

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, December 4, 2020 at 1:00 p.m. at City Centre at Palm Coast Town Center, 145 City Place, Suite 300, Palm Coast, Florida.

Present and constituting a quorum were:

Clint Smith	Chairman
David Lusby	Vice Chairman
William Livingston	Assistant Secretary

Also present were:

George Flint	District Manager
Michael Chiumento III	District Counsel
Parker Mynchenberg	District Engineer
Ken Belshe	Palm Coast Intracoastal, LLC
Danielle Ferguson	Palm Coast Intracoastal, 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: Is there any public comment? Hearing none,

THIRD ORDER OF BUSINESS

Organizational Matters

Mr. Flint: We had a Landowners' Election last month. Mr. Lusby and Mr. Livingston were re-elected with 825 votes to serve four-terms. No one was nominated for the third seat and it will remain vacant with a two-year term. Mr. Smith still has two more years in his term.

A. Administration of Oath of Office to Newly Elected Supervisors

Mr. Flint, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Livingston and Mr. Lusby.

B. Consideration of Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election

Mr. Flint: The blanks in the resolution should show Mr. Lusby and Mr. Livingston received 825 votes and the open seat received 824 votes and remains vacant. Are there any questions on the resolution? If not, we need a motion to approve it.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election was approved.

Mr. Livingston: Wouldn't there be a total of five seats?

Mr. Flint: Every two years, three seats come up for election.

Mr. Livingston: I understand.

Mr. Flint: That is why you have two four-year terms and one two-year term. When it is landowner elected every two years, three seats are up for election. Once it becomes General Election, it goes three/two, three/two, etc. The other two seats still have two years remaining on each of their terms. One is vacant and one is filled by Mr. Smith.

C. Election of Officers

D. Consideration of Resolution 2021-02 Electing Officers

Mr. Flint: After each election, Chapter 190 requires the Board to consider officers. So, we included Resolution 2021-02 in your agenda package Electing Officers. It includes the Chair, Vice Chair, Secretary, Treasurer and Assistant Secretaries. Currently, Mr. Smith is the Chairman, Mr. Lusby is Vice Chair and normally the other three Board Members would be Assistant Secretaries. Mr. Livingston is Assistant Secretary, I am Assistant Secretary and Mr. Ariel Lovera in our office is Treasurer. If the Board is amenable to designating me Secretary and the accountant Treasurer, that's typically how it's handled, although you can change it. We can take each seat individually or if a Board Member wants to make a motion to elect a slate of officers, we can do it in one motion.

Mr. Livingston: Let's do a slate.

Mr. Flint: So, Resolution 2021-02 would reflect Mr. Smith as Chairman, Mr. Lusby as Vice Chair, me as Secretary, Mr. Livingston as Assistant Secretary, there were two vacant seats

and Mr. Lovera would be Treasurer. There would be no Assistant Treasurer. We need a motion to adopt Resolution 2021-02 as stated.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor retaining the current slate of officers, adding Mr. Flint as Secretary and Mr. Lovera as Treasurer as evidenced by Resolution 2021-02 Electing Officers was approved.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the September 11, 2020 Meeting

Mr. Flint: Did the Board have any additions, deletions, or corrections to the minutes of the September 11, 2020 meeting?

Mr. Livingston: I read these a week or so ago, but I noted the discussion on the public official's liability insurance. We didn't have it and talked about getting it and rolling it into the general liability. I guess the consensus was that once we get into a public bond offering, we should be covered. Did we follow up on that at all?

Mr. Flint: It's in the budget. The general liability policy includes public officials' liability. It's a combined policy. I need to verify whether we bound the policy. I believe we submitted it in a funding request. I just don't recall if it was funded. If it was funded, then we would've bound the policy. I can check on that and let the Board know. That would've been paid in September commencing on October 1, but I will check on that.

Mr. Livingston: Good. My big concern was when we get into public debt.

Mr. Flint: Yes, you want a \$5,000 or \$6,000 insurance policy. It can definitely be worth it.

Mr. Livingston: That would be my only comment.

Mr. Flint: Are there any other comments or corrections on the minutes?

Ms. Ferguson: "Palm Coast Intercoastal" should be "Palm Coast Intracoastal."

Mr. Livingston: I didn't catch that one. You're right.

Mr. Flint: We need a motion to approve the minutes as amended.

On MOTION by Mr. Smith seconded by Mr. Lusby with all in favor the Minutes of the September 11, 2020 Meeting were approved as amended.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-03 Budget Amendment

Mr. Flint: When the Fiscal Year 2020 budget was originally adopted, it didn't contemplate that we would be moving forward with the financing twice a year. There have been additional legal expenses. The management contract was revised. So, we prepared an amendment for the 2020 budget to bring the budget closer where our actuals are anticipated to be. Again, this is developer funded. These expenses have already been funded through the funding agreements. We are just truing up our budget to our actuals.

Mr. Livingston: One observation I had was the engineer and attorney reduced the budget. I assume that's because most of those expenses will be bond related and paid directly out of bond proceeds.

Mr. Flint: Right.

Mr. Livingston: There will be more of both, but you actually reduced the budget.

Mr. Flint: Some of those are being paid out of the Cost of Issuance.

Mr. Livingston: I assume they are going to be paid.

Mr. Flint: Only the expenses of attending the meeting today and those sorts of things would be paid out of the General Fund. Otherwise, the rest of it is tracked.

Mr. Livingston: So that's the reason it went down.

Mr. Flint: Yes.

Mr. Livingston: Most of that is going to be related to the bonds.

Mr. Flint: We track that as capital in our financials. When we issue the bonds, we basically reimburse the District and in turn reimburse the developer through the funds they advanced, but the General Fund portion was reduced. Up until this year, there were no engineering or attorney expenses because the District was operating with minimal staff.

Mr. Livingston: Okay.

Mr. Flint: Are there any questions on the resolution? If not, we need a motion to approve it.

On MOTION by Mr. Livingston seconded by Mr. Lusby with all in favor Resolution 2021-03 Budget Amendment was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Manager's Report

i. Balance Sheet and Income Statement

Mr. Flint: We have the Balance Sheet and Income Statement through September 30, 2020. This answers the question that Bill brought up. There are prepaid expenses of \$5,000 for the insurance policy.

Mr. Livingston: Okay.

Mr. Flint: It was actually paid in September, treated as a prepaid expense and would be reflected in the October financials. No action is required, but if the Board has any questions, we can discuss them.

Mr. Livingston: I didn't have any.

ii. Ratification of Fiscal Year 2021 Funding Request #1

Mr. Flint: This includes \$2,700 of 2020 expenses, \$3,200 approximately of 2021 expenses and some minor legal expenses related to the bond financing, which we are tracking as capital that will be reimbursed. Are there any questions on the funding request? If not, we need a motion to ratify it.

On MOTION by Mr. Smith seconded by Mr. Lusby with all in favor Funding Request #1 for Fiscal Year 2021 was ratified.
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SEVENTH ORDER OF BUSINESS

Other Business

Mr. Flint: That was all the business we had. We have a public hearing for the assessments on January 5th at 1:00 p.m. at this location, which was scheduled at the September 11th meeting. That is your assessment hearing that would impose your master assessments on the assessment area. In September you adopted two resolutions, one declaring the District's intent to levy assessments and one setting the public hearing. In January, you would hold the public hearing.

Mr. Livingston: Is this the public hearing that arguably creates a lien on the property?

Mr. Flint: Right.

Mr. Livingston: We are not sure about that, right?

Mr. Chiumento: We all debated it and arguably it's a lien with zero dollars attached to it.

Mr. Livingston: A lien, which I didn't think could exist, but I understand. It's not of record.

Mr. Chiumento: It's not of record.

Mr. Flint: It is possible that hearing may be continued to a date, place and time certain, but we will know that at the January 5th public hearing as to whether action will be taken at that point or may be continued. That's all we had as far as business items. Was there anything that the Board wanted to discuss?

Mr. Livingston: I wondered from the landowner how everything is going.

Mr. Belshe: Fine. We are trying to continue through this permitting process. We received the Army Corp. of Engineers permit last Wednesday.

Mr. Livingston: Good.

Mr. Belshe: We are trying to proceed with the St. Johns River Water Management District permit.

Mr. Livingston: You received the Army Corp. of Engineers permit first?

Mr. Belshe: It has been a year and nine months. We had a favorable vote at the county two or three weeks ago.

Mr. Livingston: They only have 30 days, right?

Mr. Belshe: Correct.

Mr. Livingston: So, when is the countdown?

Mr. Belshe: On the 25th. They have to go back to the county commission.

Mr. Livingston: They have to. It's a delay thing. So, you keep your fingers crossed.

EIGHTH ORDER OF BUSINESS

Supervisor's Request

Mr. Flint: If there's nothing else from the Board or staff, we need a motion to adjourn.

NINTH 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