

MINUTES OF MEETING
DOWDEN WEST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dowden West Community Development District was held Thursday, July 19, 2018 at 9:00 a.m. in the offices of GMS-CF, LLC, 135 W. Central Boulevard, Suite 320, Orlando, Florida.

Present and constituting a quorum were:

Andrew Abel	Chairman
Keith Trace	Vice Chairman
Thomas Franklin	Assistant Secretary

Also present were:

George Flint	District Manger
Andrew d'Adesky	District Counsel
Bob Johnson	District Engineer by phone
Chuck Bell	Mattamy Homes
Justin Rowan	Underwriter

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the June 21, 2018 Meeting

On MOTION by Mr. Franklin seconded by Mr. Abel with all in favor the minutes of the June 21, 2018 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Public Hearing to Consider Resolution 2018-02 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations

Mr. Flint: This is a public hearing to consider adoption of the Fiscal Year 2019 budget.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the public hearing was opened.

Mr. Flint: For the record we will note there are no members of the public here to provide comment so we will bring it back to the Board.

You approved a proposed budget previously and set today as the date, place and time for final consideration of the Fiscal Year 2019 budget, which starts October 1, 2018. It contemplates the District will continue to operate under a developer funding agreement and at this point just has administrative costs and to the extent that operational costs come on between now and the next budget year we can amend this budget, but it would continue to be funded under a funding agreement. At this point I don't think it makes sense to impose assessments. You will do it as part of the bond issuance but if you do it for O&M then you are going to be obligated to pay whatever the budget is versus what the actual expenses are and likely you are going to be the one paying. Going into Fiscal Year 2020 you would probably impose assessments.

On MOTION by Mr. Franklin seconded by Mr. Abel with all in favor Resolution 2018-02 adopting the Fiscal Year 2019 budget was approved.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the public hearing was closed.

FIFTH ORDER OF BUSINESS

Consideration of Fiscal Year 2019 Developer Funding Agreement

Mr. Flint: Next is the mechanism to fund the budget that was just approved. It is a funding agreement between Dowden West Community Development District and Beachline South Residential, LLC. It is the same form of agreement that was approved for the current fiscal year.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the Fiscal Year 2019 developer funding agreement between the District and Beachline South Residential, LLC was approved.

SIXTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Supplemental Assessment Methodology Report

Mr. Flint: The first item under financing matters is listed as a Supplemental Assessment Methodology report, however, it is considered a Master Methodology just for what we are calling Assessment Area 1, which is phases 1, 2, and 3. We are defining an assessment area, we prepared a Master Methodology just for that assessment area and once the bonds are priced we will prepare a supplemental that would reflect the actual pricing and terms. We are working with Bobby Johnson, the District Engineer, who is on the phone. He has revised his Engineer's Report, he prepared an initial Master Engineer's Report which is over the entire District so his report for Assessment Area 1 is called a Supplemental Engineer's Report. For purposes of bond validation, the Engineer prepared a master report.

The report we provided you as far as the Master Assessment Methodology is dated today, July 19, 2018. There are a couple minor revisions that will need to be made to the text as a result of some changes to the Engineer's Report, but they don't impact the assessment amounts that are reflected in the report.

Table 1 is the development plan for what we are calling Assessment Area 1 and it is comprised of townhomes and three different single-family product types, a total of 487 units. We have assigned ERU factors to each one of those product types with the 50-foot single-family being 1 ERU and the other ones being scaled off of that so there is a total of 450 ERUs planned.

Table 2 shows the master improvements that were reflected in the master Engineer's Report that was previously approved. It shows the Series 2018 Project Phase 1, 2, and 3 and that \$27 million number will need to be revised as a result of the most recent version of the Engineer's report where Bobby had pulled out some costs and the balance to complete would be modified.

Table 3 is the bond sizing and we are basing it on \$23,914,000 you have a Debt Service Reserve of \$1.956 million, capitalized interest of 14 months, this would assume capitalizing interest through November 2019, Underwriters discount of 2% and an estimated cost of issuance of \$175,000. We have a par amount of \$28,440,000.

Table 4 is the allocation of benefit demonstrating the benefit received exceeds the amount of debt that would be placed. This is setting a cap, we don't believe we would ever actually issue the full amount as reflected here it just gives the Board the flexibility in the event you do.

We have the allocation of par debt per product type and Table 6 is the par debt and annual assessments for each project type.

We would ask that this be approved in substantial form understanding that we would make some adjustments to it based on the most recent Engineer's report. The per unit amounts reflected on Table 6 are caps; we don't believe we would issue debt that would result in a \$5,500 per year assessment.

Mr. d'Adesky: Typically what happens in the process is we will price then have the supplemental methodology drafted after the price and then we will have a finalization resolution that would come before the Board likely September 20th.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the Master Assessment Methodology report for Assessment Area 1 was approved in substantially final form.

B. Consideration of Resolution 2018-03 Declaring Special Assessments

Mr. d'Adesky: These are the two standard resolutions that we use to levy assessments on the property. First, we need to make a declaration then set a public hearing. They would need to be adopted in substantially final form subject to being in conformance with the methodology and the Engineer's Report as revised and updated. Importantly this is the process required by Chapter 190, Chapter 170 and Chapter 197 in order to levy assessments on the property. It is a determination that the benefits are going to accrue to the property within Assessment Area 1 as stipulated in the Engineer's Report and the Methodology. The numbers, which are important are on page 2 of Resolution 2018-03, those would change, the estimated cost of the CIP is \$25,198,908 and the bonds as set in the latest methodology would defray approximately \$28,440,000. Those numbers will change to be consistent with the methodology and Engineer's Report.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor Resolution 2018-03 was approved in substantially final form subject to being brought into conformance with the Methodology and Engineer's Report.

C. Consideration of Resolution 2018-04 Setting a Public Hearing for Special Assessments

Mr. d'Adesky: Resolution 2018-04 setting a public hearing, the only minor change to this is the heading and the body where it says, August 16th that will be changed to September 20, 2018.

We need 30 days in order to give proper notice of the meeting, therefore, August 16th is not going to work with this timeline. Given our proposed pricing deadline September 20th seems to work.

Mr. Rowan: I can't predict where interest rates will go so if we were to set a special meeting for the public hearing that would allow us to price the bonds basically two weeks prior to September 20th. If we keep the regularly scheduled September meeting this means we can't price until two weeks after that.

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor Resolution 2018-04 setting the public hearing for September 6, 2018 at 9:00 a.m. at the offices of GMS-CF was approved in substantially form.

D. Consideration of Resolution 2018-05 Bond Delegation

This item deferred.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We will be working on the bond documents, we already have initial drafts of the issuers documents and we should be able to generate them pretty quick.

B. Engineer

There being none, the next item followed.

C. Manager

i. Approval of Check Register

On MOTION by Mr. Abel seconded by Mr. Franklin with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Ratification of Funding Request no. 8

iv. Consideration of Funding Request no. 9

On MOTION by Mr. Abel seconded by Mr. Trace with all in favor funding request no. 8 was ratified and funding request no. 9 was approved.

v. Approval of Fiscal Year 2019 Meeting Schedule

Mr. Flint: We have the meeting schedule for the next Fiscal Year and it follows the same schedule, which is the third Thursday of each month at 9:00 a.m. in this location. We have every month listed but as you know, if there are no business items we can cancel them. This gives us the flexibility to meet if we need to.

On MOTION by Mr. Abel seconded by Mr. Trace with all in favor the regularly scheduled meetings for Fiscal Year 2019 will be held on the third Thursday of the month at 9:00 a.m. in the offices of GMS-CF, 135 W. Central Boulevard, Suite 320, Orlando, Florida.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS


Next Meeting Date

Mr. Flint: The next meeting date is August 16, 2018 and we will need to have the bond delegation resolution on that agenda.

On MOTION by Mr. Trace seconded by Mr. Abel with all in favor the meeting adjourned at 9:20 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman