

MINUTES OF MEETING

***HIGHLAND MEADOWS II COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS' MEETING***

Tuesday, December 20, 2016 at 9:41 a.m.

Offices of Cassidy Homes

346 East Central Ave.

Winter Haven, FL 33880.

Board Members present at roll call:

Andrew Rhinehart	Board Member
Lauren Schwenk	Board Member
Rennie Heath	Board Member
Scott Shapiro	Board Member

Also Present:

Jane Gaarlandt	Fishkind & Associates, Inc.	
Joe MacLaren	Fishkind & Associates, Inc.	(via phone)
Roy Van Wyk	Hopping Green & Sams, P.A.	(via phone)
Todd Amaden	District Engineer	(via phone)

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The meeting was called to order. The Board Members and staff in attendance are outlined above.

SECOND ORDER OF BUSINESS

Public Comment Period

There are no members of the public present.

THIRD ORDER OF BUSINESS

**Consideration of the Minutes of
the November 1, 2016 Board of
Supervisors' Meeting and
Landowners' Meeting**

The Board reviewed the minutes of the November 1, 2016 Board of Supervisors' Meeting and Landowners' Meeting.

On MOTION by Mr. Heath seconded by Mr. Rhinehart, with all in favor, the Board approved the Minutes of the November 1, 2016 Board of Supervisors' Meeting and Landowners' Meeting.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2017-04, Accepting District Engineer's Certificate of Completion, Assessment Area 3 Project (Phase 3)

The Board reviewed Resolution 2017-04.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Board adopted Resolution 2017-04, Accepting District Engineer's Certificate of Completion, Assessment Area 3 Project (Phase 3).

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2017-05, Accepting District Engineer's Certificate of Completion, Assessment Area 4A Project (Phase 4A)

The Board reviewed Resolution 2017-05.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Board approved Resolution 2017-05, Accepting District Engineer's Certificate of Completion Assessment Area 4A Project (Phase 4A)

SIXTH ORDER OF BUSINESS

Consideration of Supplemental Engineer's Report, Phases 4B, 4C, 5, and 6

Mr. Van Wyk noted that the Boundary Amendment is completed so areas 4B, 4C, 5 and 6 are now within the Boundaries of the District and the purpose of the Supplemental Engineer's Report is to estimate construction costs associated with those new phases. Mr. Amaden explained that he circulated a draft of the Supplemental Engineer's Report but it

is missing some permit dates that he requested from the Engineer. The total land area of the District is 277 acres. The Supplemental Report covers 4B & 4C together, Phase 5 and Phase 6 for a total of 608 lots. 4B and 4C has 199 lots and the estimated cost of \$4,009,850.00. Phase 5 improvements has 281 lots at an estimated cost of \$5,663,800.00. Phase 6 improvements has 128 lots and the estimated cost is \$2,967,000.00 for the total of \$12,640,650.00. Mr. Van Wyk asked Mr. Amaden of it is his opinion that those costs are reasonable for the types of work that are done in that area of the City and Mr. Amaden stated that they are. Mr. Van Wyk asked if they are based on knowledge of the previous projects and the cost that are related to those and Mr. Amaden answered that they are. Mr. Van Wyk asked if there were any questions with respect to the Engineer's Report. Mr. Shapiro commented that the development of the schedule might not be exactly how it is going to happen. Mr. Amaden answered that it might not be exact but that the District must have a bookmark for the schedule.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board approved the Supplemental Engineer's Report, Phases 4B, 4C, 5, and 6, as amended.

SEVENTH ORDER OF BUSINESS

Consideration of Master Assessment Methodology Report, Phases 4B/C, 5, and 6

Mr. MacLaren explained that Table 1 outlines the units that are planned for Phases 4B/C, 5, and 6. Table 2 outlines the cost of the public improvements for Phases 4B, 4C, 5, and 6. The first two tables represent the information found in the Engineer's Report. Table 3 outlines the estimates of the Bond sizing's that might be required to fund the Capital Improvement Plans for Phases 4B, 4C, 5, and 6. Table 4 outlines the maximum assessments for Phase 4B/C. Table 5 outlines the maximum assessments for Phase 5 and Table 6 outlines the maximum assessments for Phase 6.

On MOTION by Mr. Heath seconded by Ms. Schwenk, with all in favor, the Board approved the Master Assessment Methodology Report, Phases 4B/C, 5, and 6.

Mr. Shapiro noted that in the Engineer's Report Exhibit 1, the location map, it looks like there are two parcels left out of the shaded area. Mr. Van Wyk asked if the two 5 acre parcels are included in the legal description. Mr. Amaden responded that they are included in the legal description. Mr. Van Wyk requested that Exhibit 1 be updated and Mr. Amaden said that he would work it out right now.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2017-06, Declaring Special Assessments on Expansion Areas

Mr. Van Wyk stated that the Board just approved the Methodology and the Engineer's Report with the correction to Exhibit A. Mr. Van Wyk explained that with the adoption of Resolution 2017-06 the Board is making certain findings that the improvements are necessary for the District to be developed. The total estimated cost of the improvements will be filled in. The estimated financing related costs will be inserted in line 3. Mr. Van Wyk asked Mr. MacLaren if it is his opinion that the estimates placed on the property are equal to or less than the burden being placed on the property by the assessments and Mr. MacLaren confirmed that is correct. Mr. Van Wyk asked if it is his opinion that the assessments are fairly and reasonably apportioned across the various property types and the phases set forth in the Methodology Report and Mr. MacLaren confirmed it is correct. Mr. Van Wyk noted that the District will have an assessment plat on file and it is the copy of the Engineer's Report together with the Assessment Methodology Report which outlines the nature and the specifics of the improvement. The attempt of the District is to levy assessments that will be paid out in not more than 30 annual installments. There is a preliminary assessment roll attached to the Assessment Methodology Report. It is done on an acreage basis until there is platting and then it will be assigned to the number of units set forth in the tables. This resolution declares special assessments and allows the District to adopt a resolution following this one that will set the date and time of a public hearing on which the Board will sit and determine the manner in which the special assessments will be completed and the amounts that will be imposed against the various property types for the improvements that are outlined in the Engineer's Report and it adopts the Engineer's Report with the modified Exhibit 1 together with the Master Assessment Methodology Report for Phases 4B/C, 5, and 6.

On MOTION by Ms. Schwenk, seconded by Mr. Shapiro, with all in favor, the Board approved Resolution 2017-06, Declaring Special Assessments on Expansion Areas.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2017-07, Setting a Public Hearing on the Imposition of Special Assessments on the Expansion Areas

Mr. Van Wyk explained that this resolution sets a public hearing whereby the Landowner and property owners can come in and hear from the Board to discuss the amounts of the assessments and the improvements to be made as described in the Engineer's Report. Ms. Van Wyk asked Ms. Gaarlandt if she had a recommended date on which to hold the public hearing. Ms. Gaarlandt recommended January 19, 2017 at 9:30 a.m. at this location.

On MOTION by Mr. Heath, seconded by Mr. Shapiro, with all in favor, the Board approved Resolution 2017-07, Setting January 19, 2017 at 9:30 a.m. at this location as the Public Hearing Date on the Imposition of Special Assessments on the Expansion Area.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2017-08, Setting a Public Hearing on the District's Intent to Use the Uniform Method of Collection for the Expansion Areas

Mr. Van Wyk explained that one of the requirements of the Indenture is that the District uses the Uniform Method of Collection outlined in Section 197.362 of the Florida Statutes for the collection of special assessments. The resolution authorizes the use of the Tax Collector to collect the District's assessments going forward once the District has the platted lots and starts collecting the debt assessments on platted lots. This is the required resolution and public hearing to notify the landowners that it is the District's intent to use the Uniform Method of Collection of the Special Assessments once they are approved and lands are platted. Ms. Gaarlandt said that this notice needs to run 4 consecutive weeks. Mr. Van Wyk said that he thinks that the District can hold the public hearing on the same date as the other one or the District can delay it another month. Ms. Gaarlandt noted that the next regularly scheduled meeting is February 9, 2017.

On MOTION by Mr. Heath, seconded by Mr. Shapiro, with all in favor, the Board approved Resolution 2017-08, Setting February 9, 2017 at 9:00 a.m. at this location as the Public Hearing Date on the District's Intent to Use the Uniform Method of Collection for the Expansion Areas.

ELEVENTH ORDER OF BUSINESS

Consideration of Filing Notice of Boundary Amendment

Mr. Van Wyk explained that the District is required to file a Notice of Boundary Amendment. Mr. Van Wyk requested an authorization to file a Notice of Boundary Amendment.

On MOTION by Mr. Heath, seconded by Mr. Shapiro, with all in favor, the Board authorized Mr. Van Wyk to File a Notice of Boundary Amendment.

TWELFTH ORDER OF BUSINESS

Discussion Regarding Future Phases Construction

Mr. Van Wyk explained that the Developer may already have an existing Construction Contract that may need to be assigned to the District and whether the District should contemplate that assignment. Mr. Shapiro noted that the Developer bid out the work and is in the process of selecting the Site Contractor and once that is done and they have signed the Contract then the Developer can assign it to the District within the next 30 days. Mr. Shapiro said that they will do it at the next Board meeting which his January 19, 2017 and the Developer will have Mr. Van Wyk review the contract prior to the signature to make sure it meets the requirements of the District. Mr. Heath added that the District should have the contract put in the same format as if they did it through the CDD that way everything is covered. Mr. Van Wyk confirmed that they can do that too.

THIRTEENTH ORDER OF BUSINESS

Ratification of Payment Authorizations Nos. 97-101

The Board reviewed Payment Authorizations Nos. 97-101. They have all been previously approved. Ms. Schwenk noted that some of these have not been funded yet. Ms. Gaarlandt responded that the assessment payments start coming in end November till the beginning of the next year.

On MOTION by Ms. Schwenk, seconded by Mr. Shapiro, with all in favor, the Board ratified Payment Authorizations Nos. 97-101.

FOURTEENTH ORDER OF BUSINESS

Review of Monthly Financials

The Board reviewed the monthly financials. Mr. Shapiro asked Mr. MacLaren what was on the roll for this year because the cash is a little lower than he thought it would be for November. Ms. Schwenk noted Ms. Gaarlandt said that if the residents paid in November the cash does not come in until December. Mr. Shapiro asked if the Accounts Receivable due from the Developer were invoiced. Mr. MacLaren responded that he would look into it and get back to Mr. Shapiro. Mr. Shapiro noted that Ms. Schwenk had to fund some

invoices outside the Bonds because they ran out of money. Mr. Shapiro requested that Mr. MacLaren have Ms. Lane send a detailed Accounts Receivable to Ms. Schwenk. Mr. Shapiro noted that there are two Debt Service Fund accounts and two Assessment Receivables and asked Mr. MacLaren to clarify which phases they represent. There was no action required by the Board.

Mr. Shapiro mentioned to Mr. Van Wyk and Mr. MacLaren that the Board had discussed adopting an Amenity Policy at this meeting and then set a fee for outsiders to join. Mr. Van Wyk noted that District staff had not come up with a dollar amount yet and asked if someone from the public can use the Amenity Center. Ms. Schwenk responded that it is not yet open and the District does not have the CO. Mr. Shapiro asked that this be placed on the agenda for the next meeting. Mr. Van Wyk said that in order to adopt policies and go through the rule making process to set the rates the District is required to publish a 28-29 day notice and it must be published tomorrow or the following day at the latest. Mr. MacLaren said that they cannot get the notice published that quickly. Mr. Heath asked if they can hold a special meeting and Ms. Gaarlandt mentioned that the District can continue the January 19, 2017 meeting. Mr. Shapiro asked District staff to publish it when they can and if they need to continue the January meeting they can or hold the public hearing on the February 9, 2017 meeting. Mr. Shapiro noted that he will get back to the District Manager and District Counsel about this issue. Residents can use it but this is to set a rate and policies for non-residents to use the facility. Mr. Van Wyk requested a motion to authorize District staff to begin the rule making process and to have the Chair inform District staff what date the hearing should be set.

On MOTION by Mr. Shapiro, seconded by Mr. Rhinehart, with all in favor, the Board authorized District staff to begin the Rule Making Process and to allow staff to work with the Chairperson of the CDD to determine a date to hold the Public Hearing.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

District Counsel – No Report

District Engineer – No Report

District Manager – No Report

SIXTEENTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

There were no other questions or comments.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

There was no further business to discuss. Ms. Gaarlandt requested a motion to adjourn.

ON MOTION by Mr. Shapiro, seconded by Mr. Heath, with all in favor, the Board adjourned the Board of Supervisor's Meeting for the December 20, 2016 Highland Meadows II Community Development District.


Secretary / Assistant Secretary


Chairman / Vice Chairman