

**MINUTES OF MEETING
SANDRIDGE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Sandridge Community Development District held a Public Hearings and a Regular Meeting on July 25, 2023 at 2:00 p.m., at the Holiday Inn and Suites, 620 Wells Road, Orange Park, Florida 32073.

Present at the meeting were:

Gregg Kern	Vice Chair
Mike Taylor	Assistant Secretary
Rose Bock	Assistant Secretary
Joe Cornelison	Assistant Secretary

Also present were:

Ernesto Torres	District Manager
Jennifer Kilinski	District Counsel
Bill Shaffer	District Engineer
Michael Molineux	Field Operations - Castle Group
James Parker	Resident
Jennifer Ingram	Resident
Lynn Oliver	Resident
Tim & Amy Warnock	Residents

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Torres called the meeting to order at 2:01 p.m. Supervisors Kern, Bock, Taylor and Cornelison were present. Supervisor O'Reilly was not present.

SECOND ORDER OF BUSINESS

Public Comments

Ms. Kilinski stated 250 pages of agenda items for today's meeting were uploaded on the CDD website, sandridgecdd.net, in advance of the meeting.

Resident James Parker stated that his address does not appear on the assessment roll and pointed out that, in the Notes to financial statement in the Unaudited financials: "the

District was established on August 17, 2020 by the City of Fort Pierce”, should be changed to “the District was established on June 12, 2020 in Clay County.”

THIRD ORDER OF BUSINESS**Consent Agenda**

Mr. Torres presented the following:

A. Ratification/Consideration of Requisitions (*support documentation available upon request*)

I.	Number 187	Ferguson Waterworks	[\$8,750.00]
II.	Number 188	ETM, Inc.	[\$3,960.78]
III.	Number 189	F&E Management	[\$1,810.00]
IV.	Number 190	Kilinski Van Wyk, PLLC	[\$248.00]
V.	Number 191	Tree Amigos Outdoor Services, Inc.	[\$9,000.00]
VI.	Number 192	Ferguson Waterworks	[\$3,884.00]
VII.	Number 193	ETM, Inc.	[\$3,960.78]
VIII.	Number 194	Kilinski Van Wyk, PLLC	[\$496.00]
IX.	Number 195	Jax Utilities Management, Inc.	[\$84,499.65]
X.	Number 196	OMPAN	[\$4,830.32]
XI.	Number 197	Basham & Lucas Design Group, Inc.	[\$5,304.00]
XII.	Number 198	Taylor & White, Inc.	[\$3,395.68]
XIII.	Number 199	Taylor & White, Inc.	[\$7,201.46]
XIV.	Number 200	Taylor & White, Inc.	[\$287.50]
XV.	Number 201	F&E Management	[\$525.00]
XVI.	Number 202	K&G Construction	[\$31,506.30]
XVII.	Number 203	Jax Utilities Management, Inc.	[\$151,525.00]

B. Ratification Items

I. Micamy Design Studio Proposal for Professional Services

On MOTION by Mr. Taylor and seconded by Mr. Kern, with all in favor, the Consent Agenda Requisitions, Quotes and Proposals, were ratified and/or approved.

FOURTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2023/2024 Budget

A. Affidavit of Publication

The proof of publication was included for informational purposes.

B. Consideration of Resolution 2023-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Torres reviewed the Proposed Fiscal Year 2024 budget.

On MOTION by Mr. Kern and seconded by Mr. Taylor, with all in favor, the Public Hearing was opened.

Mr. Parker noted there is nothing on the CDD website, under the 2024 assessments Information Documents other than Staff information. He asked if 89.02 acres represents the acreage in Phase 2, because he believes it does not match up with any of the dollar figures or any acres in that phase. Mr. Torres explained that, when the proposed Fiscal Year 2024 budget was presented several months ago, predictions are made regarding what items will be on-roll, or off-roll and then, when Staff receives the assessment roll from the County in June, adjustments are made based on the assessment rolls provided by the County. There might be a few discrepancies from the time the budget was proposed to the actual time that the assessment roll from the County was received.

Regarding the bond assessments, Mr. Parker stated he noticed that DVC Finance produced a schedule for the bonds, which he believes differs from the printed amortization schedule on the 2021A-1 Bonds, which lists the debt service as \$115,418.75 and, on the schedule produced by DVC finance, an interest amount of \$118,884.33 is shown. It also shows,

on previous schedules in previous years, there will be a principal payment of \$130,000 but currently it is down to \$125,000. Ms. Kilinski explained that it is likely due to a debt prepayment; whenever there are debt prepayments, the amortization schedules are constantly updated or Trued-Up by the bond amortization team. Asked where residents can access DVC Finance's information for review, Ms. Kilinski stated there is a repository for all public offerings in the entire country that can be downloaded for recent quarterly information but, from a homeowner perspective, it is important to note that their debt assessments will never change. The only debt that will change is the entire debt owed by the CDD so the District Manager keeps a lien roll that shows the number of assessments per lot and who pays off what; if someone defaults, it never gets charged back to the other owners.

Discussion ensued regarding the Methodology Reports, types of assessments, Equivalent Residential Unit (ERU) factors, bond issuance and the Developer buying down debt.

Mr. Parker asked how the recreation center will be funded. Mr. Kern stated the CDD has a construction funding agreement with the Developer.

Resident Jennifer Ingram asked about the amenity center and how homeowner CDD assessments are being allocated. Ms. Kilinski explained the two different types of assessments; the 30-year Debt Assessment on the tax bill that will never change and is applied to all the infrastructure that is currently in the ground and the Operation and Maintenance (O&M) assessment, which is applied to all kinds of different categories within the budget, such as audits, trustee fees, website maintenance, landscape, etc.

A resident asked if there is a way to obtain more in-depth information and/or justifications for the budget line items, such as landscaping at \$60,000 per year. Ms. Kilinski stated all the budget information is public record. The CDD currently has landscape maintenance contracts and, if there are questions about backup, Management's office has all the data about budget assumption and can provide it to residents.

Discussion ensued regarding the high cost of landscaping in Florida, the landscaping contract and lake maintenance.

On MOTION by Mr. Kern and seconded by Ms. Bock, with all in favor, the Public Hearing was closed.

Mr. Torres presented Resolution 2023-07.

On MOTION by Mr. Kern and seconded by Mr. Cornelison, with all in favor, Resolution 2023-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2023/2024, Pursuant to Florida Law

A. Proof/Affidavit of Publication

B. Mailed Notice(s) to Property Owners

These items were included for informational purposes.

C. Consideration of Resolution 2023-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Ms. Kilinski stated the CDD is statutorily required to hold two public hearings and the current public hearing pertains to the assessment resolution that will levy the lien that is going to secure the assessments to fund the adopted budget.

On MOTION by Mr. Kern and seconded by Mr. Taylor, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Ms. Bock and seconded by Mr. Kern, with all in favor, the Public Hearing was closed.

Mr. Torres presented Resolution 2023-08.

On MOTION by Mr. Kern and seconded by Mr. Cornelison, with all in favor, Resolution 2023-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Sitex Aquatics, LLC, Agreements

Mr. Torres presented the following:

- A. Lake Maintenance Services Agreement**
- B. Amendment to the Lake Maintenance Services Agreement**

Mr. Cornelison stated Item 6B includes the Phase 2 Bond.

On MOTION by Mr. Taylor and seconded by Ms. Bock, with all in favor, the Sitex Aquatics, LLC, Lake Maintenance Services Agreement and the Amendment to the Lake Maintenance Services Agreement, were approved.

Mr. Kern discussed the scope of services. Regarding the complaints about midge flies in the lakes, the CDD authorized Sitex Aquatics to treat the lakes and aeration is also being considered to treat other lake-related issues.

SEVENTH ORDER OF BUSINESS

Presentation of Audited Financial Report for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022,

Prepared by Berger, Toombs, Elam, Gaines & Frank

Mr. Torres presented the Audited Financial Report for the Fiscal Ending September 30, 2022 and noted the pertinent information. There were no findings, recommendations, deficiencies on internal control or instances of non-compliance; it was a clean audit.

Ms. Kilinski stated, in following up on Mr. Parker’s comments, Staff will make sure that all updates and changes are made in the Audit and suggested approval, in substantial form, as part of the accompanying resolution.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2023-09, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022

Mr. Torres presented Resolution 2023-09.

On MOTION by Mr. Kern and seconded by Mr. Taylor, with all in favor, Resolution 2023-09, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022, in substantial form, was adopted.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2023

Mr. Torres presented the Unaudited Financial Statements as of June 30, 2023.

On MOTION by Ms. Bock and seconded by Mr. Kern, with all in favor, the Unaudited Financial Statements as of June 30, 2023, were accepted.

TENTH ORDER OF BUSINESS

Approval of May 23, 2023 Regular Meeting Minutes

Mr. Torres presented the May 23, 2023 Regular Meeting Minutes.

On MOTION by Mr. Cornelison and seconded by Mr. Taylor, with all in favor, the May 23, 2023 Regular Meeting Minutes, as presented, were approved.

ELEVENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Kilinski | Van Wyk, PLLC**

Ms. Kilinski stated a memo was transmitted to the Board regarding Florida Ethics Training. Supervisors must undergo four hours of ethics training per year starting in 2024. Links to a few free online resources will be provided. If Supervisors choose to utilize the online resources, they must be sure to carefully mark it in their records, as some public officers might be audited.

B. District Engineer: Taylor & White, Inc.

Mr. Shaffer stated construction in Phase 2A is complete and is commencing in Phase 2B.

C. District Manager: Wrathell, Hunt and Associates, LLC

- **NEXT MEETING DATE: August 22, 2023 at 2:00 PM**
 - **QUORUM CHECK**

Ms. Bock will not attend the August 22, 2023 meeting.

TWELFTH ORDER OF BUSINESS**Board Members' Comments/Requests**

Mr. Taylor provided a construction update.

Discussion ensued regarding traffic at the entrances and exits, installing arrows, "Do not enter" signage and striping.

THIRTEENTH ORDER OF BUSINESS**Public Comments**

Resident Lynn Oliver, who resides on the lake, thanked the Board for facilitating the spraying for midge flies, which is helping. She asked which entity is responsible for sidewalk repairs. Mr. Kern stated the HOA is responsible for all the architectural controls, the exterior of the homes and the maintenance of it. The CDD entered into an agreement with the HOA. The CDD is responsible for the common areas, including the sidewalks, which is managed by the

HOA. There is an organizational chart on the HOA website that clarifies the responsibilities of the HOA and the CDD.

Discussion ensued regarding sidewalk maintenance, builder responsibilities, the HOA, the CDD and homeowner responsibilities.

A resident asked who will repair the sidewalk on the side of his home next to the utility boxes, which was damaged before he moved in. Mr. Torres will have the area inspected.

Resident Amy Warnock asked if there will be soft openings for completed areas of the amenity center or if it will be opened all at once. Mr. Kern stated it will be opened all at once.

Resident Tim Warnock voiced his opinion that the drainage and existing water maintenance between homes is not being addressed appropriately, as the ground is caving in. Ms. Kilinski asked the Warnocks to send photographs of the impacted area to Mr. Torres.

Mr. Parker asked for current information that shows the status of the Capital Improvement Plan (CIP) reflecting expenses for Phases 2 and 3. Mr. Kern stated, generally, the CDD is in the process of finishing Phase 2 and has yet to issue bonds for or commence Phase 3.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Kern and seconded by Ms. Bock, with all in favor, the meeting adjourned at 3:03 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair