

# MINUTES OF MEETING

## RIVINGTON COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rivington Community Development District was held Wednesday, June 23, 2021, at 11:30 a.m. at the City of DeBary City Hall, 16 Colomba Road, DeBary, FL 32713.

Present and constituting a quorum were:

Jeffrey Reader	Chairman
Debra Ushkowitz ( <i>via Zoom</i> )	Vice Chairman
Steven Costa	Assistant Secretary
Marlene DeMarco	Assistant Secretary
Kimberly Locher	Assistant Secretary

Also participating, either in person or via communications media technology, were:

Gary Moyer	Manager: Moyer Management Group
Mark Watts	Attorney: Cobb Cole
Brenda Burgess	Moyer Management Group

### **FIRST ORDER OF BUSINESS**

#### **Call to Order**

Mr. Moyer called the meeting to order at 11:40 a.m.

### **SECOND ORDER OF BUSINESS**

#### **Roll Call**

Mr. Moyer called the roll and stated a quorum was present for the meeting.

### **THIRD ORDER OF BUSINESS**

#### **Public Comment Period**

There being none, the next order of business followed.

### **FOURTH ORDER OF BUSINESS**

#### **Administrative Matters**

##### **A. Oath of Office for Ms. Ushkowitz**

Mr. Moyer stated Ms. Ushkowitz was elected at the November 2020 landowners meeting for a two-year term of office, which term will expire in 2022.

Ms. Ushkowitz stated I have the written oath of office, and I have a Notary in my office who can administer it to me. I will then return the notarized oath to Mr. Moyer.

### **FIFTH ORDER OF BUSINESS**

#### **Acceptance of the Minutes of the March 31, 2021, Regular Meeting**

Mr. Moyer reviewed the minutes, which are included in the agenda package and are available for public review in the local records office or the District Office during normal business hours, and requested additions, corrections, or deletions.

On MOTION by Mr. Reader, seconded by Ms. Locher, with all in favor, unanimous approval was given to accept the minutes of the March 31, 2021, regular meeting, as presented.

**SIXTH ORDER OF BUSINESS**

**Items for Ratification**

**A. Assignment of Landscaping Contract with Cepra Landscape**

**B. Assignment of Aquatics Contract with Aquatic Weed Control**

Mr. Moyer stated pursuant to a previous resolution, as these types of contracts come up, we have been authorized to execute them and bring them to the Board for ratification.

On MOTION by Ms. Locher, seconded by Ms. DeMarco, with all in favor, unanimous approval was given to ratify assignment of the landscaping contract with Cepra Landscape and the aquatics contract with Aquatic Weed Control to the District, as presented.

**SEVENTH ORDER OF BUSINESS**

**Business Matters**

**A. Transition to and Management Services Contract with Inframark**

Mr. Moyer stated Inframark is the company I have worked with since 2007. I am a contractor to Inframark because I have my own company, and they subcontract work out to me. I will turn 73 in a couple months and now that travel is opening up, I felt this was the appropriate time to retire. The proposed contract with Inframark was provided to the developer and Board members for review and is their standard-form contract that identifies the scope of services and fees for those services. What is important on all these types of contracts that come before the Board is a relatively short termination provision. These are not long-term contracts in the first place. At any time during your relationship if you are not satisfied with the services being provided, you can terminate the contract. The landscape and aquatics contracts have a 30-day termination provision. The Inframark contract has a 60-day termination provision because it is a little more complex transferring all those documents and records once the termination is made by the Board. They are certainly a qualified company. They have been doing this work for a while. Ms. Angel Montagna, who is taking over my districts, was not able to attend today's meeting, but she will be at the next meeting when we adopt the budget. She comes out of Tampa and has been a District manager for seven years. She has trained with me directly for the last five or six months, and I find her to be very qualified and knowledgeable. I think you will like her a lot, and this is my recommendation to the Board.

Ms. Locher stated she came from Rizzetta in Tampa, and one of the former district managers I worked closely with trained her, too. The training she received is solid.

Mr. Reader stated the fees are the same, and the important thing is having continuity.

Mr. Watts stated I have reviewed the contract, and it contains standard language. From a legal perspective, it is sufficient.

Ms. Burgess stated I will be transitioning to Inframark and will be working with Ms. Montagna.

Ms. Locher stated this is a brand new contract. Mr. Moyer's contract did not have an ending date; it was for ongoing services.

Mr. Moyer stated this District has an agreement with Moyer Management Group for management services. It was not with Inframark, which is why we are transferring it to Inframark. Most all the districts I managed since 2007 have been Inframark districts. When Mr. Dean Barberree contacted me regarding this District, because I knew all of you and had worked with you previously, we did the agreement under Moyer Management Group.

Ms. Ushkowitz asked do we need to terminate the agreement with Moyer Management Group?

Mr. Moyer stated no, my resignation is on the record, so you do not need to terminate the agreement.

<p>On MOTION by Mr. Reader, seconded by Ms. Locher, with all in favor, unanimous approval was given to transition the management contract from Moyer Management Group to Inframark Infrastructure Management Services, LLC, as discussed.</p>
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**EIGHTH ORDER OF BUSINESS**

**Presentation of the Fiscal Year 2022  
Proposed Budget**

**A. Fiscal Year 2022 Proposed Budget**

Mr. Moyer stated we are starting a process to adopt a budget. We went through this before. It was a little easier last time since we did not have any operating contracts for field expenses; it was primarily professional staff and administrative expenses. Now we have field management contracts and obligations to operate and maintain infrastructure within the District. We have been trying to get better numbers for the Board in terms of pool maintenance, additional landscaping, and other maintenance for items still under construction and not yet completed. The noteworthy thing is, if we are going to increase

assessments, we need to notify property owners of that. To the developer's credit, they have been notifying builders of what they anticipate the first year's operation and maintenance (O&M) costs to be. That was \$800. For fiscal year 2022, we will bring to the public hearing in August a budget that reflects \$800 and allocates that amount of money to two categories: lots that are developed and are available to pay and receive the benefit from the maintenance the District will be providing, and the remaining acreage owned by the landowner. To the degree there needs to be some assessment against the landowner's property to cover certain costs, it will be known at that time. Ms. Burgess spent a lot of time putting numbers together and making certain assumptions, but the reality is, in addition to the debt service costs will be O&M costs, not to exceed \$800.

**B. Consideration of Resolution 2021-03 Approving the Proposed Budget and Setting a Public Hearing Thereon**

Mr. Moyer read Resolution 2021-03 into the record by title.

Mr. Moyer stated we need to make the budget available to Volusia County and to the City of DeBary at least 60 days before it is adopted, which gets us to the end of August. We are proposing the hearing be August 25, 2021, at 11:30 a.m. in this location. This Resolution approves the budget and sets the public hearing. I differentiate between "approve" and "adopt." The Board is approving the budget today, and the Board will adopt the budget in August.

Mr. Watts stated that is correct. The Board is approving the budget to be scheduled for the required public hearing for adoption.

Mr. Reader asked are we approving the one in the agenda package, or the one that was just emailed?

Mr. Moyer stated in terms of the administrative expenditures, those will probably not change and will be close to what they were last year. The things that will change are street lighting, the amenity center, the swimming pool and related park areas, aquatic weed control, and landscaping. You now have an entry feature that is not under a separate contract that needs to be added. We may have expenses related to some sort of a part-time field manager who can come out periodically and review the work that was done by each contractor for the District. The field part is still in flux. Whether it is the one in the package or the one you just received, it will be changed to reflect those items, but in total, the assessment will not exceed \$800 per lot. The other part that is not covered will roll over to developer funding. That is how the budget will be put together for the hearing.

Ms. Burgess stated the assessments that were advertised last year were \$524.16. I know the developer has been telling new owners and builders that the O&M assessment will be \$800, but that is not what has been advertised. Do we need to have a new assessment hearing for that \$800?

Mr. Moyer stated yes. That means between now and the end of July, we need to send out a letter. My understanding is there are currently four or five property owners, and there will be four or five more owners shortly.

Ms. Burgess stated plus the builder's lots.

Mr. Moyer stated the disclosure I think we need to make is, we can only use what is on the tax roll that comes from the property appraiser, which will probably show only four or five people who currently own property. The developer has already entered into the record that they have notified builders, who are also notifying future purchasers of that amount, as well.

Ms. Locher stated I am not sure if they are using the \$800 yet. That is the cap we cannot exceed in our contracts. We have not gotten close to that number yet.

Mr. Moyer stated we cannot notify someone if they are not on the tax roll.

Ms. Burgess stated I received a tax roll from the property appraiser with 180 platted lots, and most owners are HR Rivington or builders, so they can each get one letter with all their lots listed on it.

Ms. Locher stated \$800 is only for the first year so that we are not over charging for something that is not installed yet. For the next fiscal year, the O&M assessment will be whatever the calculations determine, with no cap.

Mr. Moyer stated any HOA I am familiar with, including mine with 24 lots, we were paying over \$100 per month. People ought to at least expect normal operations of a community like Rivington will be in the range of \$80 to \$100 per month.

Mr. Reader stated it seems logical to me if you are going to add amenities, and we will provide a lot of amenities.

Ms. Locher stated I think the builder may have told them \$524.16 for now, then going to \$800, then jumping to the full O&M cost as we go, versus going to a substantial amount and perhaps doubling.

Mr. Moyer asked does that mean the builder notified owners the O&M assessment is \$524.16?

Ms. Locher stated I will have to confirm with the builders because I am not sure what they distributed. We provided them with the budgets, so it is whatever in the budgets that were provided to them. It could also be in the estoppel letters.

Ms. Burgess stated the estoppel letters indicate \$524.16.

Ms. Locher stated then that is what they are sharing: \$524.16.

Ms. Ushkowitz stated that would be consistent because that is what is approved. That amount would be the only thing they can give them at that time. One of the things that I think Ms. Locher is saying is, we can come up with a value of what we think it is at build out so they can show this year's rate and indicate what it might be. A lot of developers do that so people are aware the rate will continue to increase for O&M. The Board may want to consider adopting a build-out budget as well as an annual budget.

Mr. Reader stated I think that makes sense.

Ms. Locher stated I have done that on the HOA side, not the District side.

Mr. Reader stated they should be done for both.

Ms. Locher stated I think if we provide a budget with an O&M assessment of \$800, we should be good. Next year, it will increase but we will have full amenities. Then they can see the increase is tied to all the amenities and facilities. Then the increase is more appropriate for field expenses as amenities come online during the fiscal year.

Mr. Reader stated that makes sense to me.

<p>On MOTION by Mr. Reader, seconded by Ms. DeMarco, with all in favor, unanimous approval was given to Resolution 2021-03 approving the proposed budget for fiscal year 2022 and setting a public hearing for August 25, 2021, at 11:30 a.m. at the City of DeBary City Hall, 16 Colomba Road, DeBary, Florida 32713.</p>
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Ms. Burgess asked do we also need to set an assessment hearing for the same date as the budget hearing?

Mr. Watts stated yes, we can provide proper notice since we are going to increase the amount.

Ms. Burgess stated I did not provide a resolution to the Board. I can work with Mr. Watts on providing it, but I will ask the Board to consider Resolution 2021-04 which will set the assessment hearing for August 25 at 11:30 a.m.

On MOTION by Mr. Reader, seconded by Ms. Ushkowitz, with all in favor, unanimous approval was given to Resolution 2021-04 setting an assessment hearing for August 25, 2021, at 11:30 a.m. at the City of DeBary City Hall, 16 Colomba Road, DeBary, Florida 32713.

**NINTH ORDER OF BUSINESS**

**District Manager Report**

**A. Financial Statements (May 2021)**

Mr. Moyer reviewed the financial statements, which are contained in the agenda package and available for public review in the local records office or the District Office during normal business hours.

Mr. Moyer stated the financials show we have currently collected \$11,268 more revenues than the prorated budget. Administrative expenses are \$26,953 under budget. Field expenses for street lighting, aquatic weed control, and landscaping are \$3,299 under budget. In total, we are \$30,252 under budget in both categories through May 31.

Ms. Burgess stated I think I need to reclass some of the special assessments. I am under budget in one fund and over budget in another fund. I think I classed something wrong, so they should net out.

**B. Check Register and Invoice Summary (May 2021)**

Mr. Moyer reviewed the check register, which is contained in the agenda package and available for public review in the local records office or the District Office during normal business hours.

**C. Funding Requests #26CP, #27CP, #28CP**

Mr. Moyer reviewed the funding requests, which are contained in the agenda package and available for public review in the local records office or the District Office during normal business hours.

On MOTION by Ms. Locher, seconded by Ms. DeMarco, with all in favor, unanimous approval was given to the check register and invoice summary, funding request #26CP in the amount of \$35,664.90, funding request #27CP in the amount of \$291,155.67, and funding request #28CP in the amount of \$365,595.26, all as presented.

**D. Purchase Orders, Change Orders, and Requisitions (May 2021)**

Mr. Moyer reviewed the lists of purchase orders, change orders, and requisitions, which are contained in the agenda package and available for public review in the local records office or the District Office during normal business hours.

**E. Number of Registered Voters – 0**

Mr. Moyer stated I need to enter into the record this information every year. It is applicable so that when this District is in existence for six years and has 250 registered voters, we will convert in the way we elect Supervisors. Currently, it is based on land ownership; every acre of land or fraction of an acre is entitled to one vote. When those two thresholds are met, we will start a conversion process to registered voters where they will go to the polls just like any other general election. Whoever runs for a seat will have their name on the ballot, and registered voters will elect future Supervisors. When those thresholds are met, two members will transition to the general election format. Two years later, then all Supervisors will be elected by registered voters. I think within six years, we expect to have at least 250 registered voters.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Watts stated Mr. Barberree raised a good point by email earlier today that a number of plats have been signed under the Chairman's authorization pursuant to one of the Resolutions adopted at the organizational meeting. I will work with Ms. Burgess and Mr. Moyer to be sure we bring them back for ratification at a future meeting. We will be sure to include those for each of the subphases so you can see the plats and what has been accepted by the District on those plats. I have a request I would like authorization from the Board. We have been working with the developer on an additional ±30 acres that are adjacent to the current District boundary. One of the things we have discussed with the City is annexing the property into the District. To do that, I would request authorization from the Board to prepare that petition to annex that property and to move forward with its annexation into the District boundary. Upon approval, I can prepare the petition. We will need to coordinate with the landowner of that property – Mr. Costa – and go through that petition with him as well before we file it.

On MOTION by Mr. Reader, seconded by Ms. DeMarco, with all in favor, unanimous approval was given to authorize the District's legal counsel to prepare a petition to annex ±30 acres into the District, as discussed.
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Mr. Watts stated I will keep everyone posted and will work with Mr. Costa since it is property that is owned by his family.

**B. Engineer**

Ms. Burgess stated Mr. Brent Lenzen let Mr. Barberree and me know that he had a conflict for today's meeting, but he had nothing to report to the Board.

**C. Developer**

Mr. Reader stated as we are discussing costs and expenses for the District, I wonder what other costs we may have that we want to prepare reserves for. I do not know how much of that we have done. I talked with Mr. Barberree about this briefly, in terms of water connections from the public meter to the home, or alley maintenance. We will want to consider budgeting for those at some point.

Ms. Locher stated I am not sure how that will work yet to be able to put numbers to those items. I think definitely once we start getting some solid numbers, that is when we will know how to benchmark it in the next budget.

Mr. Reader stated maybe this is something we can look at with other districts as to what they typically run or how that goes.

Mr. Moyer stated we can probably take a look. Even some auditors recommend what reasonable reserves are. Usually you end up doing it as a percentage of your budget.

Mr. Reader stated that is what I would presume. I do not think it needs to be anything major or super technical. Maybe we can just look at the scope of what it is and set a number. It will be good to have that planned up front.

Mr. Watts stated related to setting reserves for infrastructure, another district we represent just accepted a reserve study that was done. It might have some helpful information, and I would be happy to circulate it.

Mr. Reader stated yes, that would be great.

Mr. Watts stated we can probably use some of the same assumptions from that study. I will send it out.

Ms. Ushkowitz asked who did you use to perform the reserve study?

Ms. Burgess stated another district Gary and I worked with some years ago used Reserve Advisors. I can work with Mr. Reader or Ms. Locher on some sort of build-out budget, and we can include reserves as part of that over the next couple months.

Mr. Watts stated it was also Reserve Advisors. I will email everyone a link to the agenda for Hunters Ridge CDD in Flagler County.

Ms. Ushkowitz asked did they do the work on behalf of the CDD or the HOA?

Mr. Watts stated it was done as a joint reserve study, so it covers everything.

Mr. Moyer stated Ms. Ushkowitz will appreciate this: the district Ms. Burgess just referred to was Vista Lakes, where she served on that Board at the time.

**ELEVENTH ORDER OF BUSINESS                      Other Business**

Mr. Moyer stated with Ms. Montagna coming on board and me leaving, it would be appropriate to add Ms. Montagna as an officer to be a signatory on the checking account. The checks that have already been written are fine, but I will drop off, and Ms. Montagna will be added. If we need a Resolution to make this change, we can prepare one.

On MOTION by Mr. Reader, seconded by Ms. DeMarco, with all in favor, unanimous approval was given to authorize Mr. Moyer to be removed and Ms. Montagna added as Treasurer to be a signatory on the checking account.

**TWELFTH ORDER OF BUSINESS                      Supervisor Requests**

Ms. Locher stated if we are holding the July 28 meeting, I will not be available.

Ms. Burgess asked do we need to have the July 28 meeting? Will we have any reason to meet between now and the budget hearing? Or we can just be on standby.

Mr. Moyer stated yes, we will be on standby. Part of it depends on how far we get with quantifying some of these numbers.

Ms. Burgess that would have been your original hearing date if we had our meeting in May. Everyone will stay tuned for July.

**THIRTEENTH ORDER OF BUSINESS                      Adjournment**

On MOTION by Ms. Locher, seconded by Ms. DeMarco, with all in favor, the meeting adjourned at 12:10 p.m.

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Gary L. Moyer, Secretary

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Jeffrey Reader, Chairman