussion ensued regarding notice requirements, changes to the budget subsequent to mailing of the notice and ongoing costs for assessments.

Ms. Mary Krol, a resident, believed she was never informed about the assessments. Mr. Lefkowitz stated that notice of the District's ability to bill for assessments was disclosed on sales contracts, HOA notices and closing documents. Mr. Watts stated the assessments were adopted at a Public Hearing in January. Mr. McGaffney stated notices were mailed in advance of the Public Hearing.

Ms. Carolyn Herbert, a resident, asked for clarification of Areas One and Two. Mr. Lefkowitz stated Area One was the original 119 units and Area Two was new construction of 217 units. Discussion ensued regarding how assessments were calculated, what assessments pay for, use of bonds to fund the infrastructure and the possibility of refinancing the bonds.

Ms. Cathy Weirich, a resident, asked whether homeowners could obtain their debt assessment payoff amount. Mr. McGaffney replied affirmatively. Discussion ensued regarding debt assessment payoff and the eventual process of transitioning to a resident CDD Board.

Ms. Peg Eldredge, a resident, asked what determines the General Fund assessment amount. Mr. Watts stated the budget was used. He described how the District would eventually transition to a resident CDD Board. Ms. Eldredge asked how property owners would be notified of the assessment amount. Mr. McGaffney described the budget process and stated the non-ad valorem tax would appear as a line item on the November tax bill.

Ms. Weirich asked which part of the assessment could be paid off as a lump sum. Mr. McGaffney stated the debt service portion; the general fund portion could not be paid off. Discussion ensued regarding CDD operations, how CDDs can be terminated and the requirement for the District to remain until full payment of the bond debt.

Mr. Jack Dockery, a resident, asked what annual percentage budget increase was expected. Mr. McGaffney stated the goal was to stay below the Consumer Price Index (CPI). Discussion ensued regarding District expenses, functions and reserves.

Mr. Tom Eldredge, a resident, asked why the bonds were not issued in 2014 when the District was established. Mr. Watts stated the Board has met regularly since 2014 but it was not necessary to issue bonds until January 2019, based on development activity and other factors; prior to bond issuance the District's expenses were paid by the Developer. Mr. Eldredge believed he never received a notice and stated he became a property owner in May. Mr. McGaffney stated the bond proceedings were completed in January 2019. Discussion ensued regarding notices sent to the Landowner, public notices and disclosures.

Ms. Carolyn Herbert, a resident, asked for an estimate of the total bond debt. Discussion ensued regarding the amounts of the bonds, difference between the Series 2019, 2019A and 2019B bonds, potholes and differences in how the District and the County function.

On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, the Public Hearing was closed.

Mr. McGaffney presented Resolution 2019-11.

On MOTION by Mr. Thompson and seconded by Ms. Hall, with all in favor, Resolution 2019-11, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2019/2020, Pursuant to Florida Law

A. Proof/Affidavit of Publication

The affidavit of publication was provided for informational purposes.

B. Mailed Notice(s) to Property Owner(s)

The affidavit of mailing and the mailed notice were provided for informational purposes.

C. Consideration of Resolution 2019-12, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2019/2020; Providing for the Collection and Enforcement of Special Assessments; Including But Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, the Public Hearing was opened.

Ms. Herbert asked what happens if assessments are not paid. Mr. Watts stated a lien could be placed on the property and the property could be subject to foreclosure. Assessments and taxes are due each year and delinquent accounts are subject to a collection procedure.

On MOTION by Mr. Thompson and seconded by Ms. Hall, with all in favor, the Public Hearing was closed.

Mr. McGaffney presented Resolution 2019-12.

On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, Resolution 2019-12, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2019/2020; Providing for the Collection and Enforcement of Special Assessments; Including But Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2019-13, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2019/2020 and Providing for an Effective Date

Mr. McGaffney presented Resolution 2019-13. Discussion ensued regarding how meetings are noticed, advertised and posted on the CDD website www.huntersridgecdd1.net.

On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, Resolution 2019-13, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2019/2020, as presented, and Providing for an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Consider Appointment to Vacant Seat 4; Term Expires November 2020

- **Administration of Oath of Office to Newly Appointed Supervisor**
 - **Designation of Newly Appointed Supervisor as Assistant Secretary**

There were no nominations; this item was deferred until further notice.

**HUNTER'S RIDGE CDD NO. 1
EIGHTH ORDER OF BUSINESS**

August 13, 2019

**Ratification of JD Weber Construction
Change Orders: Number One and Number
Two**

Mr. Hudak presented Change Orders Number One and Number Two. Mr. Lefkowitz stated these were for work related to the District's water management infrastructure.

On MOTION by Mr. Thompson and seconded by Ms. Hall, with all in favor, JD Weber Construction Change Orders Number One and Number Two, were ratified.

NINTH ORDER OF BUSINESS

**Discussion: Verdego LLC Proposals and
Assignment of Contracts to CDD**

Mr. Watts stated the Capital Improvement Plan (CIP) included irrigation improvements that serve areas owned by the CDD. The Landowner and the Developer were negotiating a contract with Verdego LLC, which includes some of those improvements. A partial assignment agreement was needed to facilitate payment for the infrastructure with bond proceeds.

On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, authorizing Staff to draft and finalize the agreement and for the Chair to execute and to ratify the actions at the next meeting, was approved.

TENTH ORDER OF BUSINESS

**Authorization of RFP for Annual Audit
Services**

- **Designation of Board of Supervisors as Audit Committee**

Mr. McGaffney stated the District reached a level of complexity that requires an annual audit. Discussion ensued regarding the audit amounts budgeted for Fiscal Year 2020 and prior years, the Request for Proposals (RFP) process, the higher cost because bonds were issued, etc.

On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, designating the Board of Supervisors as the Audit Committee, and authorizing Staff to advertise the RFP for Annual Audit Services, was approved.

ELEVENTH ORDER OF BUSINESS

**Acceptance of Unaudited Financial
Statements as of June 30, 2019**

Mr. McGaffney presented the Unaudited Financial Statements as of June 30, 2019.

On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in favor, the Unaudited Financial Statements as of June 30, 2019, was accepted.

TWELFTH ORDER OF BUSINESS

Approval of June 6, 2019 Regular Meeting Minutes

Mr. McGaffney presented the June 6, 2019 Regular Meeting Minutes.

On MOTION by Mr. Thompson and seconded by Ms. Hall, with all in favor, the June 6, 2019 Regular Meeting Minutes, as presented, were approved.

THIRTEENTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Cobb Cole*

There being no report, the next item followed.

B. District Engineer: *Zev Cohen and Associates, Inc.*

Mr. Hudak stated Phase 2A was underway and on schedule.

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

The next meeting will be held on November 14, 2019, at 3:30 p.m.

FIFTEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

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

SIXTEENTH ORDER OF BUSINESS


Adjournment

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

On MOTION by Mr. Thompson and seconded by Ms. Hall with all in favor, the meeting adjourned at 5:19 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair