

MINUTES OF MEETING  
DOWDEN WEST  
COMMUNITY DEVELOPMENT DISTRICT

The Organizational Meeting of the Board of Supervisors of the Dowden West Community Development District was held on Thursday, June 15, 2017 at 9:00 a.m. at the Offices of GMS-CF, LLC, 135 W. Central Blvd., Suite 320, Orlando, FL.

Present and constituting a quorum:

Andrew Abel	Chairman
Gregory Clark	Assistant Secretary
Thomas Franklin	Assistant Secretary

Also present were:

George Flint	District Manager
Jan Carpenter	District Counsel
Andrew d'Adesky	District Counsel
Rey Malave	Interim District Engineer
Mike Williams	Bond Counsel
Brett Sealy	MBS Capital Markets

**FIRST ORDER OF BUSINESS**

**Introduction**

**A. Call to Order**

Mr. Flint called the meeting to order at 9:00 a.m. and called the roll.

**B. Public Comment Period**

There being none, the next item followed.

**C. Oath of Office**

Mr. Flint, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Abel, Mr. Clark and Mr. Franklin.

Mr. Flint: I will notarize the Oaths. Tom and Drew already signed Form 1, Statement of Financial Interests, which is required by the State of Florida. It must be filed within 30 days of today, with the Supervisor of Elections in the County that you live in. I suggest that you either bring it in and have them hand stamp it, or send it by certified mail. The Commission on Ethics can fine you up to \$25 per day if you don't file Form 1 within 30 days. Annually the Supervisor

of Elections will mail you a Form 1. I think they just mailed them at the beginning of this month. It's due on July 1<sup>st</sup>.

Mr. Clark: I emailed it but I didn't get confirmation.

Mr. Flint: That's a first. They haven't allowed email before. Members of the Board, under Chapter 190, are entitled to receive \$200 per meeting. If you choose to waive that, I would indicate it on the record. Typically, developer representatives will waive the compensation. If you choose to waive it, you don't need to file the I-9 and W-2 forms. They only need to be filled out, if you are accepting \$200 per meeting. As a Board Member, you are a public official, so you are subject to Government in the Sunshine and public records laws, just like City Commissioners, County Commissioners and School Board Members, so you need to be careful not to communicate with other Board Members outside of a publicly noticed meeting.

**SECOND ORDER OF BUSINESS**

**Organizational Matters**

**A. Confirmation of Notice of Meeting**

Mr. Flint: This meeting was advertised in the Orlando Sentinel.

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

Mr. Flint: There is some general information on CDDs and Chapter 190. District Counsel will provide additional information.

Mr. d'Adesky: We will provide every Supervisor with a packet of information, which will include Chapter 190, a Public Comment Memorandum, general duties and obligations under the Sunshine Law and other various areas of Florida Law that apply to Board Members. As George said, you cannot discuss Board business outside of a scheduled meeting. Don't hit "Reply All" to emails. That sometimes triggers it. If you have a question, come to George or us individually, and we can always clarify that. That keeps us free and clear and avoids any potential issues that might come up. We are always happy to assist you, if ever you have any questions about your duties or obligations under Chapter 190 or under Florida Law. Call us and we will chat with you.

Ms. Carpenter: The other big thing is the Ethics Law that you are Governmental Officers. Just like a City or County, Governmental Officials shouldn't accept anything of value from anyone or do anything that appears like somebody is trying to influence your vote and that's also covered extensively.

**C. Election of Officers**

Mr. Flint: The Board is required to designate a Chairman, Vice Chairman, Secretary, Treasurer, Assistant Treasurer and Assistant Secretaries. The Chairman and Vice Chairman need to be members of the Board. The other officers could be members or don't have to be members. Traditionally, you designate a Chairman or Vice Chairman from the Board and the other three Board Members would be Assistant Secretaries. The District Manager would be the Secretary and the District Accountant would be the Treasurer. That's how we typically handle it, although you can choose to deviate from that if you want. For the initial designation of officers, we have one resolution for each seat. In the future, it will be consolidated into one resolution for all of the officers.

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

Mr. Flint: Resolution 2017-01 designates a Chairman. Is there a motion to designate a Chairman?

Mr. Franklin: I designate Andrew Abel.

Mr. Clark: I second the nomination.

On MOTION by Mr. Franklin, seconded by Mr. Clark, with all in favor, Resolution 2017-01 Electing Andrew Abel as Chairman, as nominated, was adopted.

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

Mr. Flint: Next is Resolution 2017-02 designating the Vice Chairman. Is there a motion to designate a Vice Chairman?

Mr. Abel: I designate Keith Trace.

Mr. Franklin: I second the nomination.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, Resolution 2017-02 Electing Keith Trace as Vice Chairman, as nominated, was adopted.

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

Mr. Flint: Next is Resolution 2017-03 designating the Secretary. As District Manager, you can choose to designate me as Secretary, or someone else if you choose to do so.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-03 Electing George Flint as Secretary, as nominated, was adopted.

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

Mr. Flint: Ariel Lovera, the District Accountant, is typically designated as Treasurer. He is Treasurer on the other Mattamy Districts. If you are comfortable with that, a motion to that effect would be in order.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-04 Electing Ariel Lovera as Treasurer, as nominated, was adopted.

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

Mr. Flint: You could choose to designate an Assistant Treasurer, but you don't have to. Teresa Viscarra in our office is the Assistant Accountant for the District. We have her designated as Assistant Treasurer in some Districts. It provides a backup in the event that Ariel is not available to sign checks.

On MOTION by Mr. Franklin, seconded by Mr. Clark, with all in favor, Resolution 2017-05 Electing Teresa Viscarra as Assistant Treasurer, as nominated, was adopted.

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

Mr. Flint: I recommend that you designate the other three Board Members that are not Chairman or Vice Chairman as Assistant Secretaries.

On MOTION by Mr. Clark, seconded by Mr. Franklin, with all in favor, Resolution 2017-06 Electing the remaining Board Members as Assistant Secretary(ies), as nominated, was adopted.

Mr. Abel: Who are the three Board Members?

Mr. Flint: Steve Kalberer, Greg Clark and Tom Franklin.

**THIRD ORDER OF BUSINESS**

**Retention of District Staff**

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

Mr. Flint: We provided our standard agreement. The fees are consistent with what you have seen in other Districts that we manage. We manage about 135 Districts in Florida and between 35 and 40 out of this office. I appreciate the opportunity.

Mr. d'Adesky: Although we are technically not engaged, I reviewed this contract as GMS' standard contract. They use this in all of their other Districts. We have been happy in other Districts with the form of this contract.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, the District Management Services contract with Governmental Management Services – Central Florida, LLC, was approved.

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

Mr. Flint: You have an Engagement Letter with Latham, Shuker, Edan & Beaudine, LLP. Jan Carpenter and Andrew d'Adesky are here representing the firm.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, the appointment of Latham, Shuker, Edan & Beaudine, LLP as District Counsel, was approved.

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

Mr. Flint: Next is a resolution designating a Registered Agent and Office. Typically, District Counsel is designated as the Registered Agent for the District. We recommend that Jan Carpenter of Latham, Shuker, Edan & Beaudine, LLP, with their address here in Orlando be the Registered Agent and Office.

Ms. Carpenter: We would receive all notices or certified letters.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-07, Designating Jan Carpenter as Registered Agent and the offices of Latham, Shuker, Edan & Beaudine, LLP, 111 N. Magnolia Avenue, Suite 1400, Orlando, Florida as the Registered Office, was adopted.

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

Mr. Flint: District engineering services in Florida fall under the Consultants Competitive Negotiation Act (CCNA). We are required to advertise for any engineering services over \$25,000 at the initial meeting. Later on, there will be a proposal from Rey to serve as Interim District Engineer while we go through the formal CCNA process. This would be an authorization for us to issue the Request for Qualifications (RFQ) for District engineering services.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, authorization for Staff to advertise a Request for Qualifications for District engineering services, was approved.

**FOURTH ORDER OF BUSINESS**

**Designation of Meetings and Hearing Dates**

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

Mr. Flint: Initially with the financing, it's typically useful to designate a date and time each month to meet. We can advertise it that way, and if we don't need to meet, we can cancel the meetings. We could have set meetings on the third Thursday.

Mr. Abel: I like the third Thursday.

Mr. Flint: If the third Thursday works for everybody, we can hold meetings on the third Thursday, at 9:00 a.m., at this location and advertise it that way. Does that work?

Mr. Clark: Yes.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, designating the third Thursday of each month at 9:00 a.m. as the regular meeting date, time and location, was approved.

Mr. Abel: Do you have Outlook Invite?

Mr. Flint: We use Apple Email to send out Outlook Invites, but it doesn't always work.

Ms. Carpenter: We can add you to our emails.

**B. Designation of Landowner's Meeting Date, Time and Location**

Mr. Flint: We are required within 90 days of establishment, to hold the initial Landowner's Meeting. The initial Board was designated in the Ordinance creating the District, and within 90 days, you must have a Landowner's Meeting. We suggest that you schedule the third Thursday in July for the Landowner's Meeting.

Mr. Abel: That's July 20<sup>th</sup>.

Mr. Clark: I'm not going to be here.

Mr. Flint: As long as we have three Board Members, we are good. A Landowner Meeting is not actually a Board Meeting, but we would like to schedule it at the same time that you have a Board Meeting. At that point, the landowners can choose to re-designate the same five members or change the composition of the Board. It is on a one vote per acre/part of an acre basis. Basically, whoever owns the majority acres, controls all of the seats. It's not like if I have 200 acres and someone has 100 acres they elect part of the seats and we elect the other. It's whoever has the most votes, controls the seats.

Mr. Abel: Is that meeting here?

Mr. Flint: Yes.

**C. Designation of Date of Public Hearing to Adopt Rules of Procedure in accordance with Section 120.54, Florida Statutes**

**1. Consideration of Resolution 2017-08 Setting a Public Hearing to Consider the Proposed Rules of the District**

Mr. Flint: This requires a 29 and 28-day notice. We suggest that you do that at your July meeting, which is July 17<sup>th</sup>. Andrew can explain what the rule process is.

Mr. d'Adesky: These rules specify specific procedures for certain administrative and routine processes, for example, competitive bidding. That's one area where we have very clear rules and procedures, so if there's any objection or protest, you can follow a set amount of procedures. It also specifies certain areas that are not subject to a bid protest. We had bid protests in other Districts. Once again, you want to make sure that all of your procedures are uniform. The good thing about GMS, is they are uniform with other Districts, and they keep us procedurally on the same path to avoid any potential liabilities, which is good.

Mr. Flint: They are consistent with the Florida Statutes. If the Board is okay with having the hearing on July 17, a motion to approve Resolution 2017-08, designating that date, would be in order.

Mr. Abel: What time?

Mr. Flint: 9:00 a.m.

Mr. Abel: July 17<sup>th</sup>?

Mr. Flint: Sorry. It would be August 17<sup>th</sup>.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-08, Setting a Public Hearing for August 17, 2017 at 9:00 a.m. to Adopt the Proposed Rules of the District, was adopted.

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

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

Mr. Flint: This resolution designates the date, place and time of the public hearing for its final consideration. Exhibit A to the resolution is the proposed budget. We've taken the standard annual administrative budget, and pro-rated it for the remaining months in the current fiscal year. You can see that its \$35,039. Again, it's a proposed budget and the District would be operating under a Developer Funding Agreement. The party to the Funding Agreement would only be paying the actual expenses, not necessarily the budgeted amount. You can do this at your hearing next month, if you chose to do that. If the Board is amenable, I recommend setting the public hearing for July 20<sup>th</sup> at 9:00 a.m.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-09, Setting a Public Hearing for July 20, 2017 at 9:00 a.m. to Approve the Proposed Fiscal Year 2017 Budget, was adopted.

**2. Consideration of Resolution 2017-10 Setting the Public Hearing and Approving the Proposed Fiscal Year 2018 Budget**

Mr. Flint: This is a resolution approving the proposed budget and setting the date, place and time for the Fiscal Year 2018 budget. We suggest that you do this at your September 21<sup>st</sup> meeting, so we can meet the 60 days, since we have time to do it.



On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-10, Setting a Public Hearing for September 21, 2017 at 9:00 a.m. to Approve the Proposed Fiscal Year 2018 Budget, was adopted.

**3. Approval of the Fiscal Year 2016-2017 Developer Funding Agreement**

Mr. Flint: The funding mechanism for these budgets is a Developer Funding Agreement. In your agenda, is a Funding Agreement for 2018 with the budget. The public hearing would be held in September. This is the standard Funding Agreement that you have seen in other Districts. The budget would be attached to this agreement. In lieu of imposing assessments, this is the method of financing the District.

Mr. Abel: Is that at that September meeting?

Mr. Flint: No, this one would be for today. This is for the current year. In September, you would have the Fiscal Year 2018 agreement.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, the Fiscal Year 2016-2017 Budget Developer Funding Agreement was approved.

**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, Florida Statutes**

Mr. Flint: Next is the 197 hearing. This allows the District to use the tax bill as the form of collection for assessments. We like to do this early so that we have the process out of the way, so when we get to the point where we are actually imposing assessments, we’ve taken the legal requirements that the Tax Collector and Property Appraiser require. Four consecutive notices must be placed for this hearing, so we would suggest that you hold it at your August 17<sup>th</sup> meeting. If there are no questions, a motion to designate August 17, 2017 meeting for the 197 hearing, would be in order.

On MOTION by Mr. Franklin, seconded by Mr. Abel, with all in favor, designating the 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, Florida Statutes for August 17, 2017 at 9:00 a.m., was approved.

**FIFTH ORDER OF BUSINESS**

**Other Organizational Matters**

**A. Selection of District Depository**

Mr. Flint: We recommend that you designate SunTrust as the District’s depository. This is just for purposes of the District’s checking account.

On MOTION by Mr. Clark, seconded by Mr. Abel, with all in favor, selecting SunTrust as the District’s Depository, was approved.

**B. Authorization of Bank Account Signatories**

Mr. Flint: Normally the Secretary, Treasurer and Assistant Treasurer are the bank account signatories. Each check requires two signers. If you wanted to designate someone other than that, you can do that.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, authorizing the Secretary, Treasurer and Assistant Treasurer as bank account signatories, was approved.

**C. Consideration of Resolution 2017-11 Relating to Defense of Board Members**

Mr. d’Adesky: In case of a tort claim or any other sort of claim arising out of the performance of your duties and the scope of the Board, outside of the Board that might be related, but in your capacity as a Supervisor, the Board would defend you from said action or similar actions. That’s within the scope of Statute 190.

Mr. Clark: I read that last night and it said that the District “May buy insurance”.

Mr. d’Adesky: We do.

Mr. Flint: Part of the first funding request today is to bind liability and public officers insurance.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-11, Relating to Defense of Board Members, was adopted.

**D. Consideration of Resolution 2017-12 Approving and Ratifying District Counsel Recording in the Property Records of Orange County the “Notice of Establishment” in accordance with Chapter 190.0485, Florida Statutes**

Mr. Flint: There is a requirement to record the Notice of Establishment within so many days of the District’s establishment. We already recorded that, so this is a resolution ratifying District Counsel’s actions to record the Notice of Establishment.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-12 Approving and Ratifying District Counsel Recording in the Property Records of Orange County the “Notice of Establishment” in accordance with Chapter 190.0485, Florida Statutes, was adopted.

**E. Consideration of Resolution 2017-13 Adopting Investment Guidelines**

Mr. Flint: The guidelines that are listed in Resolution 2017-13 are in the Statutes. It basically says that the District will invest in the Local Government Surplus Trust Fund, which is an investment pool operated by the State Board of Administration, or other Interlocal investment pool. It includes SEC money market funds of the highest credit quality, interest bearing CDs or direct obligations of the Treasury. It limits the types of investments to conservative ones.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, Resolution 2017-13 Adopting the Investment Guidelines, was adopted.

**F. Consideration of Resolution 2017-14 Authorizing Execution of Public Depositor Report**

Mr. Flint: Next is authorization to execute the Public Depository Report. This is just an administrative matter that is part of the formation of the District.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-14 Authorizing Execution of the Public Depositor Report, was adopted.

**G. Consideration of Resolution 2017-15 Designating a Policy for Public Comment**

Mr. Flint: Next is a policy dealing with public comments. Several years ago, the Statutes were amended, to require the Board to take public comment before voting on any particular item. District Counsel prepared a policy that complies with that requirement. At the beginning of each meeting, we have a public comment period on all of the agenda items. At the end of the meeting, we have a public comment period on any general items. That way, you are not stopping and taking comments in the middle of an agenda item.

Mr. d'Adesky: This becomes more relevant once residents reside in the District. They appreciate it when it gets to the resident side that we have this in place. It sets a precedent and allows us to follow that precedent.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, Resolution 2017-15 Designating a Policy for Public Comment was adopted.

Mr. Flint: It also includes language about decorum at public meetings, which becomes relevant later on.

**H. Consideration of Resolution 2017-16 Adopting a Travel and Reimbursement Policy**

Mr. Flint: This applies to Board Members, not necessarily staff, for a Board Member that had to travel to attend meetings. It provides for mileage and per diem allowance, in the event that applies. It follows the State Statute.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-16 Adopting a Travel and Reimbursement Policy, was adopted.

**I. Consideration of Resolution 2017-17 Adopting a Records Retention Policy**

Mr. Flint: We have the option of basically keeping everything, or following the State's guidelines on record retention, with the exception of disposing of records. Typically, we will adopt an amended Retention Policy, because of certain documents dealing with the bond issue,

etc. We would keep documents for a longer period of time than what the State schedule says. What we are recommending, initially, is that you adopt a policy saying that we are going to keep everything, and then later on, you can amend that policy and provide for the disposal of documents.

Mr. Abel: I understand.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Resolution 2017-17 Adopting a Records Retention Policy, was adopted.

Mr. Abel: As part of that, do you say where the documents are going to be retained?

Mr. Flint: The local records office is in this office.

Mr. Abel: It looks like, if I kept any records or you keep any records, members of the public can come and look at them.

Mr. d'Adesky: They can. If you take notes for yourself, personally, sometimes it's easier for you to hand them over to George.

Ms. Carpenter: If you keep anything from CDD meetings, keep them in a totally separate file, so if you get a records request, you can obtain the records from there. You have no requirement to keep anything, unless your handwritten notes pertain to Board business.

Mr. Flint: If it is anything I already have, you guys don't need them.

Mr. Abel: I just brought it up for the fact that in earlier days, we used to keep a lot of notes when we were the engineer for a project. It really opened us up because we weren't keeping them in a proper form. If you have them in your office, all of a sudden, and you don't have them in the proper form, it allows the public to go through everything you have and we don't want that.

Mr. Flint: We wouldn't have the public come into your office. We would have you give me the documents and they can come in to look at them.

Ms. Carpenter: It's important to keep your private land development/developer's files separate.

Mr. Abel: Understood. Thanks!

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

Mr. Flint: I think we already talked about this, but to the extent that a Board Member waives compensation, we would want that on the record, at this point.

Mr. Clark: I'll waive mine.

Mr. Abel: I'll waive mine.

Mr. Flint: Tom, are you going to waive the compensation?

Mr. Franklin: No.

**K. Selection of District Records Office Within Orange County**

Mr. Flint: Our recommendation would be that this office be the District Records Office. If the Board agrees, we need a motion to that effect.

On MOTION by Mr. Franklin, seconded by Mr. Abel, with all in favor, selecting 135 W. Central Blvd., Suite 320, Orlando, Florida as the District Records Office within Orange County, was approved.

**L. Authorization to Prepare Public Facilities Report in Accordance with Chapter 189.08 Florida Statutes to Coincide with Special District Filing Date of August 1<sup>st</sup> for Orange County**

Mr. Flint: Chapter 189 requires a Public Facilities Report to be prepared and then updated periodically. The District Engineer will prepare the report. It's a statutory requirement and we are asking you to authorize it.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, authorization for the District Engineer to prepare the Public Facilities Report in accordance with Chapter 189.08 Florida Statutes to coincide with the Special District filing date of August 1<sup>st</sup> for Orange County was approved.

Mr. Malave: I've never done one for a District that doesn't have any anything on the land.

Ms. Carpenter: It is basically an Engineer's Report, and then an update, if there were any changes.

**SIXTH ORDER OF BUSINESS**

**Capital Improvements**

**A. Appointment of Financing Team**

**1. Bond Counsel**

Mr. Flint: Mike Williams is here. He submitted an Engagement Letter to serve as Bond Counsel for the District. Mike, did you want to add anything?

Mr. Williams: We serve as Bond Counsel for 150 to 200 CDDs. We worked, in the past, with all your team members. We appreciate the opportunity.

Mr. Flint: We need a motion to approve the Engagement Letter with Akerman, LLP to serve as Bond Counsel.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, appointing Akerman, LLP as Bond Counsel was approved.

**2. Interim Engineer**

Mr. Flint: Typically, because of the CCNA process, you would retain an engineer as Interim District Engineer. We have a standard agreement with their rates and charges attached, as Attachment A and a sample Work Authorization. The agreement allows for you to authorize work on an hourly basis, on a fixed fee agreement, or a time and material arrangement. Initially, it would be primarily a rate to attend meetings. We will go through the RFQ process and you will review the responses and retain the District Engineer.

Mr. Abel: Are we just approving the form of this agreement?

Mr. Flint: Yes.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, appointing Rey Malave of Dewberry, Inc. as the Interim Engineer, was approved.

**3. Underwriter**

Mr. Flint: You have an Engagement Letter with MBS Capital Markets to serve as the District's Investment Banker. Are you an Investment Banker or Underwriter?

Mr. Sealy: We would serve as Underwriter.

Mr. Flint: Brett Sealy is here with MBS.

Mr. Sealy: Thank you. I am a Managing Partner with MBS Capital Markets. My firm specializes in Special Tax District finance. Over the last five years, we have underwritten more

than \$2 billion in bonds in 200 separate transactions. Prior to that, we had 700 separate transactions, with our predecessor firm totaling over \$10 billion. We are proposing to serve as the District's Underwriter. The fee proposal that we included is a contingent fee. In essence, we don't get paid unless we deliver. The fee proposal is 2% of the principal amount of bonds to be issued. I would be happy to answer any questions.

Mr. Flint: Are there any questions for Brett? If not, we need a motion to approve the agreement.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, appointing MBS Capital Markets, LLC as the Underwriter, was approved.

**4. Assessment Administrator**

Mr. Flint: This item was handled under the GMS Agreement. No further action is necessary.

**5. Trustee**

Mr. Flint: You received a proposed agreement from U.S. Bank. The fees that are proposed are what we would typically see. I think they adjusted their fees down slightly, to be more competitive. I spoke with Brett about U.S. Bank and we believe that they would be the best one to provide Trustee services.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, appointing U.S. Bank as Trustee, was approved.

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

Mr. Flint: Most of the expenses, if not all of the expenses of the Financing Team will ultimately be paid out of the Cost of Issuance (COI) account, when you issue the bonds. In the event that we don't ultimately issue bonds, or the issuance is delayed for a period of time, typically, the District Engineer and District Counsel may require some compensation. Our agreement is if you don't issue bonds, we don't get paid, the Underwriter doesn't get paid and Bond Counsel doesn't get paid, but there are some expenses.

Mr. Abel: Is the \$76,180 the cap?



Mr. Flint: I don't think there's a cap.

Ms. Carpenter: I don't think there is. We generally charge for costs.

Mr. Abel: If you had to put an outside number to it, is it \$20,000, \$200,000 or \$2 million?

Ms. Carpenter: It's probably no more than \$20,000. I would think more like \$10,000 for what the District Engineer produces, and our costs to be incurred.

Mr. Malave: Some of the expenses that we incurred on the Engineer's Report that you already paid for will be reimbursed.

Mr. Flint: Are there any other questions? If not, we need a motion to approve the Funding Agreement.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, the Financing Team Funding Agreement was approved.
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## **SEVENTH ORDER OF BUSINESS**

### **Financing Matters**

Mr. Flint: When we put the agenda together, there was some question about whether we are going to impose master assessments on the entire project. At this point, we are not in the position to do that.

Mr. Clark: We are never going to do that. The question was if we were doing the master lien on the property.

Mr. Flint: That's what I meant. Maybe I misstated that.

Mr. Clark: Well I understood those to be two different things.

Mr. d'Adesky: The imposition of the master lien was what was being discussed. I think that was what George was referring to.

Mr. Clark: We can only ever assess property that Beachline South Residential owns. There are a couple of questions that need to be discussed between my partner and Keith, before we can answer that question.

Mr. Flint: I think we are going to defer action on the Assessment Methodology, the resolution declaring special assessments and the resolution setting the public hearing. I think that the Board wants to proceed with approving an Engineer's Report and the resolution dealing with the validation proceedings.

Ms. Carpenter: Correct.

Mr. Flint: We are going to deal with Items 7A and 7C and table Items 7B, 7D and 7E.

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

Mr. Flint: Rey handed out copies of the Engineer's Report.

Mr. Malave: We are talking about property located in Orange County, as described on Page 1 of the Engineer's Report, totaling 136.28 acres. It is a master planned residential community, located within the City Limits of Orlando. The breakdown of the land usage is shown on Table 1. It is distributed between stormwater residential land, roadways, Community Amenity Centers and open space. There's also an additional off-site roadway requirement of Dowden Road and that acreage is shown in the table. Table 2 shows the phasing summary. It is broken down into 10 villages, as delineated, with the number of units and acreage corresponding to the same. The total number of units for the project, at this point, is \$1,446 units of diversity, which is detailed in the type of product on Table 3. The District boundary is shown on the Legal Description, Exhibit B, and will serve this project as delineated in Section 3, which proposes the master project infrastructure, consisting of onsite public roadway improvements, water distribution and the sanitary sewer collection system including reuse lines. It will also pay for the off-site roadway improvement for Dowden Road, as required, a Community Center and Amenity Centers per villages, as an option. They are currently slated in here as potentially to be paid by the bonds, master stormwater management system, landscaping irrigation and hardscape in the common areas. Any conservation mitigation areas will be part of the project, as well as the underground electrical systems. The listing of who will own those, ultimately, after the CDD owns those facilities, is delineated in Table 4. The descriptions of the proposed infrastructure are shown in the following sections. On Page 3, the master stormwater system is described, with all of the ponds and lakes as shown. The total acreage is in Table 5. The description of the roadways is in Section 3.3. On Page 4, the water sanitary reuse is described in Section 3.4. Landscape irrigation of entry features in common areas is described in Section 3.5. The underground electrical is by OUC, and is described in Section 3.6. We also talk about the conservation and mitigation in Section 3.7. One of the things that I would like to state, as stated in Section 4, are the summary of costs shown in Table F at the end of the report. Those costs are based on general quantities and multiplied by unit costs that are typically for the industry in Central Florida. We believe that these costs are consistent with the proposed land development

within the area. I will open this up to any question that you might have. I didn't mention the permitting status. It does state where we are on the permitting and approvals process.

Mr. Flint: Are there any questions from the Board?

Ms. Carpenter: We looked at drafts and didn't have a lot of comments to make.

Mr. Clark: You put together a good report Rey.

Mr. Malave: Thank you!

Mr. Flint: We need a motion to approve the report.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the Engineer's Report, as presented, was approved.

**B. Consideration of Assessment Methodology**

This item was tabled.

**C. Consideration of Resolution 2017-18 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings**

Mr. Williams: This is the resolution to initiate the validation process under Chapters 190 and 75. It approves the bonds, a Master Trust Indenture, approving the Trustee, U.S. Bank and authorizing the validation. This resolution accomplishes those items, and I think it is important for the Board to approve this resolution, if you are so inclined.

Mr. Flint: Taking Rey's estimated construction cost of \$64,623,221, and sizing that for one year maximum annual debt, capitalized interest of 12 months, which is the most allowed by Statute, Underwriter's discount of 2% and the estimated COI, we recommend that you validate \$76,500,000. That's a ceiling for you. It's not saying that you are going to issue that much or placing any lien on the property. It's allowing us to go through the legal process of validating in the event that you issue bonds.

On MOTION by Mr. Abel, seconded by Mr. Franklin, with all in favor, Resolution 2017-18 Authorizing the Issuance of Bonds in the amount of \$76,500,000 and Authorizing the Commencement of Validation Proceedings, was adopted.

**D. Consideration of Resolution 2017-19 Declaring Special Assessments and Approval of Assessment Methodology**

This item was tabled.

**E. Consideration of Resolution 2017-20 Setting Public Hearing for Special Assessments**

This item was tabled.

Mr. Clark: When we table something, does that mean it is tabled to the next meeting?

Mr. Flint: We will bring the item back up when it needs to be discussed. If we are ready in July, we can put it back on the agenda.

Mr. Clark: We may be ready before then and I don't want to slow anything down.

Mr. Flint: We can schedule a special meeting, if the regular July meeting is not adequate.

Ms. Carpenter: I think there may be an intent to continue the meeting for two weeks from now, to deal with these issues. Instead of closing the meeting, we will continue it to a date certain. If we have the information, we can handle those items.

Mr. Clark: Then we don't have to re-advertise.

Mr. Flint: Correct.

Mr. Clark: Let's do that.

Mr. Flint: If we are not ready, we won't hold the meeting.

**EIGHTH ORDER OF BUSINESS**

**Other Business**

**A. Staff Reports**

**i. Attorney**

There not being any, the next item followed.

**ii. Manager**

There not being any, the next item followed.

**B. Supervisors Requests**

There not being any, the next item followed.

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

Mr. Flint: The purpose of this Funding Request, is be able to open the District's bank account, fund the liability and public officers insurance and legal advertising. A significant cost is associated with advertising all of these public hearings. The amount of the request is \$11,722.

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, Funding Request No. 1 in the amount of \$11,722 was approved.

**NINTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Abel, seconded by Mr. Clark, with all in favor, the meeting was recessed and continued to June 29, 2017 at 10:00 a.m.

  
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Secretary / Assistant Secretary

  
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Chairman / Vice Chairman