

**MINUTES OF MEETING
RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the River Ridge Community Development District held multiple Public Hearings and a Regular Meeting on August 24, 2021 at 1:00 p.m., in the Sound Room at the River Club Conference Center (Second Floor of Fitness Center), 4784 Pelican Sound Boulevard, Estero, Florida 33928 and via Zoom at <https://us02web.zoom.us/j/88149819964> and telephonically, at 1-929-205-6099, Meeting ID 881 4981 9964 for both.

Present were:

Bob Schultz (via Zoom)	Chair
Terry Mountford	Vice Chair
Kurt Blumenthal	Assistant Secretary
James Gilman	Assistant Secretary
Robert Twombly	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant District Manager
Shane Willis	Operations Manager
Tony Pires	District Counsel
Charlie Krebs	District Engineer
Lamar Stoltzfus (via Zoom)	PSGRC President
Jim McGivern (via Zoom)	PSGRC Vice President
Eric Long	PSGRC General Manager
Travis Childers	PSGRC Assistant General Manager
Bill Kurth	SOLitude Lake Management (SOLitude)
Jim Mitchell	Synovus Bank
Larry Feisel	Resident
Ed Gormley	Resident
Edward Finan	Resident
Fred Matthias	Resident
Cal Koepfel	Resident
Rich Batterberry (via Zoom)	Resident
Tom Terry (via Zoom)	Resident
Patricia Costick (via Zoom)	Resident
Pauline Janci (via Zoom)	Resident
Catherine Stanford (via Zoom)	Resident
Other Residents (via Zoom)	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 1:01 p.m. Supervisors Mountford, Blumenthal, Gilman and Twombly were present, in person. Supervisor Schultz was attending via Zoom.

On MOTION by Mr. Blumenthal and seconded by Mr. Mountford, with all in favor, authorizing Mr. Schultz’s attendance and full participation, via Zoom, due to exceptional circumstances, was approved.

SECOND ORDER OF BUSINESS

Public Comments: Agenda Items (5 minutes per speaker)

Resident Ed Gormley expressed his opinions, as follows:

- Algae in the lake along the Sound #4 hole was not improving despite treatment.
- The lake that borders the Sound #6 green and Sound #7 tee showed similar algae.
- These issues should be addressed before the problems worsen.
- The lake has an odor.
- Rain lessens the algae temporarily but it returns quickly. Algae was observed 10’ to 12’ from the shore, in varying degrees, all around the lake.

Mr. Gormley asked if the CDD is responsible for installing new swimming pools. Mr. Adams stated that it is not an area of CDD responsibility.

Resident Fred Matthias asked what entity is responsible for sign installation. Mr. Adams stated signs are the responsibility of the CDD, in concert with the PSGRC. Mr. Matthias expressed his opinion that there are too many yellow signs, as there are nine signs, in addition to stop signs, within a 275’ span. He stated that two Realtors advised against installing signs for the Dog Park.

Mr. Adams stated the Dog Park is not a CDD subject. Mr. Long took note of Mr. Matthias’ comment. Mr. Krebs stated signs are installed based on line of sight and Department of Transportation (DOT) requirements. Mr. Matthias felt that the signage was excessive compared to neighboring communities.

Resident Cal Koeppel asked who decides what projects would be done and how funds are spent, as he would like a vote in the matter. Mr. Adams stated this would be addressed during the Public Hearing.

There were no public comments from Zoom participants.

Mr. Adams suggested presenting the Lake Management Report out of order in response to public comments.

- **Updates: SOLitude Lake Management**

- This item, previously the Fifth Order of Business, was presented out of order.**

- **Status of Lake H1-B**

- Mr. Kurth reported the following:

- Significant improvement was observed at Lake H1-B. One treatment for slender spikerush was applied with some positive results and a follow up treatment would be applied; algae treatment was successful.

- The electric equipment was malfunctioning today, possibly due to overload. Isolated power supply work may be considered sometime due to the struggles with the pool equipment.

- Sound #4 on Lake H1-A looks poor. Significant algae was noted today and the technician stated that the issue is a higher form of algae known as Chara. Typically, when Chara is treated and dies it causes algae blooms and multiple treatments are needed to control the Chara. Two treatments were done this month and, while the Chara was mostly broken down, a significant amount remained. The next treatment was expected to make it improve significantly.

- Other areas discussed today would be inspected and addressed as quickly as possible. It is not uncommon for massive rainfall to cause nutrient loading and algae blooms and technicians would respond to those as quickly as possible. Some blue green algae species are mat forming species that do not respond to a single treatment.

THIRD ORDER OF BUSINESS

**Public Hearing on Adoption of Fiscal Year
2021/2022 Budget**

A. Proof/Affidavit of Publication

The proof of publication was provided for informational purposes.

B. Consideration of Resolution 2021-09, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Adams noted that there was a lot of interest in today's meeting due to the proposed significant assessment increase. He reviewed the proposed Fiscal Year 2022 budget highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2021 budget, and explained the reasons for adjustments. The General Fund budget was the same as Fiscal Year 2021 and assessments would not increase for the units within Pelican Sound and those outside Pelican Sound, including The Meadows and the commercial properties. The General Fund assessment would remain flat at \$129.41 per unit.

Mr. Adams stated the changes in the budget were within the Special Revenue Fund, which is the portion of the budget specific to those within the Pelican Sound community, under the "Other Contractual" expenses, as follows:

- "2017 Note – Roadway resurfacing": The final payment was made during 2021 so that appropriation would disappear in 2022.
- "Contingencies" were reduced from \$125,000 to \$25,000.
- "Capital outlay" was increased to \$674,000 in order to utilize a "pay-as-you-go" approach, rather than financing and repaying principal and interest over a four-year period.

Mr. Adams stated reported the following:

- The \$469,000 net increase in the Special Revenue Fund appropriations would result in a \$405.34 increase, per unit, to the Special Revenue Fund assessment over the Fiscal Year 2021 amount.
- The projects identified for capital outlay were collaboratively determined by the CDD and PSGRC management; some CDD infrastructure is over 20 years old and need updates or replacement.
- The projects being funded and/or scheduled for Fiscal Year 2022 include replacement and/or upgrades to the irrigation pumpstation, installation of an irrigation filtration system, installation of three strategically placed irrigation treatment systems and completion of the

Phase 2 paver project. The total cost of \$674,000 includes Engineering and soft costs to ensure project completion.

Mr. Adams stated that the four-year plan would include the following:

- Fiscal Year 2023: \$810,000 of improvements including the golf irrigation and filtration system.
- Fiscal Year 2024: \$824,000 for a community master landscape plan, replanting all common area and right-of-way (ROW) landscaping.
- Fiscal Year 2025: Gatehouse and monument renovations and Williams Road re-fencing.

Mr. Adams stated that, the “pay-as-you go” approach, would cost less compared to the financing approach; therefore, making the pay-as-you-go strategy rather than financing, the more appropriate approach.

Mr. Adams opened the Public Hearing.

Mr. Gormley stated he is a longtime Palmetto Dunes HOA Board Member and he was under the impression that a CDD assessment increase over 15% would require a vote of approval by the CDD residents, the same as is required by the Palmetto Dunes HOA.

Mr. Adams noted that CDDs and HOAs are different and the CDD, as a governmental entity, operates much like a City or County and is not subject to such a rule. Mr. Pires stated that, as required by Chapter 190 of the Florida Statutes, the District Manager sent a Mailed Notice to each property owner and a notice with a map was published in the newspaper; documentation of the notice is included in the agenda.

Resident Edward Finan voiced his opinion that the PSGRC Board and the CDD found a way to spend PSGRC members’ money without asking permission. He felt that the \$654,000 budget was being paid out of the PSGRC operations budget and, in his opinion, it was like borrowing money from the PSGRC members and paying it back without interest. He believed that, if the CDD borrowed money from the bank there would be no need to increase the assessment. While the future projects may be desirable, he questioned whether they are really necessary and noted the existing loan repayment on the Clubhouse. He requested that the CDD borrow the money for the 2022 project over a long period of time and reduce the 2022 assessment and that the future projects be delayed until the PSGRC members can vote on the acceptance and timing of the projects.

There were no additional public comments in person or via Zoom. Mr. Pires asked if any public comments were sent via email or fax. Mrs. Adams stated there were none.

Mr. Adams closed the Public Hearing.

Mr. Blumenthal stated that residents must consider who owns the assets in question and noted that the assets in question are not PSGRC assets, they are CDD assets. He stated, while the HOA utilizes a “pay-in-advance” strategy for assets that will not be completed until many years in the future, the CDD has more restrictions and constraints regarding borrowing, as well as administrative and legal costs.

Discussion ensued regarding the “pay-as-you-go” strategy and whether irrigation renovations are warranted.

Mr. Adams presented Resolution 2021-09.

On MOTION by Ms. Blumenthal and seconded by Mr. Gilman, with all in favor, Resolution 2021-09, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FOURTH 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 2021/2022, 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 2021-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2021/2022; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Adams opened the Public Hearing.

There were no public comments in person or via Zoom.

Mr. Adams closed the Public Hearing.

Mr. Pires asked if any public comments were sent via email or fax. Mrs. Adams stated there were none.

Mr. Adams presented Resolution 2021-10.

On MOTION by Mr. Blumenthal and seconded by Mr. Twombly, with all in favor, Resolution 2021-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2021/2022; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Updates: SOLitude Lake Management

- **Status of Lake H1-B**

This item was presented following the Second Order of Business.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2021-11, Authorizing the District to Issue its Not-to-Exceed \$500,000 Taxable Revolving Line of Credit Note to be Drawn Upon in the Event of a Disaster; Providing That Such Note Shall be Payable From Operation and Maintenance Special Assessments Upon Benefitted Properties in the District, FEMA Proceeds and State Proceeds as Provided Herein; Awarding the Note to Synovus Bank by Negotiated Sale; Authorizing the District to Enter Into a Line of Credit Agreement with Synovus Bank; Providing for the Rights, Security and Remedies for the Owner of Such Note; Providing for the Creation of Certain Funds; Making Certain Covenants and Agreements in Connection Therewith; Providing Severability; and Providing an Effective Date

Mr. Adams stated that, while a draft Resolution numbered 2021-11 was included in the agenda, a similar version numbered Resolution 2021-12 was produced by Counsel for Synovus Bank. Discussion ensued regarding which version of the Resolution would be considered and adopted.

Mr. Pires stated that the Resolution in the Agenda was an initial draft for consideration. The final version, Resolution 2021-12, was substantially similar to Resolution 2021-11. Minor modifications to Resolution 2021-11 and accompanying documents were made for consistency.

Mr. Pires presented Resolution 2021-12 and read the title, which did not change.

The following changes were made to Resolution 2021-11:

Heading: Change "RESOLUTION NO 2021-11" to "RESOLUTION NO 2021-12"

Page 2, "Pledged Funds": Modified and amended to be consistent with the Line of Credit Agreement

Mr. Pires stated there were minor corrections and edits to the Resolution; the Board was asked to consider Resolution 2021-12, the Line of Credit Agreement and all documents noted in Resolution 2021-12, in substantially final form.

Mr. Adams noted a change in terms whereby, if the line of credit was drawn upon in one year, collections for repayment would be taken the following year; however, the logistics of a hurricane event in September or October may prevent collections in the subsequent year, so the terms were expanded to two years, as identified in Section 4, in the next to the last paragraph.

Mr. Adams noted that the documents were prepared for execution by the Vice Chair. The pre-closing was scheduled for today and the final closing would be on August 26, 2021; the line of credit would be available as early as August 26, 2021. The purpose of the line of credit is so that the CDD would not be forced to utilize working capital funds in the event of a hurricane, natural disaster or catastrophe. Working capital funds were set aside to pay expenses incurred in the first three months of the fiscal year, October, November and December, when revenues are not yet received from the collections on the property tax bill.

Mr. Blumenthal felt that the restrictive covenant was too restrictive, given the requirement of a disaster declaration and the possibility that the CDD might need to repair a sinkhole or make other types of repairs. Mr. Mitchell stated the line of credit was really

designed for a hurricane-type of scenario; while consideration was not given to a sinkhole event, if that is the Board’s desire, additional discussions would be possible.

Mr. Schultz asked if it was possible to create an Agreement for an unplanned event, exceeding \$50,000 or \$100,000. Discussion ensued regarding the Agreement, use of budgeted funds for emergencies, such as sinkholes, and whether to sign the Agreement “as-is” and seek to amend it later. Mr. Blumenthal stated he would prefer that the Agreement provide for emergencies, rather than declared disasters, to eliminate the need to borrow from the PSGRC, in an emergency. Mr. Mitchell discussed the Agreement and the possibility of a less restrictive option that may meet the CDD’s needs. Mr. Blumenthal recommended amending the Agreement before signing it, to reduce legal costs associated with an amendment after the fact.

Staff would work with Mr. Mitchell to revise the Agreement; this item would be presented at the next meeting.

PSGRC President Lamar Stoltzfus expressed his support for the Agreement and for eliminating the need for the CDD to borrow from the PSGRC in an emergency.

SEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of July 31, 2021

Mrs. Adams presented the Unaudited Financial Statements as of July 31, 2021. The financials were accepted.

EIGHTH ORDER OF BUSINESS

Consideration of June 22, 2021 Regular Meeting Minutes

Mrs. Adams presented the June 22, 2021 Regular Meeting Minutes.

The following changes were made:

Line 26: Insert “(via phone)”

Line 122: Change “2.24” to “2.25”

On MOTION by Mr. Blumenthal and seconded by Mr. Gilman, with all in favor, the June 22, 2021 Regular Meeting Minutes, as amended, were approved.

- **Active Action and Agenda Items**

Item 4, 7 and 8 were completed.

Mr. Schultz asked if removal of Canna Lilies from the River 8 Tee box was completed. Mrs. Adams stated Canna Lilies were harvested and more would be harvested in the fall. This item would be added as an Action Item.

Mr. Schultz asked if sound abatement was installed in the bubbler box. Mr. Long replied affirmatively.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Woodward Pires & Lombardo, P.A.*

Mr. Pires presented a Memorandum regarding the requirement for the CDD to prepare and submit a “Stormwater Management System Program Needs Analysis” to Lee County by June 30, 2022 and every five years thereafter. Further guidance was expected.

B. District Engineer: *Hole Montes, Inc.*

Mr. Krebs reported the following:

- While the lake levels were slightly high due to frequent rains, water was dissipating and the stormwater system was functioning properly. Water in the roadways was expected following a 5” rain event, as it takes time for water to dissipate.

- Paver work at the Corkscrew Road entrance was nearly complete, except for sweeping the sand. Hammock Greens was not started yet but the cul-de-sac curb repairs were completed.

- Replacement of the speed hump would require additional documentation.

Discussion ensued regarding whether to replace the speed hump, the Estero Fire Department preference for rubber mats and the requirement for speed humps. This item would be discussed at the next meeting.

Mr. Adams stated the irrigation pump is on order.

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

I. Key Activity Dates

The Key Activity Dates List was provided for informational purposes.

Mrs. Adams stated she would add the Canna Lily removal projects to the Key Activity Dates List.

Mr. Schultz stated the Letter of Explanation regarding the assessment levels was just completed and it would not be necessary again until 2022.

II. NEXT MEETING DATE: September 28, 2021 at 1:00 P.M.

• QUORUM CHECK

Supervisors Gilman, Mountford and Twombly confirmed their attendance at the September 28, 2021 meeting. Supervisor Schultz would attend via telephone.

TENTH ORDER OF BUSINESS

Supervisors' Requests and Public Comments (5 minutes per speaker)

Mr. Schultz stated it was difficult for him to hear discussions and requested that the audio be improved for those attending via telephone and Zoom.

Mr. Gilman asked if it would be possible to hold a special meeting within the next two weeks regarding the line of credit, given the possibility of a hurricane. Mr. Adams stated he doubted anything would be done in the next two weeks but it may be discussed at the next meeting. Discussion ensued regarding the requested changes to the Agreement and the likely impact on fees, the CDD's ability to offset costs and Hurricane Irma-related costs of approximately \$40,000. Mr. Pires stated, if the documents are in order and a major hurricane was approaching, the Board could call an emergency meeting.

Mr. Schultz thanked the PSGRC Board, Mr. Long and Management for their contributions and work to plan infrastructure projects. He felt that, in the future, all parties should continue to work together for the good of the community.

No members of the public spoke.

ELEVENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Gilman and seconded by Mr. Twombly, with all in favor, the meeting adjourned at 2:33 p.m.

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Secretary/Assistant Secretary

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Chair/Vice Chair