

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, May 17, 2016 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
Mike Messiano	Supervisor (by telephone)

Also present were:

Jim Oliver	District Manager
Jason Walters	District Counsel (by telephone)
Steve Andersen	Operations Manager
Amanda Rentsch	Riverside Management Services
Kevin Mulshine	MBS Capital Markets, LLC
Sete Zare	MBS Capital Markets, LLC

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

On MOTION by Ms. Gardner seconded by Mr. Biagetti with all in favor to Amend Agenda to Include Agenda Item for Presentation Regarding Refunding Opportunities was approved.
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**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the March 15, 2016 Meeting**

Mr. Oliver stated included in your agenda package is a copy of the minutes of the March 15, 2016 meeting. I did receive a revision that I incorporated into the minutes. Are there any other additions, corrections or deletions?



getting a final solution. The tax certificate holders are owed about \$18,000 a lot for the 155 lots. As long as the tax certificates were selling, we were oblivious to the delinquency because this entity that was buying the tax certificates were basically paying our operation and maintenance to pay the bondholders but they stopped buying the tax certificates and the tax certificates are building up at 18%, so the problem just keeps getting worse. The tax liens are getting too big for the value of the property. We are trying to come up with one global solution that would address 155 lots. The one thing that we do in those situations is we try to go to the bondholders and say we are going to try and move this forward but part of moving forward is going to be a bifurcation. You have \$11M of bonds that are secured by 736 lots, so we want to split it into two bond issues but one is secured by 155 lots and the other one is secured by the 580 lots. I wouldn't be here if we couldn't come up with a solution. Once you clear the tax certificates, you know have an incredibly high probability that you will start collecting your operation and maintenance in the future. If we could get the bondholders to allow us to bifurcate as part of a solution, we did a hypothetical refunding, where we refunded just the debt that is associated with the 580 lots. Everyone has different assessments here based on the size of their lot. The savings we think in current market conditions by taking a nonrated bond would be about 10% or at about \$120 a year. We think it is time to put all of the parties in the same room.

Mr. Biagetti stated thank you for the presentation. I think we are all willing to move forward. If we can save some funds for everyone then I think that is a plus.

Ms. Gardner stated yes. I don't see where there would be a disadvantage for coming to some type of solution.

Mr. Mulshine stated right now you have \$300,000 or \$400,000 of back O&M assessments due. You could foreclose on the lots for that but the problem is you take it subject to a bunch of tax certificates and debt and bond debt. The tax certificate holders can foreclose but they take it subject to a bunch of debt. The bondholders can foreclose but they would have to take it subject to the tax certificates.

Ms. Gardner stated I am all for it.

Ms. Haney asked were 25 of those nonperforming lots sold?

Mr. Walters responded no.

Ms. Haney stated because they were listed to be sold on the property appraiser's site.

Mr. Walters stated the title may have changed hands internally but it wasn't a market sale.

Mr. Andersen asked if you do the bifurcation, does the maturity date stay the same?

Mr. Mulshine responded yes. We will be reporting back to you then.

#### **FIFTH ORDER OF BUSINESS**

#### **Acceptance of Fiscal Year 2015 Audit Report**

Mr. Oliver stated like all governmental entities in the State of Florida, we are required to have an annual audit by an independent CPA firm. This board selected the firm of Berger, Toombs, Elam, Gaines & Frank through the RFP process. You have a copy of the 2015 audit report in your agenda package. Once you accept this report, we will provide it to the auditor general in accordance with statutes. You will see the opinion letter from the auditor. At the top of page two the auditor states, "In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities in each major fund of Pine Ridge Plantation CDD as of September 30, 2015 and the respective changes in financial position, budgetary comparison for the general fund for the period then ended in conformity with the accounting principles generally accepted in the United States of America." On the following pages you will see management's discussion and analysis, as well as the annual financial statements. Following those annual financial statements are notes to those financial statements. On page 29 is the independent auditors report on internal controls. At the bottom of page 29 it states, "During our audit, we did not identify any deficiencies in internal control that we material weaknesses." On the next page is the management letter, which was prepared by the auditor. It states, "The rules of the auditor general requires that we address the management letter with any findings found in the previous year." This says that there were no recommendations made in the proceeding audit report. There is something called emergency financial conditions. There are three criteria that if you meet any of those, you are considered in financial emergency. This District did meet one of those and Kevin alluded that earlier when he said we had to tap the reserve fund for the bonds to pay some of the interest payments on May 1<sup>st</sup> and November 1<sup>st</sup>. Once we solve that problem, things like this go away. On page 33 it states, "In our opinion Pine Ridge Plantation CDD complied in all material respects with the requirements for the year then ending on September 30, 2015." We will post this audit to the District's website. The dissemination

agent puts this on their website, so that all prospective bondholders can see the Districts financials.

On MOTION by Ms. Gardner seconded by Mr. Biagetti with all in favor the Fiscal Year 2015 Audit Report was accepted.

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-01, Approving the Proposed Budget for Fiscal Year 2017 and Setting a Public Hearing Date for Adoption**

Mr. Oliver stated this is the kick off of the budget process. When we do bring this to the board to take a vote, we are actually looking to set a public hearing for August 16<sup>th</sup> at 6:00 p.m. We have three months to refine the budget. I would like to get the budget approved tonight, refine the budget over the next three months, hold the public hearing on August 16<sup>th</sup> and adopt the budget. The budget you have in your agenda package is a no change budget or a continuation budget. Assessments stay the same.

On MOTION by Ms. Haney seconded by Ms. Gardner with all in favor Resolution 2016-01 Approving the Proposed Budget for Fiscal Year 2017 and Setting a Public Hearing for August 16, 2016 at 6:00 p.m. at the Pine Ridge Plantation Amenity Center, 4200 Pine Ridge Parkway, Middleburg, FL 32068 was approved.

**EIGHTH ORDER OF BUSINESS**

**Discussion of Letter Regarding Suspension of Amenity Center Privileges**

Mr. Oliver stated included in your agenda package is a copy of the letter regarding the suspension of amenity center privileges. Probably a couple of these letters go out every year. Essentially if there are policy violations that are of a serious nature, as District Manager once the violation is reported to me, I make a judgment call whether to suspend privileges on an interim basis or to wait to bring it to the board. I will briefly review the content of the suspension letter for you. It states, "On behalf of the Pine Ridge Plantation CDD I am temporarily suspending the amenity center privileges for your family due to violations of the District policies. On both April 29, 2016 and April 30, 2016 children using your access card violated District policies by swimming and using the slide tower after designated hours. Law enforcement was contacted on April 29<sup>th</sup> and the residents violating District policies were

removed. According to the access card system records and security camera footage, the same residents returned the following evening and again violated the same District policies. Due to the nature of these two violations, your access to the amenity facilities has been suspended effective immediately in accordance with District policies. Pursuant to District policies your suspension will remain in effect until the next board of supervisors meeting to be held on May 17, 2016 at 6:00 p.m. at this location. At the meeting, the board of supervisors will be presented with the facts surrounding the incident and may consider fully suspension, termination or reinstate your access to the amenity facilities. You are entitled to attend the meeting and present evidence as to why your access to the amenity facilities should be reinstated.” I did speak with the resident. We had a pretty lengthy phone call and she did indicate that she would be here tonight to give her version of events.

The resident (recipient of the suspension) stated my son is dating the little girl across the street and she has five siblings, so they came up to the pool with my card. We allowed our son to use one card and all of her little siblings followed in behind a couple of other neighborhood people that he knows. My husband and I followed shortly thereafter but apparently by that time they had already been on the slide, my son included. I immediately stood up and told them to get off of the slide and they did. I spoke to my son and told him that the pool was only open dawn to dusk and he said then why does it say 10:00 p.m. I called Amenity Manager Amanda Rentsch and she explained that 10:00 p.m. is for the amenity center but the pool is dawn to dusk. I contacted her and told her it would never happen again. I spoke to my son and told him that he misread the sign and that we could not be up here after dark. We were not the only residents here. There was another lady here with two young kids in the pool at dark. My understanding was the individual who approached us was the community service officer or the gentlemen who guards here at night. At the time he approached us we were all getting ready to go back. Amanda also spoke to the mom of the children who told her that I was not in charge of her children. I do apologize. I do work in court, so I am very good about the laws and ordinances. I don't like issues like this coming up and I like to address them right away. I got caught off guard with this and we have certainly learned our lesson and so our son. You guys are going to have to put a sign up saying you can't hold the door open for anyone because I don't want to be polite to hold the door for someone to walk in behind me and then they do something like this again.

The resident stated and clearly there were three homes in violation. I understand and I accept responsibility. Six of the children are not mine. One of the adults on the slide is clearly not mine. The woman here with the children at night with her kids in the water are not mine. I feel the system has been a little unfair to me because I feel like I have taken the brunt of all of these violations and these homes.

Ms. Haney asked and this happened twice?

The resident responded it happened two nights back to back. I received the first call or the only call I got from Amanda on Monday explaining to me what happened and what we did wrong. I apologized and said it wouldn't happen again. What I didn't know is that the other video came up Saturday night. If I would have known that then I would have addressed it in my conversation with her. It was a surprise to get a phone call saying you can't do this and I said I apologize and being told this is your warning and then a week later I get a suspension letter with no other notification.

Ms. Gardner stated I know Friday evening a police officer spoke to you guys about being at the pool after hours and explained that you were not allowed to be here, so why did it happen again on Saturday evening if you were told on Friday by the officer that you were not allowed to be here after dark?

The resident responded he did mention the timing for us. He just said someone in the houses complained that you guys were being too loud, so we apologized and said we were getting ready to go.

Ms. Haney asked so our the pool hours posted?

Ms. Rentsch responded the gate outside says dawn to dusk. It also says the amenity center hours are 4:00 a.m. to 10:00 p.m., which is to come through the gate to get to the fitness center or to the restrooms. I have started writing on a board and putting it out towards the pool that lists the sunset time each day and state that is the time that the pool and pool deck are closed.

Mr. Oliver stated it has been my experience in managing several Districts in Northeast Florida that quite often parents and residents do not care enough to come to the meeting and present their their case. I appreciate the parents are here tonight to explain their version of events and their commitment to preventing a reoccurrence of these violations. This is unusual that they have reached out and tried to correct this action. I would take that into account

Mr. Biagetti stated thank you for coming and explaining the situation to us. And you were up here with them on Saturday?

The resident responded yes. We came up here but again, my son was still under the impression that the pool was open until 10:00 p.m.

Ms. Haney asked how old is your son?

The resident responded he is 17.

Ms. Haney asked does he still have a card?

The resident responded I took the card from him.

Ms. Haney stated if we reinstated your cards then I would like to get a commitment from you guys that you will maintain the card if it can't be responsibly maintained.

The resident stated I will make sure that it is only him and his girlfriend that walk in using our card.

Ms. Gardner stated you have to understand that as a District we have to protect the property and if we have rules and don't enforce them then we risk people continuing to break the rules. Using the slide, while it is not open damages the slide. We don't have the authority from the County for nighttime swimming and there would be consequences from the County for allowing people to be in the pool after hours.

The resident stated I don't disagree with that but the one thing I argue about is if you have the one mother of the other children that says those are my kids then why am I still carrying the burden for that.

Ms. Haney stated because it comes down to cards. They used their card.

The resident stated I am responsible for what I do and not what people that walk in behind me do.

Mr. Oliver stated when I wrote the letter, I was told that you were in charge of those kids because the other parents were out of town on a cruise.

The residents stated they actually did not leave until the next morning. The first night, the parents were here. We told them that when they went on the cruise that we would be glad to help with the kids in any way possible but it is my understanding and also Amanda heard her say that she never asked us to watch her kids and that her kids were fine unsupervised.

Mr. Andersen stated we are going to get a sign out here that says the pool is closed from dawn to dusk.

Ms. Rentsch stated I have already ordered the sign.

Ms. Gardner asked so when did the suspension actually occur on the card?

Mr. Oliver responded May 6<sup>th</sup>. The amenity policies do not specify a specific length of suspension. A requirement for a 30-day suspension is not accurate.

On MOTION by Mr. Biagetti seconded by Ms. Gardner with all in favor to Reinstate Amenity Center Privileges to Resident was approved.

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. District Manager**

- 1. Report on the Number of Registered Voters (791)**
- 2. General Elections**

Mr. Oliver stated included in your agenda package is a letter from the Clay County Supervisor of Elections informing us there are 791 registered voters residing in the District. We are required to put that on the record each year by Florida Statutes. This District goes through general elections because they are governmental offices. The candidates will be on the same November 8<sup>th</sup> ballot. In order to qualify to run for the Board of Supervisors, you have to be a registered voter residing in the District and you have to qualify for office with the Supervisor of Elections. You can get more information at [www.clayelections.com](http://www.clayelections.com). We have three seats that will be filled by general election. Those seats are two, four and five. Those seats are held by Mr. Biagetti, Mr. Hendrix and Mr. Mesiano. The qualifying period is noon on June 20<sup>th</sup> through noon on June 24<sup>th</sup>. The general election will be held November 8, 2016..

**C. Engineer**

There being none, the next item followed.

**D. Operations Manager – Report**

Mr. Andersen stated Down to Earth is here if you have any questions for him. We had a water issue this last week. Someone shut off of the valve. We are not exactly sure who shut

the valve off. We are going to put in more pine straw and more weed killer in the medians. The permanent grass has been over seeded last week.

Ms. Gardner asked do we have any proposals for areas that need to be repaired?

Mr. Andersen responded yes.

Ms. Gardner stated because heading down Pine Ridge Parkway heading west past Camp Ridge the grass gets horrible. There is one area right there between Night Owl and Foggy Day on the right-hand side that died last year.

Mr. Andersen stated that is being replaced.

Ms. Gardner stated and we continue to have problems with weeds past Night Owl.

Mr. Boucher stated the problem over there is we need to go really slow with the weed killer. When we first got here it was mostly just weeds. We didn't want to kill all of the weeds and leave you with just dirt, so we are going slow.

Ms. Gardner asked how often do you guys check the sprinklers?

Mr. Boucher responded once a month.

Ms. Gardner stated I know there was a problem back on Night Owl with reclaimed water pressure. We personally experienced it and I called Clay County Utility. They were out here a lot, so I don't know if it was them. I know they were trying to troubleshoot. I was in contact with them for three weeks.

Mr. Andersen stated it is always going to be an issue until they get the 18 inch reclaimed line in from Oakleaf down.

Mr. Boucher stated right now, they are using an old sewage line.

Mr. David Chan stated I live at 1146 Wetland Ridge Circle. The issue I have is the land that is adjacent to me is an easement for the maintenance crew to use to maintain the lake. That area is all overgrown with weeds and nothing else. The maintenance crew come and mow the weeds. They spread the seeds of the weeds all over the place. There is no grass at all. It is just weeds. It is going to affect the appearance of the community and the value of our house. I hope that the CDD is going to do something about it.

Mr. Oliver stated Azalea Ridge went through this same issue. These interconnectivity paths are a requirement of Clay County. Azalea Ridge is putting in concrete paths in for those because it is District property. It is very challenging to maintain those areas with turf because no irrigation was installation for that very narrow strip of land between homes and abutting the

side yards of those homes. I would think that as money becomes available that we will do it here. It would probably be an offseason project to concrete those paths.

Mr. Chan stated that would be perfect.

Mr. Oliver stated we will have to get cost estimates and identify a funding source. As we heard earlier from counsel and the investment banker, we are still working through a difficult financial challenge due to the inability to collect assessments for undeveloped lots.

A resident asked is there going to be more done with the Wetland Ridge Circle entranceway?

Mr. Andersen responded it is usually up to the Developer. If we get to a point, where we have extra money then that could be something to present to the board for consideration. I haven't heard anything from the Developer that they are going to do anything beside what is already there.

**E. Amenity Manager**

Ms. Rentsch stated I have a Memorial Day event scheduled with a make your own ice cream sundae. We will also have a jazz duo playing by the pool. We have a vending machine being installed by the water fountains next week. It will just be drinks. There is no cost to the District. The slide opened this last weekend. We had one save last Sunday. We started Bunco on the first Thursday of every month. The church that held the event in the field is going to do a movie night at the end of August at no cost to the District. We also painted the pool equipment building.

**ELEVENTH ORDER OF BUSINESS                      Audience Comments/Supervisors' Requests**

Ms. Haney stated I heard that the County may be entertaining the idea of another charter school. I think we should send the County a letter and share the experiences we have had with the charter school here.

**TWELFTH ORDER OF BUSINESS                      Financials:**

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

Mr. Oliver stated included in your agenda package is a copy of the balance sheet and income statement as of April 30, 2016.

**B. Approval of Check Register**

Mr. Oliver stated included in your agenda package is the check registers for April 2016..

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

**C. Assessment Receipts Schedule**

Mr. Oliver stated included in your agenda package is the assessment receipts schedule showing we have uncollected O&M assessments of \$133,000. This is related to the foreclosure discussion we had earlier this evening.

**THIRTEENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – June 21, 2016  
at 6:00 p.m. at the Pine Ridge  
Plantation Amenity Center**

Mr. Oliver stated the next scheduled meeting has been changed to June 21, 2016 at 6:00 p.m. at this location.

**FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

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

Secretary / Assistant Secretary

Chairman / Vice Chairman