

MINUTES OF MEETING  
GARDENS AT HAMMOCK BEACH  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Gardens at Hammock Beach Community Development District was held on Friday, June 12, 2020 at 10:00 a.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150 and 20-179 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020 and July 30, 2020 respectively, and any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

Clint Smith	Chairman
David Lusby	Vice Chairman
William Livingston	Assistant Secretary

Also present was:

George Flint	District Manager
Michael Chiumento III	District Counsel
Parker Mynchenberg	District Engineer
Ken Belshe	Palm Coast Intercoastal, LLC
Danielle Ferguson	Palm Coast Intercoastal, LLC

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order at 1:00 p.m. A quorum was present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint: In accordance with the Governor's Executive Order, we are holding this meeting via the use of Zoom. We advertised as a Zoom meeting with a link for members of the public who wanted to participate. No members of the public were present.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Appointment of Individuals to Fulfill the Board Vacancies in Seats 4 & 5**

Mr. Flint: We have two vacant seats. I don't know if the Board has any nominations at this time or if you want to keep this item on the agenda,

Mr. Livingston: I request we keep this item on the agenda and revisit it at the next meeting.

- B. Administration of Oath of Office to Newly Appointed Supervisors**
- C. Election of Officers**
- D. Consideration of Resolution 2020-07 Electing Officers**

These items were tabled.

**FOURTH ORDER OF BUSINESS**

**Approval of Minutes of the February 27, 2020 Meeting**

Mr. Flint: Did the Board have any additions, deletions, or corrections to the minutes of the February 27, 2020 meeting? If there are none, I would ask for a motion to approve them.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor the Minutes of the February 27, 2020 Meeting were approved as presented.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2020-08  
Approving the Proposed Fiscal Year 2021  
Budget and Setting a Public Hearing**

Mr. Flint: Each year the Board is required to approve a Proposed Budget by June 15<sup>th</sup>. This is not a binding document. We are required to transmit the budget to Flagler County and post to our website. There are some other noticing requirements, but it's not binding. You can change it between now and the public hearing or at the public hearing if you chose to. Exhibit A is the Proposed Budget which was revised to reflect the current contracts in place. It contemplates a Developer Funding Agreement versus imposing assessments to fund this. If this budget and the Developer Funding Agreement are approved, the developer would only be responsible for the actual costs, not necessarily the budgeted costs. That would be in lieu of imposing operating and maintenance (O&M) assessments at this point. Are there any questions on the resolution or the exhibit? The resolution has a date of September 11<sup>th</sup> at 1:00 p.m. at Ken's office. There is no magic to that date. I just want to make sure that works for the Board. It's the second Friday in September. We can do it any time in September because we don't have

O&M assessments, so we are not worried about certifying an Assessment Roll to the County. We just need to have the budget adopted by September 30<sup>th</sup>.

Mr. Livingston: Is it likely that we will still be able to hold these meetings by phone?

Mr. Flint: The Executive Order that allows these remote meetings, expires on June 30<sup>th</sup>. So, I anticipate after July 1<sup>st</sup>, having to do in person meetings, unless that Executive Order gets extended. Phase 2 of the Governor's reopening plan phases out the quorum requirement.

Mr. Lusby: The 11<sup>th</sup> works fine for me.

Mr. Smith: I am good with it too.

Mr. Flint: What about you, Bill?

Mr. Livingston: Probably. I was going to be away, but with the way things are working out it doesn't look very promising.

Mr. Flint: Is there a better day in September?

Mr. Livingston: No, everything is too much up in the air. Ken and Danielle, is that okay with you? We have your office as the meeting location.

Mr. Belshe: That should work.

Mr. Flint: Are there any questions on Exhibit A, understanding that this is not binding at this point? You would adopt the final budget in September so you can make changes as necessary to this budget between now and then.

Mr. Smith: I have two questions. Just going back to the date we were talking about, Danielle, you mentioned awhile back that you were moving your offices. Is there a new address or new location?

Ms. Ferguson: Not at this time.

Mr. Flint: A 21 and 14 day notice is required from the time we run the notice. We will just notice it for the new location and have the Board ratify that action. We can amend this resolution at the September meeting if we need to. I will make a note to check with Danielle and Ken before we run any notice.

Mr. Livingston: Was the time 1:00 p.m.?

Mr. Flint: Yes. Do you have a question, Dave?

Mr. Lusby: I have one question on the budget itself. I noticed for "Supervisor Fees," we budgeted quite a bit more than the previous budget and there is a notation that it's based on 12 meetings per year. Is that what we are likely to do or is that just being safe budgeting for that?

Mr. Flint: It's based on three Supervisors attending 12 meetings. So, if you had five Supervisors attending 12 meetings it would be \$12,000. We are just being conservative. If we are only meeting three times, the developer would only be obligated for paying for three meetings.

Mr. Lusby: Okay, that was my question. We are not going to a monthly meeting at this point, but we are budgeting for it just in case. Is that correct?

Mr. Flint: Yes. In September you will approve your annual meeting notice for the next year. Do you want to approve a meeting day every month, so you have the option and then we cancel or do you want to meet quarterly? This is just giving you the option.

Mr. Lusby: Okay. That answers my question.

Mr. Flint: Are there any other questions? If not, we need a motion to adopt Resolution 2020-08.

On MOTION by Mr. Livingston seconded by Mr. Lusby with all in favor Resolution 2020-08 Approving the Proposed Budget for Fiscal Year 2021 and Setting a Public Hearing for September 11, 2020 at 1:00 p.m. at City Centre at Palm Coast Town Center, 145 City Place, Suite 300, Palm Coast, Florida or by remote media communication, was approved.

## **SIXTH ORDER OF BUSINESS**

### **Consideration of Interlocal Agreement with Flagler County Tax Collector**

Mr. Flint: This item probably won't come into play this year, but it is good to go ahead and have them in place, in the event we need them. This is to use the uniform collection method, which is a tax bill to collect O&M and debt service assessments. We are required to enter into an agreement with the Tax Collector and Property Appraiser. This agreement is consistent with the Statute and the fees that they charge, so we don't have an ability to negotiate those fees. The 2% that they are proposing, is what is in the Statute as far as the ceiling they can charge. They can charge less than that if they wanted to, but they are entitled to go up to the 2%. That is the first agreement that is required so we can use the tax bill as the collection method. It doesn't obligate us to pay anything unless we certify something to go on the tax bill. It doesn't cost us anything to have the agreement. Are there any questions on the agreement? If not, we need a motion to approve it.

On MOTION by Mr. Lusby seconded by Mr. Livingston with all in favor the Interlocal Agreement with Flagler County Tax Collector was approved.

**SEVENTH ORDER OF BUSINESS****Ratification of Data Sharing Agreement with the Flagler County Property Appraiser**

Mr. Flint: We already have an agreement with the Property Appraiser to use the tax bill. The Property Appraiser also requires a Sharing and Usage Agreement. This is something new within the last year or two that many Property Appraisers are requiring. There were some legislative changes dealing with confidential information. This primarily deals with firefighters, police officers, etc. under the Statutes that are entitled to have their personal information protected in the event there is a public records request. So, this agreement is just saying that we understand some information may be confidential and we won't share that information. This agreement is fairly standard. I don't know if Michael has any comments.

Mr. Chiumento: I agree with you.

Mr. Flint: I executed it because they required it and we didn't have a meeting so I'm asking the Board to ratify it.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor the Data Sharing Agreement with the Flagler County Property Appraiser was ratified.

**EIGHTH ORDER OF BUSINESS****Staff Reports****A. District Manager's Report****i. Balance Sheet and Income Statement**

Mr. Flint: We have the unaudited Financial Statements through May 31, 2020. No action is required by the Board. If you have any questions, we can discuss those.

**ii. Ratification of Fiscal Year 2020 Funding Requests #6 - #8**

Mr. Flint: In accordance with the Funding Agreement, we submitted these Funding Requests to the developer. Some of them are tracked as capital outlay. You will see two columns for items tracked as capital, which would be recoverable through Cost of Issuance, so we track them separately. Then when the bonds are issued, we are able to repay the developer for fronting

these costs for the District Engineer and District Counsel. Are there any questions? If not, we need a motion to ratify those funding requests.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor the Funding Requests #6 - #8 were ratified.

**iii. Designation of November 6, 2020 as Landowners' Meeting Date**

Mr. Flint: Every two years, we are required to hold a landowners' meeting to consider electing Board Members. It has to be in the month of November. Three seats up for election; Dave's seat, Bill's seat and one of the vacant seats. The basis of the election is one vote per acre. We are suggesting November 6, 2020 as the landowners' meeting. It's not a Board meeting. It would only be a landowners' election so the Board Members themselves don't need to be there unless they are the proxyholders. Otherwise, it would be Ken or whoever is the landowner's representative to cast votes at the landowners' election.

Mr. Lusby: I wasn't prepared to answer this question, but don't we have another landowner in the CDD?

Mr. Flint: Yes, any landowner is entitled to participate. Whatever landowner has the most votes ultimately controls the election. They would get one seat and the other landowner would get two. Basically, whoever has the most votes has the control. Two seats would be for four-year terms and one seat would be a two-year term. Our only obligation is we need to announce it on the agenda at least 90 days in advance of the landowners' election, which we are doing today. We also have to run a notice in the newspaper. We don't have to proactively go out and contact each landowner, although if the Board wants us to do that we can, but normally it's done at the Board meeting. We run our legal notice and whoever shows up, shows up.

Mr. Lusby: Are we talking about Thursday, November 5<sup>th</sup>?

Mr. Flint: No. We have November 6<sup>th</sup> in the agenda, but it could be any day. It's not a Board meeting. It's a landowners meeting. A lot of times we will hold them on the same day. The Board doesn't have a regular meeting date set right now. We have the option of choosing whatever day. The landowner doesn't have to physically be there. They can name a proxyholder and that proxyholder can attend the landowners' election. The form of the proxy is in the agenda. That would just need to be signed by an authorized representative, someone who could be at the landowners meeting to cast the votes. Is November 6<sup>th</sup> okay?

Mr. Livingston: The 5<sup>th</sup> or the 6<sup>th</sup>.

Mr. Flint: The 6<sup>th</sup> is what we have in the agenda. The Board Members don't need to be there. It's a landowners' election, so there just needs to be a representative of the landowner.

Mr. Lusby: How about the CDD Engineer?

Mr. Flint: No, I will attend and Michael will attend if he wants to along with the landowner.

Mr. Chiumento: Unless a Board meeting is scheduled the same day then the Supervisors aren't required to be there.

Mr. Flint: Correct. Is there a motion to designate November 6<sup>th</sup> as the landowners' meeting date?

Mr. Belshe: Maybe the way to do it is to schedule it, so it corresponds with a Board meeting. If there are any efficiencies by doing that, I don't know.

Mr. Flint: Right now, you don't have a monthly meeting schedule. So, if you want to meet the second Friday, which is the budget hearing in September, then you can look at the following Friday, which would be November 13<sup>th</sup>. The Board can just decide to meet on the second Friday at 1:00 p.m.

Mr. Belshe: I think at this point it would make sense to do it the way you guys were talking about it. Pardon my interruption.

Mr. Flint: That's okay. You are the landowner, so you tell us. You are going to need to have somebody there.

Mr. Belshe: It's easy for us, but if it requires a trip for you or anybody else, then we can do the proverbial 'two birds with one stone'. That is all I was thinking about.

Mr. Flint: Okay.

Mr. Belshe: It's not that big of a deal.

Mr. Flint: It's going to be 10 minutes. We can do it for November 13<sup>th</sup>. That's the second Friday and if we have a Board meeting, we can hold one on the 13<sup>th</sup>.

Mr. Belshe: At 1:00 p.m.?

Mr. Flint: Yes.

Mr. Belshe: That's good.

Mr. Livingston: So now you are proposing November 13<sup>th</sup>.

Mr. Belshe: Correct.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor designating November 13, 2020 as Landowners' Meeting was approved.

**iv. Presentation of Number of Registered Voters- 0**

Mr. Flint: We are required to announce the number of registered voters each year as of April 15<sup>th</sup>. Surprisingly there are no registered voters. This only comes into play once we hit 250 registered voters in the District and six years. The District has been in existence for six years, but until you hit 250 registered voters, the Board will continue to be landowner elected. Once you hit 250, the Board will begin to transition to General Election. Two seats will be up for election and then in two years, two more seats and in two years the last seat. We have a way to go before we hit 250.

Mr. Chiumento: We had the bond validation hearing last week. As anticipated, the court approved it.

Mr. Livingston: Good.

Mr. Chiumento: We are ready to go with the next phase, which would be our Chapter 170 hearings that we discussed before. I think Mr. Belshe will get with the Board and the CDD when he wants to proceed. We are ready to move forward when he is ready to.

Mr. Flint: In that regard, the Board set a public hearing for today for the assessments, but we did not advertise it because of the economy. We were requested to hold off on moving forward with the assessment process. The Board adopted a resolution setting the public hearing date. We did not advertise the public hearing. Obviously, we are not holding the public hearing. When we are ready to move forward with the assessment process, you will have to reconsider the two resolutions declaring your intent, levy assessments and then set a public hearing. So, we are on hold with that right now.

Mr. Livingston: What was the amount of the bonds that were validated?

Mr. Chiumento: \$38 million.

Mr. Belshe: I thought it was \$48 million.

Mr. Chiumento: I'm sorry. Its \$48 million.



Mr. Flint: We can check that off of the list because that has the longest lead time. We got that out of the way. That's good forever, so we don't have to go back and do it again. We don't have to increase it.

Mr. Flint: Parker, did you have an Engineer's Report?

Mr. Mynchenberg: No.

**NINTH ORDER OF BUSINESS**

**Other Business**

Mr. Flint: Is there any other business that the Board would like to discuss that was not on the agenda? Hearing none,

**TENTH ORDER OF BUSINESS**


**Supervisor's Request**

Mr. Flint: If there's nothing else, we need a motion to adjourn.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

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

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman