

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, September 11, 2020 at 1:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150, 20-179, 20-193 and 20-246 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020, July 30, 2020, August 7, 2020, and September 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 were:

George Flint	District Manager
Michael Chiumento III	District Counsel
Parker Mynchenberg	District Engineer
Ken Belshe	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: No members of the public are 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. Are there any nominations at this time to fill those seats? Hearing none, we will carry that over to the next meeting.

B. Administration of Oath of Office to Newly Appointed Supervisors

C. Election of Officers

D. Consideration of Resolution 2020-09 Electing Officers

These items were tabled.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the June 12, 2020 Meeting

Mr. Flint: Did the Board have any additions, deletions, or corrections to the minutes of the June 12, 2020 meeting? Hearing none,

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor the Minutes of the June 12, 2020 Meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2020-10 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations

Mr. Flint: The Board previously approved a proposed budget and set today as the public hearing for its final consideration. The resolution in your agenda package would approve the budget, which is attached as Exhibit A. The budget hasn't changed since the approval of the proposed budget, other than we updated the actuals through the end of August. The total budget is \$72,251. It contemplates that the District would enter into a Developer Funding Agreement in lieu of imposing assessments. Under the Developer Funding Agreement, the developer would only be responsible for the actual cost of the District, not necessarily the total budget. So, if the actuals were lower, that would be the only obligation of the developer. Were there any comments or questions on the budget? Because it is a public hearing, we will open the public hearing and note there are no members of the public to provide comment or testimony, so we will bring it back to the Board for discussion and consideration of Resolution 2020-10. Did the Board have any questions or discussion on the resolution or the budget? Hearing none,

On MOTION by Mr. Livingston seconded by Mr. Lusby with all in favor Resolution 2020-10 adopting the Fiscal Year 2021 budget and the annual appropriations was adopted.

Mr. Flint: We will close the public hearing.

SIXTH ORDER OF BUSINESS**Consideration of Fiscal Year 2021 Funding Agreement**

Mr. Flint: The budget that was just approved, would be attached to this agreement, which was entered into with the developer. It's the same form of agreement that the District and the developer have seen in the past. Are there any comments or questions on the Funding Agreement? If not, I would ask for a motion.

On MOTION by Mr. Smith seconded by Mr. Lusby with all in favor the Funding Agreement between the District and Palm Coast Intercoastal LLC. for Fiscal Year 2021 was approved.

SEVENTH ORDER OF BUSINESS**Financing Matters**

- A. Consideration of Engineer's Report**
- B. Consideration of Assessment Methodology**
- C. Consideration of Resolution 2020-11 Declaring Special Assessments**
- D. Consideration of Resolution 2020-12 Setting a Public Hearing for Special Assessments**

Mr. Flint: Earlier this year, the Board approved these same two resolutions, Engineer's Report, and Assessment Methodology and set the public hearing to consider imposing assessments; however, prior to actually holding the public hearing a decision was made to hold off on the assessment process, so we did not actually hold the public hearing. The Board took no action on it. We did proceed with the bond validation process and received a favorable ruling from the judge. No appeals were filed within the appeal period. I understand there may be a desire to restart this process. So, we've included the same Engineer's Report and Assessment Methodology the Board received previously. There have been no changes. Resolution 2020-11 declares the District's intent to levy assessments. It doesn't impose them or otherwise create any lien. Resolution 2020-12 sets the public hearing for the Board to actually consider imposing those assessments. The Engineer's Report and Assessment Methodology are attached to the resolution.

Mr. Chiumento: I have been in contact with the developer and given certain circumstances, they would like to advertise to have the adoption hearing for the assessments on Tuesday, January 5th. In our agenda package, the date is November 13th, but they need to push it out two more months, because they intend to have the preliminary plat completed within the next month or so. There are some ancillary background issues, but they will be ready to create the lien

on the property on Tuesday, January 5th. So, if everyone could commit to having another meeting, it will likely be in person. Hopefully, the executive order is still in place.

Mr. Flint: Right.

Mr. Chiumento: So, I would throw that out there to amend Resolution 2020-11 that sets the date.

Mr. Flint: It's 2020-12. What time on January 5th would we propose to hold the public hearing?

Mr. Chiumento: Same time, same place. Just change that date from November 13 to January 5, 2021.

Mr. Flint: On the second page of Resolution 2020-12 in the first section, the public hearing will be at 1:00 p.m. on January 5, 2020 at One Hammock Beach Parkway, Suite 101, Palm coast, Florida. Does that work for the Board Members? Are you all available on January 5th?

Mr. Chiumento: He wants to do it at the City Centré address. We'll find a room.

Mr. Flint: So, it would be in your office?

Mr. Chiumento: Yes, sir.

Mr. Flint: Okay. Is the Board okay with January 5th? We just need to make sure we can get three Board members there.

Mr. Smith: Yes, I'm fine with that.

Mr. Livingston: I'm fine.

Mr. Flint: We will modify Resolution 2020-12 to indicate that date, place and time.

Mr. Chiumento: Thank you.

Mr. Flint: The District Engineer's Report has not changed since the Board last saw it. Were there any comments or questions on either the Engineer's Report or Methodology?

Mr. Livingston: I guess we are going to start development this year, so that date probably needs to be pushed out.

Mr. Flint: On the timeline?

Mr. Livingston: Yes. I don't know whether that matters. It did say that it would commence in 2020.

Mr. Flint: Okay.

Mr. Livingston: That meeting is going to be at 1:00 p.m., right?

Mr. Flint: Correct. I'm not sure about changing the timeline. We can always amend the report and when we present the report that is presented in January, we can provide a revised timeline. You can approve this as presented.

Mr. Livingston: Okay.

Mr. Flint: Then you can amend it between now and January. There will probably be other changes as well, so if the Board is okay with that, we could update the report and present at the public hearing. We also have Resolution 2020-11, which declares the District's intent to levy special assessments. Exhibit A is the Engineer's Report and Exhibit B is the Master Assessment. Are there any questions on the resolution?

Mr. Livingston: It's fine by me.

MOTION by Mr. Lusby seconded by Mr. Livingston with all in favor Resolution 2020-11 Declaring Special Assessments; Indicating the Location, Nature and Estimated Cost of those Infrastructure Improvements which Cost is to be Defrayed by the Special Assessments; Providing the Portion of the Estimated Cost of the Improvements to be Defrayed by the Special Assessments; Providing the Manner in which such Special Assessments Shall be Made; Providing when such Special Assessments Shall be Paid; Designating Lands Upon which the Special Assessments shall be Levied; Providing for an Assessment Plat; Adopting a Preliminary Assessment Roll and Providing for Publication of this Resolution was adopted.

Mr. Flint: Resolution 2020-12, as we discussed, sets the public hearing where the Board will consider levying assessments. We are suggesting the resolution be amended to reflect the date of the public hearing as January 5, 2021 at 1:00 p.m. at District Counsel's office at the City Centré. Other sections of the resolution will remain the same. We will have to do a 30-day mailed notice. There will also be two publications one week apart, 21 and 14 days before the public hearing. Are there any questions on the resolution? Hearing none, we need a motion to adopt Resolution 2020-12 as amended.

MOTION by Mr. Livingston seconded by Mr. Lusby with all in favor Resolution 2020-12 Setting a Public Hearing to be Held on January 5, 2021 at 1:00 P.M. at City Centre at Palm Coast Town Center, 145 City Place, Suite 300, Palm Coast, Florida 32164, for the Purpose of Hearing Public Comment on Imposing Special Assessments on Certain Property within the District Generally Described as The Gardens at Hammock Beach Community Development District in Accordance with Chapters 170, 190 and 197, Florida Statutes was adopted as amended.

Mr. Chiumento: I know you said that you were making the changes and we just want to be clear that the record reflect that the motion was amended with the new date and location.

Mr. Flint: Yes. The motion was made with the new date and location.

Mr. Chiumento: Very good.

EIGHTH ORDER OF BUSINESS

Staff Reports

E. District Manager's Report

i. Balance Sheet and Income Statement

Mr. Flint: We have the Balance Sheet and Income Statement through August 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 #9 - #11

Mr. Flint: These were transmitted to the developer under the Funding Agreement. We are placing these on the agenda for ratification. Are there any questions? If not, we need a motion to ratify Funding Requests 9, 10 and 11.

On MOTION by Mr. Smith seconded by Mr. Livingston with all in favor the Funding Requests #9 - #11 were ratified.

iii. Approval of Fiscal Year 2021 Meeting Schedule

Mr. Flint: Each year the Board is required to adopt an annual meeting schedule. What we included in your agenda is the Board will meet on an as needed basis. When you meet, we will meet the statutory noticing requirements; however, you can choose to adopt a schedule with a specific date, place and time, if you wanted to. I don't believe between now and January there will be a need for a meeting. There will be a Landowner's Election in November, but there is no Board meeting required as part of the Landowner's Election. So, you may be safe doing this as

needed schedule and if things begin to move forward in January with the financing, the Board can always reconsider and establish specific dates at that point.

Mr. Livingston: That's fine with me.

Mr. Flint: Is that amenable to the Board?

Mr. Lusby: Yes, that's fine.

Mr. Smith: Yes.

Mr. Flint: Then we need a motion to approve the proposed meeting schedule indicating that the District will meet on an as needed basis.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor, the Fiscal Year 2021 meeting schedule to meet on an as needed basis, was approved.

NINTH ORDER OF BUSINESS

Other Business

Mr. Flint: Was there anything else from the Board that we needed to discuss before the Board adjourned?

Mr. Chiumento: George, we are talking about the need for liability insurance on the property.

Mr. Flint: Okay.

Mr. Chiumento: We have Directors & Officers (D&O) insurance for the Board, but I think that's all covered statutory, because we are an elected Board. I don't know the answer for that. Do you?

Mr. Flint: Right now, we don't have public officials' liability or general liability insurance. Under the Statutes as a government, the CDD has sovereign immunity up to \$250,000, unless a special claims bill is filed. Even with sovereign immunity, you have exposure up to \$250,000 on a claim. Ideally the Board would carry the liability insurance to not only protect the Board individually, but also the District in the event they were sued, the insurance company would defend the District or Board Members individually. The budget was adopted and we included funds for the liability insurance, but it would need to be funded by the developer for us to be able to bind it.

Mr. Chiumento: Would the Board be sued individually for some type of maleficence, negligence or breach of duty? Where do the Board Members stand on that issue?

Mr. Flint: There is no insurance coverage right now. That would be public officials' liability.

Mr. Chiumento: Correct.

Mr. Flint: The public officials' liability and general liability are rolled into one policy and the annual premium is \$5,500.

Mr. Chiumento: Okay.

Mr. Livingston: Once we get to January when we are moving forward with financing and development, we definitely need to have coverage. At this point, I not sure that there are any plaintiffs out there lurking, but there could be after that.

Mr. Flint: You never know. You have other landowners within the District.

Mr. Chiumento: It's probably just conservative for the \$5,000 to get it sooner rather than later. Does the budget show it?

Mr. Flint: Yes, it's \$5,500 under the "Insurance" line item.

Mr. Chiumento: Will you reach out to the developer and get the paperwork?

Mr. Flint: Yes. We will submit the Funding Request with that and then we will bind it effective October 1, if they are willing to fund that.

Mr. Chiumento: I believe they are.

Mr. Flint: Sounds good. I think that's the right way to go. I'm glad you brought that up. I meant to discuss that under the budget.

Mr. Chiumento: If the Board is interested, the PUD site plan approval and the preliminary plat for Phase I will be heard on the 21st of the month. The developer anticipates those final approvals and then moving towards the site inspection, once Parker does his job at the hearings.

Mr. Flint: Great. We will keep our fingers crossed for you.

Mr. Chiumento: We should be okay.

TENTH ORDER OF BUSINESS

Supervisor's Request

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

ELEVENTH ORDER OF BUSINESS

Adjournment

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


Secretary / Assistant Secretary


Chairman / Vice Chairman