

MINTUES OF MEETING  
STONEBROOK SOUTH AT CHAMPIONSGATE  
COMMUNITY DEVELOPMENT DISTRICT

The organizational meeting of the Board of Supervisors of the Stoneybrook South at ChampionsGate Community Development District was held Tuesday, October 4, 2016 at 10:00 a.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Boulevard, ChampionsGate, Florida.

Present and Constituting a Quorum were:

Brian Cipollone	Chairman
Greg Ray	Vice Chairman
Don Lunko	Assistant Secretary
Mark McDonald	Assistant Secretary
Joe Catanzariti, Jr.	Assistant Secretary

Also present were:

George Flint	District Manager
Jan Carpenter	District Counsel
David Reid	Interim Engineer
Rob Bonin	Lennar Homes
Steve Sanford	Greenberg Traurig by telephone

**FIRST ORDER OF BUSINESS**

**Introduction**

**A. Call to order**

Mr. Flint called the meeting to order.

**B. Public Comment Period**

There being none, the next item followed.

**C. Oath of Office**

Mr. Flint being a Notary Public of the State of Florida administered the Oath of Office to Mr. Cipollone, Mr. Ray and Mr. Lunko.

Mr. Flint stated I know all three of you have served on Boards before and I just want to remind you that as public officials you are subject to Government in the Sunshine and Public

records law and if you have any questions on that you can get with Jan Carpenter or myself. The Board Members that are currently on other Boards don't need to refile a Form 1, however when they mail the renewal in June you need to add this District to that list.

We are likely going to move items six and seven earlier in the agenda, we have Steve Sanford of Greenberg Traurig on the phone who will serve as Bond Counsel and he has a conflict at 11:00 a.m. We will deal with some of the organizational items then we will skip to those items.

**SECOND ORDER OF BUSINESS                      Organizational Matters**

**A. Confirmation of Notice of Meeting**

A copy of the Affidavit of Publication of the meeting was included in the agenda package.

**B. Information on Community Development Districts and Public Official Responsibilities and Florida Statutes Chapter 190**

Mr. Flint stated because all three of you are either on other Boards or have been on Boards you are familiar with CDDs and the information related to those.

**C. Election of Officers**

**1. Election of Chairman – Resolution 2017-01**

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor Resolution 2017-01 electing Brian Cipollone as Chairman was approved.

**2. Election of Vice Chairman – Resolution 2017-02**

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Resolution 2017-02 electing Greg Ray as Vice Chairman was approved.

**3. Election of Secretary – Resolution 2017-03**

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor Resolution 2017-03 electing George Flint as Secretary was approved.

**4. Election of Treasurer – Resolution 2017-04**

On MOTION by Mr. Ray seconded by Mr. Cipollone with all in favor Resolution 2017-04 electing Ariel Lovera as Treasurer was approved.

**5. Election of Assistant Treasurer – Resolution 2017-05**

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Resolution 2017-05 designating Teresa Viscarra as Assistant Treasurer was approved.

**6. Election of Assistant Secretary(s) – Resolution 2017-06**

Mr. Flint stated I know Mr. McDonald wants to be on the Board and Mr. Stumpf declined his appointment to the Board. If that is the case you could let the record acknowledge that Mr. Stumpf has declined his appointment and that creates a vacancy and you could make Mr. McDonald a Member of the Board by motion.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Mark McDonald was appointed to fill the vacancy.

Mr. Flint being a Notary Public of the State of Florida administered the Oath of Office to Mr. McDonald.

At this point you could designate the three Board Members who are not Chair or Vice Chair as Assistant Secretaries and you will have to hold a landowner election within the next 60 days and you can reconstitute the Board at that time if you chose to do that.

Mr. Catanzariti joined the meeting at this time.

Mr. Flint being a Notary Public of the State of Florida administered the Oath of Office to Mr. Catanzariti.

Mr. Flint stated if you are currently on another Board you won't have to refile your financial disclosure form and you should be familiar with public records and Sunshine laws.

Mr. Catanzariti stated I am.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Resolution 2017-06 electing Mr. Lunko, Mr. McDonald and Mr. Catanzariti, Jr. as Assistant Secretaries was approved.

**THIRD ORDER OF BUSINESS**

**Retention of District Staff**

**A. Consideration of Contract for District Management Services**

Mr. Flint stated next is a contract for District Management services with Governmental Management Services - Central Florida. We currently serve as District Manager on your Shingle Creek CDD with Lennar and also Storey Park CDD with Lennar. We manage over 130 community development Districts in Florida and I handle the Orlando office and we manage about 35 out of my office. The fees proposed in the contract are consistent with the fees in the other Central Florida Lennar Districts that you have seen.

On MOTION by Mr. Ray seconded by Mr. Cipollone with all in favor the contract for District Management services with GMS-CF was approved.

**B. Consideration of Appointment of District Counsel**

Mr. Flint stated you have the engagement letter with Jan Carpenter's firm Latham, Shuker, Eden & Beaudine.

Ms. Carpenter stated like George and GMS we represent Storey Park and Shingle Creek CDDs for Lennar and we have about 15 other CDDs in Central Florida and we also represent State and County governments. My practice is pretty much limited to representation of CDD and government representation. It is the same engagement as Storey Park.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Jan Carpenter of Latham, Shuker, Eden & Beaudine was appointed District Counsel.

**C. Election of Registered Agent and Office – Resolution 2017-07**

Mr. Flint stated next is Resolution 2017-07 designating a registered agent and registered office. This is primarily for any official legal notices from the State of Florida or if there is a lawsuit. We normally recommend that you designate District Counsel as the registered agent.

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor Resolution 2017-07 designating Jan Carpenter as the District’s registered agent and her business address, Latham, Shuker, Eden & Beaudine, LLP, 111 N. Magnolia Avenue, #1400, Orlando, Florida 32801 as the registered office was approved.

**D. Request Authorization to Issue RFQ for Engineering Services**

Mr. Flint stated engineering services is subject to the consultant’s competitive negotiation act and the Board has to go through that process to select a District Engineer and we have provided the form of notice we propose to run and we would suggest those be due a week before your November meeting date.

On MOTION by Mr. Cipollone seconded by Mr. Catanzariti with all in favor staff was authorized to issue an RFQ for Engineering services.

**FOURTH ORDER OF BUSINESS**

**Designation of Meetings and Hearing Dates**

**A. Designation of Regular Monthly Meeting Date, Time and Location**

Mr. Flint stated next is designation of a regular monthly meeting date, time and location. On the first Monday of the month you have another CDD Board meeting at 10:00 a.m. in this location and you have Shingle Creek at 11:30 a.m. and we could move Shingle Creek to 12:30 p.m. if you wanted to make this meeting 11:30 a.m.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the regular meetings will be held the first Monday of the month at 11:30 a.m. at the same location.

**B. Designation of Landowners’ Meeting Date, Time and Location**

Mr. Flint stated there is a 21 and 14 day notice that needs to be published for the initial landowners meeting and since you have set the first Monday of each month for your meetings I would recommend November 7, 2016 at 11:30 a.m. in this location.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the landowners' meeting was scheduled for November 7, 2016 at 11:30 a.m. in the same location.

**C. Designation of Date of Public Hearing to Adopt Rules of Procedure in Accordance with Section 120.54, F.S. – Resolution 2017-08**

Mr. Flint stated you have a set of proposed rules of procedure in your agenda, those are required to be adopted in a public hearing and it requires a 29 and 28 day notice and we recommend you set the public hearing for December 5, 2016. The rules typically mirror the Florida Statutes they describe the types of bidding procedures we have to use and that sort of thing.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Resolution 2017-08 setting the public hearing for December 5, 2016 at 11:30 a.m. in the same location was approved.

**D. Designation of Date of Public Hearing on the Fiscal Year 2017 Budget**

**1. Consideration of Resolution 2017-09 Approving the Proposed Fiscal Year 2017 Budget and Setting the Public Hearing**

Mr. Flint stated next is designating the date of the public hearing for the Fiscal Year 2017 budget adoption. We have Resolution 2017-09 in the agenda package, there is a 21 and 14 day notice required for the hearing and we recommend you designate your November 7, 2016 meeting for the public hearing.

On MOTION by Mr. Ray seconded by Mr. Cipollone with all in favor Resolution 2017-09 setting the budget hearing for November 7, 2016 at 11:30 a.m. in the same location was approved.

**2. Approval of the Fiscal Year 2017 Developer Funding Agreement**

Mr. Flint stated the initial budget contemplates a developer funding agreement and we have provided you with the form of that agreement and it is consistent with what the landowner

and developer have seen in the other Districts we are involved in. It is obviously a two party agreement but I think there have been comments in the past that have been picked up but if not we would ask you to approve it in substantial form and it would be subject to review by Lennar. The exhibit to this funding agreement will be the budget that you ultimately approve.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the Fiscal Year 2017 developer funding agreement was approved in substantial form subject to review by Lennar.

**E. Designation of Date of Public Hearing Expressing the District’s Intent to Utilize the Uniform Method of Levying, Collecting and Enforcing Non-Ad Valorem Assessments in Accordance with Section 197.3632, F.S.**

Mr. Flint stated next is designating a date for a public hearing to utilize what is called the uniform collection method. For the District to be able to utilize the tax bill to collect assessments we have to go through what is called a Chapter 197 public hearing process. There are four consecutive notices that are involved a week apart and we like to get this out of the way at the beginning so that later on when you actually issue debt and want to put O&M on the roll it is taken care of and in place. We recommend you designate December 5, 2016 at the public hearing date for the Chapter 197 hearing.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the 197 public hearing was scheduled for December 5, 2016 at 11:30 a.m. in the same location.

Mr. Flint stated if the Board is okay we will skip section five and come back to that and we will go to section 6 and do 6A1 then skip to section 7.

**SIXTH ORDER OF BUSINESS**

**Capital Improvements**

**A. Appointment of Financing Team**

**1. Bond Counsel**

Mr. Flint stated item 6A is appointing the District’s financing team and the first item under that is Bond Counsel. Steve Sanford with Greenberg Traurig is on the phone and he has provided an engagement letter to serve as Bond Counsel.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the engagement letter with Steve Sanford of Greenberg Traurig to serve as Bond Counsel was approved.

**2. Interim Engineer**

Mr. Flint stated you have a proposed agreement with Franklin Hart & Reid to serve as interim District Engineer while you go through the CCNA process to select an Engineer. Exhibit A to that proposal is the fee schedule and as interim District Engineer he will be operating on an hourly basis just for general service and once we go through the CCNA process if they are selected we will enter into another agreement.

On MOTION by Mr. Ray seconded by Mr. Lunko with all in favor Franklin Hart & Reid was appointed Interim Engineer.

**3. Investment Banker**

Mr. Flint stated FMSBonds has an agreement for underwriting services in the agenda package. They have served as Underwriter on Lennar's other Central Florida Districts and probably many other Lennar Districts in the state. They are paid out of the proceeds of the bond funds and this agreement sets a not to exceed of 2% underwriter's discount, which is consistent with what they have charged in the other deals that I'm familiar that Lennar has been involved in.

Ms. Carpenter stated in addition to the agreement they attached a G17 letter, which the MSRB requires underwriters to disclose whose interests they are looking out for during the underwriting process and receipt of that has to be acknowledged as well.

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor receipt of the G17 letter was acknowledged and the Underwriting agreement with FMSBonds was approved.

**4. Assessment Administrator**

Mr. Flint stated this item was taken care of in the management agreement with GMS for District Management services.



**5. Trustee**

Mr. Flint stated we have a proposal from U.S. Bank to serve as Trustee. The Trustee serves as the gatekeeper between the District and the bondholders. They maintain the trust accounts once bonds are issued by the District pursuant to the Trust Indenture. Stacey Johnson with U.S. Bank has provided the proposed engagement letter that is in your agenda.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the engagement letter from U.S. Bank to serve as Trustee was approved.

**B. Approval of Financing Team Funding Agreement**

Mr. Flint stated next is approval of the bond financing team funding agreement. This is an agreement between the District and Lennar and the majority if not all of the costs of the staff and financing team would be paid out of the cost of issuance and the Underwriter’s discount once the District actually issues bonds. However, in the case where we don’t issue bonds there may be some expenses that would need to be covered and this funding agreement covers that circumstance, which typically is not necessary but if for some reason the District didn’t issue bonds some of the team members may be entitled to being paid and this provides a mechanism for that. The underwriter doesn’t get paid unless the bonds are issued, we wouldn’t be paid, you may have some attorney time and engineering time that if we didn’t issue bonds that would have to be paid and it would be paid under this agreement.

Ms. Carpenter stated and for costs especially title work, filing fees or those sorts of things the attorneys usually put something in that we get paid even if bonds aren’t issued to cover those expenses. It is the same form that Lennar has signed in other Districts recently.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor the financing team funding agreement with Lennar was approved.

**SEVENTH ORDER OF BUSINESS**

**Financing Matters**

**A. Consideration of Engineer’s Report**

Mr. Flint stated this is a draft Engineer’s report prepared by Franklin Hart & Reid for the 2016 Project.

Mr. Reid stated the outline of the report describes the purpose in setting up the District and what it is for and financing and then I have described the development program. Table 1 lays out the development program that we have to date breaking down the project into tracts and phases and types of development, low density residential and the different uses of rights of ways, wetlands, stormwater ponds, buffers and the acreages of all the different types of land uses, the densities and everything else. We have a total of 388 acres and 1,365 planned residential units at this point. That is subject to change as we get into a more refined plan but this is based on all the conceptual drawings.

Describe the existing conditions of the site. There is an existing golf course, some stormwater ponds, wetland conservation areas and some utility stub-outs.

Section 5 goes over the master infrastructure that we are developing, roadway improvements, stormwater management, utilities and landscaping and hardscape.

I have broken down the development into what I call the master infrastructure, which is major roadways that will typically be CDD funded, the entryway, stormwater ponds, master utility improvements, lift stations and things like that. Landscape buffers that will be CDD maintained. As you get into the parcels if the parcels are going to be private gated then certain improvements would be just developer funding not CDD funded. I have described the parcel improvements broken down into drainage and roadway, utilities and landscaping.

The big item is the estimate of probable construction costs and based on those conceptual plans taking into consideration the master improvements and parcel improvements and assigned costs to all those improvements based on the history we have in Stoneybrook. I have tried to assign cost by unit or length of roadway and on Table 2 is the estimate of total probable costs of \$28,905,615.

Mr. Cipollone asked is that CDD reimbursable or is that everything inclusive of the developer?

Ms. Carpenter stated that should be CDD. Rather than 2016 it is really a master project that covers all possible CDD costs for the entire CDD so we can validate bonds then when you get to issuing bonds you may refine this into a 2016 project that is just the entry road or just certain phases.

Mr. Reid stated that is the number that was used when the CDD was formed through the County. I have a few comments from Steve Sanford and also from Jan that I am incorporating in here to issue a final report.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor the Engineer's Report was approved in substantially final form and the Chair and Vice Chair were authorized to adopt a final report.

#### **B. Consideration of Assessment Methodology**

Mr. Flint stated we took the Engineer's Report that Dave prepared and prepared what is called a Master Assessment Methodology. This report is if the District were to finance everything that was in Dave's report and for purposes of going through the assessment process you want to do the worse case scenario because you want to assume you are going to fund everything but when you actually price the bonds you are going to tie it to a target per unit rate and you are going to issue what you can generate based on that rate. We would issue a supplemental assessment report at that point. Right now we are preparing a master methodology assuming we fund everything in Dave's report. Table 1 has the development program that Dave has indicated in his report. There are 1,365 units, those are comprised of condos, townhomes, single-family 50 foot lots and single-family 80 foot lots. We assign ERU factors to each one of those product types and the ERU factors tie in to what the Stoneybrook South CDD used so there would be some consistency between the Stoneybrook South methodology and the Stoneybrook South at ChampionsGate methodology. Doing that you have 1,055 total equivalent residential units.

Table 2 shows the infrastructure cost estimates from Dave's report that is the \$28,905,615.

Table 3 is a bond sizing. We take the \$28,905,615 in construction requirements, we included a debt service reserve, which is equivalent to one year of maximum annual debt, 12 months of capitalized interest, underwriter's discount, which is the 2% of the bonds issued, an estimate for cost of issuance assuming there are going to be multiple bond issues, we have \$750,000 in there. We know we are not going to incur that initially so the par amount is \$35,020,000 and that assumes a 6% interest rate, 30-year amortization period. Again this is for

purposes of going through the assessment process it is likely the interest rate is going to be lower than that when we actually issue bonds.

Table 4 shows you the benefit, the improvement cost per unit based on the different product types.

Table 5 shows you the par debt per unit.

Table 6 shows you the net and gross annual debt assessments per unit. Again, this is for the master methodology we don't anticipate these are going to be the final per unit assessment amounts.

Mr. Ray asked what happens if we change product? Right now we have single-family 50, single-family 80 and I know we are going to have single-family 60 in this section and you could have single-family 40.

Ms. Carpenter stated we would amend the methodology. We just got a plat so does the plat that is proposed now include anything different?

Mr. Flint stated it is not lots.

Ms. Carpenter asked this is assessed on acreage?

Mr. Flint stated yes, as long as the total par amount doesn't exceed what is in the master.

Ms. Carpenter stated until you get to a plat where you are actually putting the debt on the individual lots. You would adopt a changed methodology report to show whether they are getting the same ERUs or a different value.

Mr. Cipollone asked in our other Districts do we have different assessments per lot width?

Mr. Flint responded yes. You have condos, townhomes, and single-family based on front footage so you have a single-family 50, a single-family 80 right now. If you introduce a 60 foot product we would just have to amend the methodology to include that. A 50 foot lot is one ERU, a condo is .65 and a townhome is .65. It is based on factors that you typically see and it is also based on what is in place for Stoneybrook South.

Ms. Carpenter stated we will be setting a public hearing so we can make those amendments if you want.

Mr. Flint stated we can amend this report at the actual hearing if we need to. Right now a condo is set at .65 but if we come back at the public hearing and it appears based on additional information that should be .5 we can consider that at the hearing.

The last table is the preliminary assessment roll, right now we just have one landowner and that is Len CG South LLC, 388.13 acres and a legal description for the boundaries of the District are attached.

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor the Assessment Methodology was approved in substantial form.

**C. Consideration of Resolution 2017-17 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings**

Mr. Flint stated next is Resolution 2017-17 a resolution authorizing the issuance of bonds and authorizing the validation proceedings.

Mr. Sanford stated this as you heard from the Engineer in the Engineer's Report the capital improvements were described then you heard from George describing the maximum amount the assessments are going to be and the next step is based on those two reports you come up with a not to exceed principal amount of bonds being authorized by the Board. It is always safe to build in a little cushion and as George said there are \$35 million for the maximum of bonds to be issued. This resolution authorizes up to \$40 million it doesn't bind the Board to issue that amount of bonds but because this is a condition of going to court and validating the bonds, which can be as much as a 90 day process we don't want to cut ourselves short and authorize less than the maximum we could possibly issue.

This resolution authorizes that amount of bonds as the first step towards the issuance of the bonds. This resolution is a necessary component going to court and validating the bonds. There are two exhibits attached to this resolution that is the Trust Indenture and the form of a Supplemental Trust Indenture and that is between the District and U.S. Bank as the designated Trustee. The Master Trust Indenture is the principal document that the District will use for the first bond issue and subsequent bond issues. It covers basically the rights and remedies of the bondholders, the flow of funds, the security for the bondholders. The Supplemental Indenture is basically for each series of bonds that the District is going to issue and it has the specifics about the interest rates on the bonds and the size of the reserve and whether there is going to be capitalized interest or not. It is just a form obviously we don't have any pricing information in that form but it is part of the exhibits that get brought into the validation.

In addition to that this resolution specifically appoints U.S. Bank as your Trustee and authorizes the issuance of bond anticipation notes so in a situation whether it is market conditions or timing by virtue of adopting this resolution the District could issue short term obligations to finance all or a portion of the infrastructure knowing that long term bonds would be issued. It is very generic and we have a lot of leeway in further defining what the project is going to be financed with bond proceeds and it also anticipates that this project may be financed in more than one series of bonds depending on the development plan. As Bond Counsel it would be my recommendation to move to adopt Resolution 2017-17.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Resolution 2017-17 was approved.

Mr. Sanford left the telephone conference at this time.

**D. Consideration of Resolution 2017-18 Declaring Special Assessments and Approval of Assessment Methodology**

Mr. Flint stated the next two resolutions initiate the assessment process. The first one declares special assessments and approves the master assessment methodology and the second resolution will actually set the date, place and time of the public hearing to impose those assessments.

Ms. Carpenter stated this is a two-part process to issue the assessments. The assessment report needs to be adopted, which you did. You declare assessments, which means you state are the maximum that can be imposed on the property. By law the District needs to notify the landowner and set a public hearing and then when you come back to the public hearing the Board acts as a Board of equalization, listen to any public comments, makes any changes it determines and sets the actual assessments. To this point we will be setting the assessments at the high level and once you issue bonds you can lower them to whatever the appropriate amount is depending on the bonds that have been issued. Resolution 2017-18 is declaring assessments and starts the process, adopts the report, the Engineer's Report, shows the total amount, sets up a preliminary assessment roll and directs publication by the District Manager.

On MOTION by Mr. Ray seconded by Mr. Cipollone with all in favor Resolution 2017-18 was approved.

**E. Consideration of Resolution 2017-19 Setting Public Hearing for Special Assessments**

Ms. Carpenter stated Resolution 2017-19 sets the public hearing to consider the assessments.

Mr. Flint stated I recommend your December 5<sup>th</sup> meeting. There is a 30-day mailed notice as part of this process so we would not be able to accomplish that by your November meeting.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Resolution 2017-19 designating December 5, 2016 at 11:30 am at the same location as the public hearing date was approved.

**FIFTH ORDER OF BUSINESS**

**Other Organizational Matters**

**A. Selection of District Depository**

Mr. Flint stated the next item is selection of a District depository and we would ask that you designate SunTrust as the District depository.

On MOTION by Mr. Lunko seconded by Mr. Ray with all in favor SunTrust Bank was selected as the District's depository.

**B. Authorization of Bank Account Signatories**

Mr. Flint stated typically the Secretary and Treasurer sign the checks and we ask at a minimum that you designate the secretary and treasurer as signers on the District's bank account.

Mr. Lunko asked do you recommend any more than just those two?

Mr. Flint responded not at this point. If the Board wants to we can but we are typically fine with those two.

Ms. Carpenter stated perhaps after the landowners election when you appoint a Chairman that may be in place for a while you can add them otherwise you would have to keep switching.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor George Flint and Ariel Lovera were designated to be signatories on the District's account.

**C. Consideration of Resolution 2017-10 Relating to Defense of Board Members**

Mr. Flint stated Resolution 2017-10 relates to defense of Board Members in your capacity as a Board Member. The District will bind public officer liability insurance and per this resolution we have the duty to defend the Board in the event you are sued in your capacity as a Board Member.

Ms. Carpenter stated it covers while you are acting within the scope of your duties as a supervisor. It does not cover you if you are doing something that is not appropriate as a Board Member. It is a good thing to have in place in addition to the insurance.

On MOTION by Mr. Catanzariti seconded by Mr. Cipollone with all in favor Resolution 2017-10 was approved.

**D. Consideration of Resolution 2017-11 Approving and Ratifying District Counsel Recording in the Property Records of Osceola County the "Notice of Establishment" in accordance with Chapter 190.0485, F.S.**

Mr. Flint stated next is a resolution ratifying the recording of the Notice of Establishment. In accordance with Chapter 190, District Counsel already prepared and I signed the Notice of Establishment because it is required to be filed within 30 days of establishment. We took care of that to meet the 30 days and we are asking the Board to ratify that action.

On MOTION by Mr. Lunko seconded by Mr. Ray with all in favor Resolution 2017-11 was approved.

**E. Consideration of Resolution 2017-12 Adopting Investment Guidelines**

Mr. Flint stated next is Resolution 2017-12, which adopts investment guidelines. These guidelines are specified in the statutes these are the default investment guidelines. Basically the District as a government entity is limited in the types of instruments we can utilize for investment and it includes either the local government surplus trust fund, which is also known as the State Board of Administration, it can include SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest bearing time



deposit or savings accounts in qualified public depositories or direct obligations of the U.S. Treasury. Those are the limited types of investments we would be able to invest District funds in.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Resolution 2017-12 was approved.

**F. Consideration of Resolution 2017-13 Authorizing Execution of Public Depositor Report**

Mr. Flint stated next is Resolution 2017-13, which authorizes the execution of the public depositor report, this is just a housekeeping item that we have to do that we ask the Board to authorize.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Resolution 2017-13 was approved.

**G. Consideration of Resolution 2017-14 Designating a Policy for Public Comment**

Mr. Flint stated Resolution 2017-14, which adopts a policy for public comment. The statutes were amended a couple years ago and you were always required to have public input and comment; however, the requirements were more defined in the amendment to the legislation and basically it requires that you take comment before you vote on any specific item. In the past you could have a public comment period at the beginning of the meeting, add something to the agenda the Board vote on it and it would be fine but now you have to actually take comment. You can do that all at one time so we set up a process where you would take public comment at the beginning on the entire agenda, you don't have to take it on each individual item.

Ms. Carpenter stated if something is added to the agenda we have to make sure that we take public comment before you vote on that item. It also adds some decorum and rules but sometimes when we get to a budget hearing it is helpful to have a policy in place and limit it to three minutes and those types of things and what the Chairman can do if there is a problem.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor Resolution 2017-14 was approved.

**H. Consideration of Resolution 2017-15 Adopting a Travel and Reimbursement Policy**

Mr. Flint stated next is a travel and reimbursement policy, Resolution 2017-15 and it basically mirrors the statute as far as the mileage and per diem allowances that would apply. This won't apply to your consultants it really would only apply to Board Members.

Ms. Carpenter stated also I recommend just adding in here that as the rates change in the Florida Statutes these would change automatically so that you don't have to come back and renew it if it is not in there already.

On MOTION by Mr. Cipollone seconded by Mr. Lunko with all in favor Resolution 2017-15 was approved as amended.

**I. Consideration of 2017-16 Adopting a Records Retention Policy**

Mr. Flint stated Resolution 2017-16 adopts a records retention policy and basically this records retention policy says the District is going to retain all of its records at this point. You have the option of adopting a policy that says you are going to retain all the records or you can adopt a policy that adopts the state's record retention schedules based on the type of record and we have a hybrid version of that and typically in the future we would have the Board consider once there are records in place and the District is underway but at this point we recommend you keep everything.

On MOTION by Mr. Cipollone seconded by Mr. Ray with all in favor Resolution 2017-16 was approved.

**J. Consideration of Compensation to Board Members**

Mr. Flint stated under Chapter 190, F.S. Board Members are entitled to \$200 per meeting for a maximum of \$4,800 per year. We put this on the agenda in the event Board Members choose to waive compensation we have it on the record. Sometimes developer employees who serve on Boards choose to waive the compensation and I ask the Board Members at this point individually if you choose to accept or waive compensation.

All Board Members waived compensation.

**K. Selection of District Records Office within Osceola County**

Mr. Flint stated next is selection of a District records office within Osceola County. We are required to have what is called the record of proceedings in the county in which the District is located. On your other Osceola County Districts I think your Engineer has agreed to hold the record of proceedings and if Dave is okay with that my recommendation would be that you designate Franklin, Hart & Reid's office as the District's records office within Osceola County.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor the District records office within Osceola County will be at the offices of Franklin Hart & Reid, 1368 E. Vine Street, Kissimmee, Florida 34744.

Ms. Carpenter stated as Board Members you aren't required to keep your agenda books or other public records unless you want to keep an individual record but if you do have those via email or hard copy we recommend segregating them so if there is a public records request you can produce them and they are not mixed in with your business or personal records. Set up your email separate so you can move those automatically and remember that texts are covered by the public records law. We recommend not using text at all for CDD business.

**EIGHTH ORDER OF BUSINESS**

**Other Business**

**A. Staff Reports**

**i. Attorney**

There being none, the next item followed.

**ii. Manager**

There being none, the next item followed.

**B. Supervisors Requests**

Mr. Ray stated going back to the discussion of the 40, 50 and 60 foot lots does it make sense for us to put something in the report now as a placeholder and put a certain percentage of those lots in here? That means the assessment methodology would have to change. Does it make sense to do that now or just do it later?

Mr. Flint stated I think it was approved in substantial form and I don't think the total par is going to increase so if we have a revised development plan it is not going to affect your construction costs.

Ms. Carpenter stated it would make sense to have it in when the Board adopts it.

Mr. Flint stated between now and the public hearing we would want to do that.

Ms. Carpenter stated the sooner the better so when we do the validation complaint it is nice if we can validate the assessments so we have a judicial order saying those assessments are valid if there were ever a challenge. Timing we may not be able to do it but depending on how slow the courts are in Osceola County we may get to December. We will see if we can add it to the complaint before the validation hearing.

Mr. Ray stated Dave and I will talk offline about it.

Mr. Reid stated from the time I did my draft report until now we do have a more final plan on a portion of Tract K, which does have 50's, 60's and 80's so we can add a category of 40's if it made sense.

Ms. Carpenter stated before we file the validation complaint I will have the Chairman approve the form of it.

**C. Approval of Funding Request no. 1**

Mr. Flint stated the last item is funding request no. 1. We do need funds in the operating account to bind the insurance policy, which is a liability policy that includes public officials liability protection, also legal advertising there a lot of public hearings that we need to advertise. The initial funding request is \$5,000 to open the operating account, \$5,665 for the insurance and \$5,000 for legal advertising. It is likely that legal advertising may exceed the \$5,000 but the \$5,000 to open the account serves as a cushion.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor funding request no. 1 in the amount of \$15,665.00 was approved.

Mr. Lunko asked was there not a joinder?

Ms. Carpenter responded good point. I received a copy of the plat with a joinder, the form of joinder appears to be one that we have approved prior to that and we recommend

authorizing the Chairman or Vice Chair to sign the plat once we go through and make sure it doesn't affect anything right now. I actually brought it with me to get it signed.

On MOTION by Mr. Lunko seconded by Mr. Cipollone with all in favor the Chair and Vice Chair were authorized to sign the Joinder for the plat subject to District Counsel's review.

On MOTION by Mr. Catanzariti seconded by Mr. Cipollone with all in favor the meeting adjourned at 11:07 a.m.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman