

MINUTES OF MEETING
PINE RIDGE PLANTATION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Pine Ridge Plantation Community Development District was held on Tuesday, January 17, 2017 at 6:00 p.m. at Pine Ridge Plantation Amenity Center, 4200 Pine Ridge Parkway, Middleburg, FL 32068.

Present and constituting a quorum were:

Nicole Gardner	Chairperson
Matt Biagetti	Vice Chairman
Maria Haney	Supervisor
Jeff Arp	Supervisor
Nancy McNulty	Supervisor

Also present were:

Jim Oliver	District Manager
Jason Walters	District Counsel
Steve Andersen	Operations Manager
Amanda Ferguson	Amenity Manager
Kevin Mulshine	MBS Capital Markets (by phone)
Chris Ward	Richmond American Homes

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 6:00 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Jerry Ritchie stated I just want to express my admiration to Riverside Management Services for employing Amanda Ferguson as our Amenity Manager. Several residents, including myself, see her outside policing the area and taking care of residents. She has always been very cooperative. I think when she helped repaint this clubhouse that was really impressive. That was way above her call of duty. I want to say thank you for your services.

Ms. Ferguson stated thank you. I appreciate that.

Mr. Biagetti stated I second that.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Oath of Office for Newly Elected Supervisors

Mr. Oliver stated with the election session that just ended, we had three supervisors elected. Matt Biagetti, Jeff Arp and Nancy McNulty were elected to the board.

Mr. Oliver administered an oath of office to Mr. Matt Biagetti, Mr. Jeff Arp and Ms. Nancy McNulty.

Mr. Oliver stated any District documents you get are subject to public records requests. Our office maintains all of the public records, so you don't have to maintain your records. To the extent that you do, you should keep them segregated from your personal and business records. Staff recommends the same for your CDD-related emails. As public officials, you are subject to Florida's Sunshine Law, which dictates you can only communicate with any of the other four supervisors regarding CDD matters at a publicly noticed meeting. You can certainly talk with each other about anything except for CDD business matters.

B. Election of Officers, Resolution 2017-01

Mr. Oliver stated Chapter 190 says that after each election cycle, the board must constitute itself and elect officers. Right now, Nicole serves as the Chair. Matt serves as the Vice Chair. The remaining supervisors serve as Assistant Secretaries and several staff members serve as Assistant Secretaries/Assistant Treasurers and also the Secretary and Treasurer.

On MOTION by Mr. Gardner seconded by Mr. Biagetti with all in favor Resolution 2017-01 Election of Officers to Add Ms. McNulty & Mr. Arp as the Assistant Secretaries & All Other Officers Remain the Same was approved.
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C. Recognition of Former Supervisors Rooster Hendrix and Mike Mesiano

Mr. Oliver stated Rooster Hendrix and Mike Mesiano have completed their terms of office after serving the community admirably. I know Rooster also serves on the HOA board. We would like to recognize Rooster Hendrix for his dedicated service with a plaque to be presented by our chairwoman.

Ms. Gardner stated we appreciate everything that you have done for this community and you continue to do for this community. I know you also do a lot for the HOA board. We appreciate all of your hard work and dedication.

Mr. Hendrix stated thank you very much.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the November 15, 2016 Meeting

Mr. Oliver stated included in your agenda package is a copy of the minutes of the November 15, 2016 meeting for your approval. Are there any additions, corrections or deletions?

On MOTION by Mr. Gardner seconded by Mr. Biagetti with all in favor the Minutes of the November 15, 2016 Meeting were approved.

SIXTH ORDER OF BUSINESS

Consideration of Proposals for Landscape Maintenance Services

Mr. Andersen stated we received three proposals for landscape maintenance services. I used the approved evaluation criteria and scored the proposals. We can pick a different company than I ranked based on value to the community. We don't have to pick the lowest priced firm. My recommendation is to retain Down to Earth. There will be a \$30,000 savings to the District over a three year period.

Mr. Biagetti stated I would agree with your ranking. The service that Josh has provided us has greatly improved.

On MOTION by Mr. Gardner seconded by Ms. Haney with all in favor the Proposal from Down to Earth to Provide Landscape Maintenance Services was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Proposals for Lifeguard Services

EIGHTH ORDER OF BUSINESS

Consideration of Riverside Management Services Renewal Proposal for Amenity Center Staffing

Mr. Walters stated in front of you is a proposal from Riverside Management Services. I distributed the criteria that we were looking for to the three main companies that provide these services in Northeast Florida. You will see at the bottom of the Riverside proposal that there are options to provide more services. Of the three companies I sent it to, Vesta (ASG previously known as), declined to propose because they were the previous provider and were

not ready to propose. I didn't receive any word or a proposal from the third vendor. We did get a submittal from Riverside Management Services. They are the current provider and from my experience, we haven't had a lot of complaints. The real question is how we staff more appropriately. You can see they listed a supervisor/head lifeguard position. The requirement for that position is that person has to be at least 21 years of age or older. Lifeguards have to be at least 16 years of age or older. You can see the pricing is \$16 per hour. If we want to ramp up staffing then we can do that or we can also ramp it down.

Ms. Gardner asked what is our current budget for lifeguarding?

Mr. Oliver responded it is \$15,000.

Mr. Andersen stated this gives the board the ability to work with Amanda to set up a schedule, so that we can get better coverage for the community. On a monthly basis, we will have Amanda provide the board with how many hours were used for lifeguarding.

Mr. Oliver stated in your agenda package is a proposal from Riverside Management Services for Amanda's position, as well as some extra hours from another qualified person. The proposal shows an additional person at 20 hours a week for 52 weeks a year at a cost of \$26,000. In front of you tonight is a revised proposal from Riverside to cut those hours to \$13,000. That is recognizing that you will have a more mature person on the pool deck because of the head lifeguard position. That was a revision that Riverside made based on the lifeguard proposal.

Mr. Jerry Ritchie asked are the lifeguards trained and certified through Riverside?

Mr. Andersen responded yes. They are all lifeguard certified through American Red Cross. They are all CPR certified and AED certified for adults, infants and children.

Ms. Haney asked is there anyway that we can merge the extended facility manager position with the supervisor/head lifeguard position?

Mr. Oliver responded the difficulty with that is that lifeguard focuses on life saving and lifeguard services. Any additional duties away from the pool deck could distract from these important responsibilities. I think the person that serves in addition to Amanda, would be focused on other customer service responsibilities.

Ms. Gardner stated I almost think we need that separation because there were a lot of issues with access and cards and guests. I think we need attention to that, in addition to making sure we have enough eyes on the pool. Do we have money in the budget for this?

Mr. Oliver responded we can do a budget amendment. I will say that last year and the year before, you did experience a surplus because the on-site staff managed a pretty tight budget and under-spent. I think you can move some funds around to cover that additional staffing.

Mr. Biagetti stated both of these are providing services on an as needed basis.

Ms. Gardner stated this also gives us the flexibility to opening the slide on Friday evenings sometimes.

Mr. Oliver stated yes. The residents definitely deserve to use their slide more.

Mr. Biagetti stated if you give them more options on times the slide is open then maybe they won't be jamming in on those peak times.

On MOTION by Mr. Gardner seconded by Ms. Haney with all in favor the Proposals from Riverside Management Services to Provide Lifeguard Services & Additional Amenity Center Staffing were approved in substantial form.

FIFTH ORDER OF BUSINESS

Update Regarding Series 2006 Bond Restructuring

Mr. Walters stated I will fill you in on what has happened up until now and then hopefully some future actions in the next 30 or 60 days. The last time we met, we had provided notice to the bondholders and to the current landowner regarding the current situation and our intentions. The easiest way for me to think about this is our three parties. We have the District, we have the three bondholders and we have the landowner. The thought process was to get the board the best options from all of the parties, so then the board could weigh those out and make a decision before just starting foreclosure. Going into December things were somewhat quiet. I was hoping to get more information from all of the parties. I had several calls with the folks from Richmond American Homes, who is under contract to purchase the remainder of the undeveloped lands from the current landowner. At times I felt like there was going to be a big offer coming from any one of those parties and at other times, it looked grimmer. I didn't have any guidance until 2:00 p.m. this afternoon. There isn't a concrete decision from any of those parties. Richmond American is under contract with the current landowner and my understanding is they are trying to work out viable options moving forward. The positive news that I think ducktails on what I would have provided guidance on tonight is that I did receive word from the bondholders counsel with regards to their intended direction.

If you think of the three options we have had with them is we had an agreement come before the board that I would call the assessment relief agreement, which dealt with the tax certificate holder, the trustee and the District. That was our global solution. It was what we thought was the best option. It provided for certain relief to the tax certificate holder, who would then do all of the work to obtain title to the property and then develop all of the undeveloped property in phases. We had gotten close to the finish line but the trustee would not get on board, so we couldn't go forward. A backstop to that with bondholders was, we will pursue foreclosure if you will provide operations and maintenance, meaning you pay the bill every year and you fund the foreclosure operations. That was one that came close to the finish line and at the last minute we couldn't get it put through. The third option on their list is we do nothing and the District would end up foreclosing on the operations and the debt. The communication I got from trustee's/bondholders counsel on this was that they had conversations with certain bondholders. They intended to get a call together this Thursday and that they intended to pursue option two, which is to provide \$150,000 per year in operation and maintenance relief to the District, so that we could fully fund and function going forward and that they would then fund all of the cost of the foreclosure action. They would ask us that we declare an event of default and allow them to have input on how we pursue foreclosure, which would just be the O&M and not the debt and also of how we would dispose of the property at the end. What declaring an event of default does is it opens up some of the reserve funds that could be used for that and it provides some leverage and some rights for bondholders to provide some direction. At the end of today, we don't have a definitive offer from any of the parties that I could place on the table and say this is a better option. The good news is my advice to this board is let's start the foreclosure process because we have to get this moving. The good news about the bondholders update is if they do truly go down that path and do get approval for providing the funding then nothing changes from our end. We just continue to pursue the foreclosure. If no one does anything then we are already on the path. At the end of the day, we will foreclose out the property and take title to it and we will take the best option from there that benefits the District in the best way possible. With not having definitive guidance from other parties, I think that is our only option. Chris Ward is here from Richmond American Homes. He is the Vice President of Land for Richmond American Homes. They are a current builder in the community. I think they have done a lot of legwork and groundwork to try and

get this deal done and moving forward. I spoke to him this afternoon to say that I have a meeting tonight and I am not going to have anything to place on the table and I explained to him the repercussions for that. I think he fully understands it. They have been involved with other Districts and these types of projects for years.

Mr. Chris Ward stated I recently joined Richmond American Homes in September as Vice President of Land. Previously, I was Vice President of Land with KB Homes, so I have been in this community from a landside for a very long time. I know the CDD and the community very well. I have also been CDD boards. I purchased property from bondholders from foreclosures, so I have kind of dealt with this process. There are 150 lots that we are interested in purchasing. As you know, every day that goes by there are more penalties that accrue on the O&M, the debt service, as well as the tax certificate group, which is about \$20,000 a lot and accrues at about a percent a month. From our perspective, we are interested in trying to work something out. Unfortunately, there is the tax certificate group, the CDD board, the bondholders and there are sellers. There are already four parties that are in this dance and we are kind of the fifth. It is hard for us to negotiate because we can't really negotiate on behalf of the seller or for you guys or the tax certificate group. I am just here today to say that we are interested in trying to work something out to buy lots. We were close to close on 47 lots. The numbers just do not work where they are currently at today. Development costs in our industry for horizontal work for utilities and paving and drainage have gone up about 30% in the last few years. We would love to work with the CDD to try to figure something out. I have talked to Jason on multiple occasions about different scenarios but that is about it.

Mr. Walters stated my purpose on having him tonight is to let you know that we are still working all viable options and this board will have to make those ultimate decisions moving forward.

Mr. Mulshine stated last year I thought your staff put together what I thought was a great plan, where the bondholders were going to come out of this at par and the tax certificates were going to be okay and someone like Chris could go about his business and build homes. It was the trustee that shut it down for various reasons. Jason and his staff have been incredibly honorable through the whole process but the bondholders haven't missed a meal yet because there is a reserve there. We have 731 lots and you have 586 residents that have been paying

their assessments like clockwork. Since the reserve is there, it has been being drained down to pay the bondholders, so they haven't missed a principal and interest payment yet. Remember, there are two things we need to focus on. The first objective is to get you O&M being paid by 731 units and not just 586 units. The second thing is remember you have \$11.6M of debt that is at 5.4%. If everyone is paying currently then that rate would be lower and then your debt service assessments could be lower and that is the ultimate objective. There is a 500,000 left in the debt service reserve. It would support the shortfall for about another two years but I think it is time to call the question and see if they can come with an offer to pay O&M.

Mr. Arp stated Chris mentioned that Richmond may be interested in some of these. I think the bleeding has to stop. What do we have to do to get it more appealing? Is it the foreclosure process to where some of the debt can be wrote off?

Mr. Walters responded there are a number of moving parts there. From a simplistic standpoint if we were just talking about a Richmond American structure, what they would say is the delinquent assessments for the two past years plus the current bill is x, so I plug that in for each lot. Then they will say my tax certificate bill is this for each lot and my development costs are this for each lot, so I have my per lot number that is \$35,000 and I can sell these lots at \$34,000, so what can I do to get it to \$33,000, so that each lot is profitable. If we say we will wipe out the penalties portion, so maybe that brings it down to \$32,000 per lot instead of \$35,000. That is one concept in play. If you look long term when you break down that per lot cost then if we foreclosure on the O&M and debt then now you have wiped out a debt portion for those lots. Anytime you wipe out a cost per lot then you make it more marketable on the backend. Increasing the sales price would change the delta on the other end. The dirty part of a foreclosure is it takes time and it takes money but we will get there. The bondholders have proposed one option that may be attractive. That proposal was an email to me at 2:00 p.m. today. I can't tell you to accept that or tap the brakes because how many meetings are we going to go through where this happens. I think the best course of action is to pursue the foreclosure and still keep our ears open. There is going to be several viable options here over the next six months to a year but we have to have them in front of us to deal with them.

Mr. Mulshine stated you want to do it before Richmond leaves the community because it is much easier for them to continue using the same models. The issue is on each of those 155 lots, there is tax lien of about \$15,000 and there is a bond lien of about \$18,000 and there is

excess O&M that hasn't been collected, so you have about \$30,000 jammed up on those lots before you even spend the money to put the water and sewer and streets in. By pursuing the foreclosure action, you are forcing the people that own the tax certificates and bondholders in a room where they say maybe we can't leave the room at \$30,000 but maybe at \$20,000.

Ms. Gardner stated I agree. We have had this conversation for months and we keep putting stuff off. I think we need to move forward on the foreclosure process, so at least the ball is rolling.

Mr. Walters stated I think in the past we have probably been more receptive to making sure everyone was benefited from that action and perhaps got burnt from it. What I am guiding you through now is without much regard to other parties and I think we have to focus on what is in the best interest of the District.

Mr. Mulshine stated I think you also want to come up with a solution for 155 lots.

Mr. Walters stated the board may recall that we did authorize foreclosure and we did do it through resolution, as well. I think technically staff has the authority through the resolutions and prior board action to initiate foreclosure.

Mr. Biagetti asked does this cost the District to start the process?

Mr. Walters responded it will. The commitment I will give this board is I will hold as much legal expenses as I can until we reach that foreclosure.

Mr. Ward stated currently, the taxes per lot on the 47 I looked at is approximately \$19,000 a lot. The bond debt is approximately \$20,000 per lot. The past due O&M is \$3,000 a lot plus penalties, so that is \$43,000 in debt. How does that work once it goes through foreclosure because by the time it gets to foreclosure, the tax certificate guy is going to have the greatest amount of credits to bid at the auction? Does that mean that they need to pay off the bondholders and the CDD at the foreclosure?

Mr. Walters responded that is a question we could talk about for the next 30 minutes. I would be happy to have a conversation about it offline. There are a lot of variables that go into that.

On MOTION by Mr. Gardner seconded by Ms. Haney with all in favor to Authorize Staff to Initiate Foreclosure on the Remaining Undeveloped & Delinquent Lots for both O&M and Debt Liens was approved.

A resident asked how does this affect me as a resident?

Mr. Biagetti responded I think at the end of this picture it is going to be a positive to all homeowners.

Mr. Walters stated the bonds that were used to build all of the infrastructure was all financed by bond debt and was broken up by lots. If we were to foreclose and wipe out the entire debt on the undeveloped property, your assessments are not affected at all by that. One person's default does not affect any other homeowner in this community at all. The real impact will be on the operation and maintenance side, meaning when we can get those lots repositioned for collection and any expenses associated with the foreclosure. Worse case scenario would be that deal falls through and we are in a foreclosure which takes a year or so and we don't collect for another year and we wait until the back end of it to get those O&M assessments collected again. Over the past several years the board has done well to manage the finances. They have maintained the facilities and we will continue to do that during this process. The hope would be that it will not impact you in a negative way at all.

A resident asked how much of what you just passed onto me is common knowledge across the street?

Mr. Walters responded probably zero.

A resident asked is there anyway that we can everyone else what is going on?

A resident responded they are responsible to come here.

A resident stated I understand that but not everyone can come here.

Mr. Walters stated it is difficult to mesh it out into a neat little package to hand it to someone and say this is what is going on. The supervisors have been dealing with this in-depth for years. It is a long process. It is complicated. There are moving parts to it. To the extent that someone has very specific questions, we will always try to answer them but on some level, the residents have entrusted the five board members, who have entrusted the hired professional staff to manage the situation and to create the best outcome for the District.

Ms. Ferguson stated the minutes from all of the CDDs meetings are on the website.

A resident stated I went through them before I got here tonight and it was all Greek to me. I like to play dumb and ask a lot of questions. I just did not understand what was going on

until just now. I think it is incumbent upon you all to write down 25 words or less on what the status of this process is.

Mr. Biagetti stated we appreciate you being here tonight. All of our contact information is on the website. Maybe once we have more solid information then maybe it will be something to pass out to the community.

NINTH ORDER OF BUSINESS

Consideration of Proposals for Purchase and Installation of Security Camera System

Mr. Andersen stated in your agenda package are three proposals for security cameras. We had Envera come to one meeting. That is a company that actually installs a camera system but it is continually monitored, so there are costs associated with it. The other two proposals are pretty straightforward. I am familiar with Space Coast. They are going to use the lines that we have in place and they will be much better cameras. There is also an option on here to put cameras in the clubhouse. American puts in a slightly better camera but the system with Space Coast is as good as we need.

Ms. Gardner asked so the Space Coast proposal is \$3,820 plus an additional \$1,500 if we chose to put cameras inside of the clubhouse?

Mr. Andersen responded yes. The system will integrate the lock systems if you rent the clubhouse then you can use your card to disarm the building.

Ms. Gardner asked do we have enough money?

Mr. Oliver responded yes. It will come from the capital reserve fund.

Mr. Arp asked how many cameras do we currently have?

Mr. Andersen responded 10. The existing cameras that we have currently will go away.

On MOTION by Mr. Biagetti seconded by Ms. Gardner with all in favor the Proposal from Space Coast for Purchase and Installation of Security Camera System with Option 1 was approved.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Walters stated we will continue to update the board on anything that occurs related to the foreclosure. It is also the time of year where legislature is starting in Tallahassee. We will continue to monitor that as we have in the past.

B. District Manager

Mr. Oliver stated the Fiscal Year 2016 audit is underway.

C. Engineer

There being none, the next item followed.

D. Operations Manager – Report

Mr. Andersen stated there are numerous trees throughout the community that are missing. Maria and I did a drive thru and she sent me a list of all of the trees that are needed. On that list are six crate myrtles, an oak, 11 magnolias and two holly trees. We are into that range right now, where we can start planting. We are looking at somewhere in the range of \$8,000 to \$12,000 to replace everything.

Ms. Haney stated a lot of us enjoy the pool but all of us look at the trees.

Mr. Andersen stated I would suggest that we go through Down to Earth to get these. I would not recommend getting an outside company because they are the ones to be responsible for watering them and maintaining them.

Mr. Arp asked is there a warranty?

Mr. Andersen responded yes. It is for one year. I would suggest we address the trees on Pine Ridge Parkway first. There are nine magnolias on Pine Ridge. There are a couple holly trees but I do not have pricing on them right now.

Ms. Gardner asked how are we from a budget perspective because there are other areas, like Night Owl Trail? That whole stretch of preserve by Night Owl is 100% weeds.

Mr. Andersen responded that needs to be Bahia grass.

Mr. Oliver stated I would like to hear what type of total budget we are talking about for this tree work because likely, it would come from capital reserves. We'll want to preserve funds as we go through this foreclosure process, also.

Mr. Andersen stated I know last year we didn't touch our landscape maintenance reserve.

Mr. Oliver stated the overall capital reserves are at \$337,000, but until we work through foreclosure for FY17, these nonperforming 155 lots represent over \$100,000 of assessments that we may not collect.

Mr. Andersen stated my suggestion would be instead of picking out a certain number of trees that we pick out a certain budget.

A resident stated over on Wetland Ridge in the common areas that are in between homes, look terrible. There is no irrigation system in those areas. It really looks very unattractive.

Mr. Andersen stated there is actually three areas over there that are common areas, where we attempted to put in Bahia grass because the Developer didn't put in an irrigation system over there.

A resident asked is there anything in the plans to do this?

Mr. Andersen responded we just did \$8,000 of upgrades over there after the Developer left. We are still talking with them to go in and put down more seed as we come into the rainy season.

Mr. Oliver stated with the change in landscape contract, your contract is going to go from \$100,000 annually to \$86,000 annually. You also have lawsuit proceeds that were received earlier this fiscal year in the amount of \$13,300 and then you still have about \$14,000 in your landscape contingency.

On MOTION by Ms. Gardner seconded by Mr. Biagetti with all in favor the Proposal from Down to Earth to Provide Trees & Sod at a not to exceed amount of \$14,000 was approved with Ms. Haney to work with staff to coordinate project.

Mr. Andersen stated there is a sign at the southern entrance of Pine Ridge by Old Jennings Road. I am baffled why it is there. It was put in by the Developer a long time ago. I think it is kind of a detriment to this whole thing because it doesn't make a whole lot of sense. It doesn't look great. It doesn't add any value to our community. Do you want to take it down and use the parts somewhere else?

A resident asked could you move it to the opening of Wetland Ridge Circle because there is no entrance announcing that is part of Pine Ridge?

Mr. Andersen responded I don't know if we can do that. If there is a sign easement over there, then maybe.

Ms. Haney stated I would like to pursue the option of moving it over there.

Mr. Andersen stated there are a bunch of signs that the County put in out here at the intersection and they are croaked. I contacted the County to straighten them. The pergola on the right side is falling apart. I had a contractor come out to look at it. They used inside wood and then just painted it, so the wood is rotted. The way this community is built is behind every house there is a stretch of land that the CDD owns, so instead of running the lots all the way down to the water, they ran the lots to the top of the bank and then the CDD maintains it all of the way down. The problem is we have had wash outs happen on our property and it is caused by water coming from other people's property and not CDD property. It is not the CDDs fault that we own the property that people are dumping water onto. I have talked to the County about this. The County has rules they have established that you are not supposed to be able to dump water onto other people's property but they approved this back when the plats were being done, so we are kind of stuck with where we are. The question that I have now is what can we do going forward because we have areas in here where there are wash outs occurring from people that put in drainage pipes and they stop it right at our property line and they dump this four inch hose of water down our sandy bank and completely wash out our banks. There is a house on Wetland Ridge that when it was built they didn't put gutters on it. They didn't put anything between the homes. There are no drainage pipes or anything and this water is rushing down and wiping out our property. We have gone in and fixed it but it is costing the District money. It is going to be reoccurring. Where do we draw the line because people's properties are affecting the CDDs property? Do we pursue homeowners and say they have to put in drainage pipe?

Mr. Haber responded this is a 30 minute to an hour conversation amongst staff. I don't think the board needs to be involved at this point. We will look into this and get more information.

E. Amenity Manager

Ms. Ferguson stated recently, we have been having residents that want to rent the clubhouse for commercial business opportunities.

Mr. Walters stated from a philosophical 30,000 foot viewpoint, this clubhouse is part of the communities amenities and we want to make it available for folks to have private parties. One question is I am selling soap or clothes, so can I use this as my commercial space. You can find a balance sometimes of you don't want the place being overrun by nothing but commercial enterprises versus not having the space utilized. There are some Districts that I work with that say no commercial uses. You can say as a board that we are not going to allow commercial uses of our residential facilities or you can say if you are going to come and write a check then you can use it for whatever purpose you choose.

Mr. Arp asked so let's say the people that want to sell clothes in here are residents?

Ms. Ferguson responded no. It is a resident inviting residents, so far. I don't mind it. We are eliminating the outside rentals during peak season, so this year we won't make the income from that, so maybe we could make it up with commercial rentals in here.

Ms. Haney stated we have run across this before with personal training issues in the gym. It is my personal opinion that this is a recreational center and it is meant for the use of our residents.

Mr. Arp stated I agree with that for the pool and the fitness center but I kind of think if this is sitting empty and it is a resident requesting it then I don't see a problem with it.

Mr. Walters stated you don't have to shut down commercial interests at this point. Maybe we should monitor it over the next few months and see how many requests we get for those moving forward.

Ms. Gardner stated I don't know that I have a problem with it. Let's monitor it and see if we have any conflicts.

Ms. Haney asked is there anyway to give a resident that wants to rent it for a birthday party priority over the commercial rental?

Mr. Walters responded that is going to be difficult.

Mr. Andersen stated another thing to think about is we can rent this out as two separate rentals.

Mr. Walters stated we will leave it as is and monitor it.

Ms. Ferguson stated I have a gentlemen who would like to talk to Jason about swim lessons. He would like to provide swim lessons here. He has a company and he has been doing it for 20 years.

Ms. Gardner stated the only problem with that is we rent this room out at all different times of the day, so it would be hard to manage that.

A resident stated you have doors here that you could close. I am all for selling my house and moving to a community like that because I want my kids to associate with other kids.

THIRTEENTH ORDER OF BUSINESS Financial Statements

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending November 30, 2016

Mr. Oliver stated included in your agenda package is a copy of the unaudited balance sheet and income statement.

B. Assessment Receipts Schedule

Mr. Oliver stated included in your agenda package is a copy of the assessment receipts schedule. Although on-roll collections are at a very respectable 95.10 rate, the CDD has received no assessments from Tynes Partners for the 155 undeveloped lots. This represents an O&M funding deficit of \$113,000 for this year. Hopefully our foreclosure process and discussions with bondholders' counsel will result in a funding solution.

C. Approval of Check Register

Mr. Oliver stated included in your agenda package is a copy of the check register.

On MOTION by Mr. Biagetti seconded by Ms. Gardner with all in favor the Check Register was approved.

FOURTEENTH ORDER OF BUSINESS Next Scheduled Meeting – March 21, 2017 at 6:00 p.m. at the Pine Ridge Plantation Amenity Center

Mr. Oliver stated the next scheduled meeting is March 21, 2017 at 6:00 p.m. at this location.

FIFTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Ms. Gardner seconded by Ms. Haney with all in favor the Meeting was adjourned.

January 17, 2017

Pine Ridge Plantation CDD



Secretary / Assistant Secretary



Chairman / Vice Chairman