

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, April 16, 2019 at 6:00 p.m. at Pine Ridge Plantation Amenity Center, 4200 Pine Ridge Parkway, Middleburg, FL 32068.

Present and constituting a quorum were:

Matt Biagetti	Chairman
Maria Haney	Vice Chairperson
Jeff Arp	Supervisor
Jerry Ritchie	Supervisor
Nancy McNulty	Supervisor

Also present were:

Ernesto Torres	District Manager
Jason Walters	District Counsel (by phone)
Chris Hall	Operations Manager
Amanda Ferguson	Amenity Manager
Maria Cranford	RMS
Rhonda Mossing	MBS Capital Markets

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being no audience comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the January 15,  
2019 Meeting and the February 19, 2019  
Special Meeting**

Mr. Torres stated included in your agenda package is a copy of the minutes of the January 15, 2019 meeting and the February 19, 2019 special meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Biagetti seconded by Ms. McNulty with all in favor the Minutes of the January 15, 2019 Meeting and the February 19, 2019 Special Meeting were approved.

**FOURTH ORDER OF BUSINESS****Discussion of Refunding**

Mr. Walters stated we have Rhonda Mossing here, who works for the investment banking group that has worked with us on all of our financings. We had them working on the market conditions and the credit worthiness of the debt on a refinancing. She will be able to give us a breakdown of where the market is at and how we are looking for a potential refinancing.

Ms. Mossing stated we reviewed the credit of the District and what we are proposing is a senior subordinate structure for the refunding of the bonds. That means that we have segregated the District into two pieces; one is the developed piece and then the other piece is the 790 vacant lots that still need to be developed and that represents about 27% of your debt. We would do a senior bond issue for the developed portion and the subordinate bond issue that basically represents the undeveloped portion and then the two of them blended together will give you an average coupon rate on your bonds that is less than what you are paying now. In today's market, you are probably looking on your senior bonds, which would be rated and insured at an interest rate of between 3% and 3 ½% and then the subordinate piece would be in the neighborhood of 5% to 5 ¼%. The two of them blended together would be the average coupon that you would pay on the bonds, which is still quite a bit less than what you are paying now. We are just waiting for direction from the board on how you want to proceed.

Mr. Ritchie asked what are the fixed cost for refinancing?

Ms. Mossing responded that is all rolled into the refinancing and paid for out of the refinancing. This all includes the bond insurance, the rating, the attorney's fees and the underwriter's fees but you are looking at \$600,000. You are looking at a total savings of \$1.3M. If you decided to refund the bonds and not lower the current assessments, you could take that \$1.3M and invest that into capital projects, which means everyone's assessments would stay the same as they are now but you would generate funds for projects. The next alternative is you could do something halfway in between. If you didn't need \$1.3M then you could put some in savings and use some for capital projects.

Mr. Arp asked so you are saying that the senior bonds would be 3% to 3 ½%?

Ms. Mossing responded yes.

Mr. Arp asked and then the subordinate 5 ¼% is not insured?

Ms. Mossing responded right. They are nonrated and not insured, so they are subordinate to the senior lien debt. All of the debt service on the senior lien bonds get paid first from assessment proceeds that come in from paying for your taxes and then when those bonds are paid, the money that is left over from the assessment pays the subordinate lien bonds. The seniors would have the first lien on the assessment revenues and the subordinate would be paid next. If for some reason half of the community decided not to pay their taxes then the senior lien bonds would get paid first and the subordinate wouldn't get paid at all, so that is why they are a higher interest rate because it is a higher risk. Right now, market rates are the lowest they have been in a long time. It is a really good market right now for refinancing and I don't believe they project that it is going to change a lot between now and the end of this year. You are in a good market right now to do your refinancing. It will take you some time to get through all of the steps though, so you are probably looking at a minimum of 90 days from start to finish. Sixty days out you would adopt a resolution to set the perimeters for us to go into the market and those perimeters would be at an interest rate not exceeding x and a par amount not exceeding y.

Mr. Biagetti asked if we were to see those savings on the bond debt payment, how much in savings are you looking at?

Ms. Mossing responded the senior scenario that we ran is about 11%, so there would be approximately 11% reduction in the annual assessments.

Mr. Arp stated I do not understand a negative to not refinancing. Does anyone see a reason to put this off and not do it?

Mr. Walters responded we have talked about it for a while now. The reason we are coming to you today is because we have had some things in our favor. We rates have gone down. I think the credit has gotten better as more homes have been developed. We are now in a position to bring a deal to the board in the near future that we think is beneficial.

Mr. Arp asked and you don't need a decision today as to what we would do with the money?

Mr. Walters responded right. We don't need a firm commitment today.

Ms. Mossing stated in the future, we will be looking at the board to let us know how much you may want in capital projects money and how much you want to go towards savings. We will need that information to do anymore work on the numbers.

Mr. Biagetti asked and if we do take into account capital projects, isn't there a time limit of three years to use those funds?

Ms. Mossing responded right. You will sign a certificate at closing that says you anticipate you will expend those funds within a three year period for tax reasons. Once you decide you want to do some capital projects, you will have your engineer prepare an engineers report that identifies what those projects are and then your staff will put together a supplemental assessment methodology report, which will identify how you will pay for that part of it. Getting your bonds insured is in the best interest of the District because it lowers the interest rate even more and based upon discussions I have had that would be between 50 and 75 basis points.

Mr. Ritchie asked what is our rating now?

Ms. Mossing responded you don't have one now. You are nonrated. When you go to issue the senior subordinate structure, a small piece of it will continue to be nonrated but the developed piece we will try and get an investment grade rating on and then insurance.

Mr. Arp asked is this like a home mortgage, like where you can go out and shop the rates?

Ms. Mossing responded because you are issuing tax free municipal bonds, you hire us to put together a credit package, so that you can get an investment grade rating and bond insurance then we would go out to the market and try to sell those bonds to the big institutions. We are like your real estate agent when we go out to the market and try to find the best buyers that we can. We will hold a pricing period on one day certain. We will have already sent out this information to them two weeks in advance. We will take their bids coming in for what they are willing to pay for the bonds and then we will start awarding those to the best bidders.

A resident asked when does the 90 days begin?

Ms. Mossing responded it begins when the board receives an engineers report and approves that report and says this is what we want to do.

Mr. Biagetti stated I think we need to start investigating what we want to do with the money. I think it would probably be wise for us to speak to other homeowners and get a plan together, so we can move forward with an engineers report.

On MOTION by Mr. Arp seconded by Ms. Haney with all in favor  
Authorizing Staff to Move Forward on Refinancing was approved.

## **FIFTH ORDER OF BUSINESS**

### **Consideration of Clay Electric Proposals**

Mr. Torres stated the board provided additional guidance at the last meeting regarding the proposals. Clay Electric came back to recommend four additional poles to go beyond Buggy Whip at a cost of \$2,920. There is no extra cost or any savings if Clay Electric installs the poles in phases. I sent an email to Steve Preis with the HOA. I did not receive a reply. I contacted Vina with the management company on two separate occasions and I did not receive a reply. I did have a phone conversation with her and she said the HOA met and discussed this and it appeared the HOA is not interested in providing any funds towards this lighting project. If the board chose to fund the lighting project on Tynes and the charter school area, you are looking at a projected cost of \$146,285.89.

Ms. Haney asked did they give you an idea of what the monthly rental fee was?

Mr. Torres responded yes. It is a flat rate of \$400 a month.

Ms. Haney asked does that price include the electricity?

Mr. Torres responded yes.

Mr. Ritchie stated I had a discussion with a couple residents that live at the corner of Foggy Day and Pine Ridge Parkway and there is an intersection that has no lighting. I think that should be considered into this conversation.

Mr. Arp stated I don't think any of us want to delay it anymore. You said it was \$146,000 plus \$1,500?

Mr. Torres responded yes. Your contribution to capital reserves is about \$100,000 a year. Your expenditures for repairs is at \$6,000 and your projected was \$35,000. I believe you will be back to the \$500,000 that you have now in a year and a half.

Ms. Haney stated I am very disappointed in the homeowners association. This needs to be done regardless of if the homeowners association wants to step up or not.

Mr. Biagetti stated I would somewhat mimic that. If we were to break it up, we wouldn't be spending \$146,000 all at once. I am not saying that safety is not important to me because it absolutely is. This may be something that we can plan as an upgrade with the lighting and the refinancing. We could possibly use that funding for this project. I also realize that we need to do something right now. I think we should do the intersection here at Pine Ridge and Tynes heading towards Wetland Ridge and the section heading back to the charter school just east of Buggy Whip, which would be \$11,273.19. We could give Ernesto a not to exceed amount of \$13,000 in case there is additional lighting needed. I still think this should be the County's responsible and maybe put it on the HOAs agenda for their next meeting.

Ms. Mossing stated I just wanted to make a suggestion. If your goal is to pay for it out of future bond money, you could make a motion to ask Jason to prepare a resolution that allows you to go ahead with the project today and get reimbursed for it out of the bond issue, so that you could do everything today and then you could get reimbursed. If you do a reimbursement resolution then you could reimburse yourselves out of the future bond issue. You will need a reimbursement resolution for tax purposes.

Mr. Steve Preis stated before I say anything I want to hear from my board. The one thing I did not have is all of the information that you all have up there, as far as where the lighting is going to go. The things that were kicked around that put a damper on it was when we heard they were going to go down Tynes Boulevard. There is no reason to go down Tynes. There is no reason to fund the lights going down Tynes. That is the County's responsibility and by you saying we are going to put lights down Tynes, you are folding up and the County is saying look at these saps. That is one of the reasons why we did not come through with an answer. It wasn't an informed decision. We didn't have a full board, so therefore I couldn't make an informed decision. I tip my hat to you guys because your pockets are pretty dead but ours are not.

Mr. Joe Grassia stated this started with a light at the intersection and now we are talking about almost \$200,000 worth of project lights on a street that there are no homes on. At one point the County said they needed the CDD to sign off on liability documentation and at that point you didn't want the liability for the lights and that is when the HOA stepped away. The HOA cannot legally fund putting these on CDD property. The only way I understand that we can do it is if we built it and then turn it back over to the CDD. We do have some funds

available but we are talking about \$1,000 or \$2,000, not \$130,000. Why didn't you approach the builder in the back to add more lights? How many lights do you want to put back there?

Mr. Biagetti responded four.

Mr. Grassia stated I am sure they could have afforded it.

Mr. Biagetti stated we are slated for four months before Tynes opens up.

Mr. Arp stated I think if everyone is not on board with the Tynes lights then I don't want to spend the money either. We were trying to do what everyone wants.

A resident asked why do you have to put so many lights on Tynes? Why couldn't we reduce the number of poles and spread them out, so there will be some light?

Mr. Nazario asked isn't there a requirement to have them at least 300 feet apart?

Mr. Biagetti responded I think that is the recommended distance. I think we would want to stick with that recommended guideline.

Mr. Rooster Hendrix stated Brannonfield Master Plan dictates how far apart they are and if you don't follow that then you are going to be opening yourselves up for lawsuits if something happens.

Mr. Preis asked how much would you save if you didn't put a light on Tynes at all?

Mr. Torres responded \$135,000.

Mr. Preis asked why are you giving the County a \$135,000 gift when it is their responsibility to do?

Mr. Arp responded I think that is why we have waited so long because we were worried about the liability. I think we all want to make a decision tonight. I say let's forget Tynes.

Mr. Ritchie stated let's just move forward with the lighting down Pine Ridge Parkway for now.

On MOTION by Ms. McNulty seconded by Mr. Biagetti with all in favor the Clay Electric Street Light Proposal at a not to exceed amount of \$13,000 was approved.
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## **SIXTH ORDER OF BUSINESS**

## **Consideration of Proposal from VGlobalTech for Website Compliance**

Mr. Torres stated this is a proposal from VGlobalTech to convert our current CDD website to be ADA compliant.

On MOTION by Mr. Biagetti seconded by Mr. Arp with all in favor the Proposal from VGlobalTech for Website Compliance in the Amount of \$2,675 was approved.

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. District Manager**

Mr. Torres stated I will bring you the proposed budget for Fiscal Year 2020 at your May meeting. I will include an additional expense for the lighting and any other services that I foresee of being increased.

**C. Engineer**

There being none, the next item followed.

**D. Operations Manager - Report**

Mr. Hall stated the splash park has been painted. There were chips and cracks on the slide that were repaired. The mulch will be in this month. The palm trees will be trimmed this month. We have a resident that lives on Pine Lake Drive and they are requesting plants to be planted on CDD property because the kids from the school are cutting through their back yard.

A resident stated when you drive down Tynes Boulevard you will see most of the homes have bushes behind their homes but there is nothing behind our house. We were just requesting to have a few bushes planted behind our house on CDD property.

Mr. Torres asked is that area irrigated?

Mr. Hall responded yes.



Mr. Torres asked can you get us a proposal?

Mr. Hall responded yes.

Mr. Biagetti stated please bring us a proposal and an idea of what you propose.

Mr. Preis stated I want to compliment the board on putting up the dog pot stations. I would like to see four more tow away signs around the one area on Wetland Ridge Circle.

#### **E. Amenity Manager**

Ms. Ferguson stated I got with Convergent and they will be installing the Lenel Access Card System on the gate attendant's computer. As soon as we have that on there, we will be ready for the gate attendants to start taking pictures for us. They should be doing that in the next week or two and should be operational by the beginning of May. Lifeguards start back on the first weekend in May. Once school is out, the lifeguards and slide will be open on Thursday's and Friday's 12 to 4pm and Saturday's and Sunday's from 11a.m. to 5p.m. We had our Easter event this last weekend. Richmond American paid for everyone's food from two food trucks and they gave out 300 tickets to residents for food. We have another food truck night on April 28<sup>th</sup> from 4p.m. to 7p.m. We have Island Girls Seafood and Dee Queezy's. I am sad to report that I have resigned from Riverside Management Services. My husband got a job in Clearwater and I am going back to work for Governmental Management Services with Darrin Mossing at the Tampa office. I am sure it will transition fine. Maria will be taking over as the amenity manager. We will hire someone else to be her assistant. I appreciate the opportunity and hopefully I have made a small impact on making the community better.

#### **NINTH ORDER OF BUSINESS**

#### **Audience Comments / Supervisor's Requests**

Mr. Preis stated it doesn't hurt to ask the builders in the back to help fund some of the lighting in the back of the community.

Mr. Biagetti stated it is CDD property that we are adding the lights on.

Mr. Hendrix stated I have followed the board through the meeting minutes and I think you are all doing a great job. Maria has a great job. There was an issue that started with a common area next to my property on Pine Ridge Parkway and Camp Ridge. I sent a picture on September 13<sup>th</sup> to Maria. The landscaping company came through there and they mowed the

section messed up. Maria said the supervisor said he would address the issue with the foreman. On October 1<sup>st</sup> they came back and mowed and they were four foot off of my property line, so they missed four feet of the common area. I requested Chris to get involved. Chris came out with Josh on October 4<sup>th</sup> and I thought we made it pretty clear. I showed Josh my property line. On January 3<sup>rd</sup> I made Josh and Chris aware of a continuing problem. On February 27<sup>th</sup> they were again mowing four feet off of the property line. Maria reached out to Josh and he said he would take care of it. I contacted Maria again on March 27<sup>th</sup>. She messaged Amanda, so she was aware. On April 15<sup>th</sup> I watched Josh cut two or three feet off of the property line again. I walked out to him and asked him how hard was it that they can't mow it correctly. He just shrugged his shoulders and he left. It seems like there needs to be someone following up on this. The weeds this year has been horrible because the landscapers are sloppy. They are blowing stuff into my yard. They don't edge along the sidewalk. I would appreciate it if the board could get this corrected.

Mr. Torres asked can you give me a copy of your timeline, so I can send it to them?

Mr. Hendrix responded yes.

Mr. Biagetti stated thank you for bringing this to our attention. I will not say this is an isolated issue. I have spoken to other residents that live beside common areas with similar issues. I need to look at the contract. I think the mowing schedule is off or they are following that schedule.

Mr. Hendrix stated it used to be Thursday's but now I can't follow it.

Mr. Biagetti stated I would ask Chris to get with them and review the contract with them. I would be happy to sit down with you all. I think it is our duty as the board to go out for landscape bids.

Mr. Torres stated I would recommend that we put them on notice. We can give them a 30 day notice for them to get their things right and if not, we can go after new proposals.

## **TENTH ORDER OF BUSINESS**

### **Financial Statements**

#### **A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending February 28, 2019**

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

**B. Assessment Receipts Schedule**

Mr. Torres stated included in your agenda package is a copy of the assessment receipts schedule.

**C. Approval of Check Register**

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

On MOTION by Mr. Ritchie seconded by Mr. Arp with all in favor the Check Register was approved.

**ELEVENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – May 21, 2019 at  
6:00 p.m. at the Pine Ridge Plantation  
Amenity Center**

Mr. Torres stated the next meeting is scheduled for May 21, 2019 at 6:00 p.m. at this location.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

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

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman