

MINUTES OF MEETING

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

Wednesday, September 20, 2017 at 10:10 a.m.

Offices of Cassidy Homes

346 East Central Ave.

Winter Haven, FL 33880.

Board Members present at roll call:

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| Joel Adams | Board Member | |
| Scott Shapiro | Board Member | |
| Rennie Heath | Board Member | |
| Andrew Rhinehart | Board Member | |
| Lauren Schwenk | Board Member | (via phone) |

Also Present:

| | | |
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| Roy Van Wyk | Hopping Green & Sams, P.A. | |
| Jennings Cooksey | Hopping Green & Sams, P.A. | |
| Joe MacLaren | Fishkind & Associates, Inc. | |
| Jane Gaarlandt | Fishkind & Associates, Inc. | |
| Kevin Plenzler | Fishkind & Associates, Inc. | |
| Bob Gang | Greenberg Traurig | (via phone) |
| Todd Amaden | Landmark Engineering | (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 were no public comments at this time.

THIRD ORDER OF BUSINESS

Consideration of the Minutes of the August 10, 2017 Board of Supervisors' Meeting and the August 16, 2017 Continued Board of Supervisors' Meeting

The Board reviewed the minutes of the August 10, 2017 Board of Supervisors' Meeting and the August 16, 2017 Continued Board of Supervisors' Meeting.

On MOTION by Mr. Heath, seconded by Mr. Adams, with all in favor, the Board approved the Minutes of the August 10, 2017 Board of Supervisors' Meeting and the August 16, 2017 Continued Board of Supervisors' Meeting.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2017-21, Supplemental Assessment Resolution (Phase 4B/C)

Mr. MacLaren stated that this is a Supplemental Assessment Resolution for the Bonds being issued for Phases 4B and 4C. Mr. Van Wyk explained that this resolution sets forth the specific terms of the Bonds that are being issued for Phase 4B and 4C. The par amount is \$3,950,000.00. The Board will be adopting a form of a Supplemental Engineer's Report for the 4B/C Project, setting forth the specific amount for the cost of the project. The Board will also be adopting a Master Assessment Methodology and Supplemental Assessment Methodology related to the specific Bond issue for 4B/C which is attached to the resolution in the agenda, and confirming the maximum amount of the assessment lien. Mr. Van Wyk asked Mr. Amaden, the District Engineer, if there were any changes to the Engineer's Report and Mr. Amaden answered that there are been no changes. Mr. Van Wyk asked if it is still his opinion that the costs are reasonable for the project to be constructed for 4B/C and he answered yes. Mr. Van Wyk asked of if it is his opinion that they still serve a valid and essential public purpose and Mr. Amaden answered that they do. Mr. Van Wyk asked Mr. MacLaren to run through the Assessment Methodology Report attached to the resolution. Mr. MacLaren reviewed the tables. Table 1 indicates that there are 199 lots planned for the District and the Capital Improvement Plan cost estimates in Table 2 total \$4,009,850.00. Table 3 shows that the District issued Bonds with a total par value of \$4,155,000 that raised approximately \$3,400,000.00 in CIP funds to go towards the \$4,009,850.00 CIP cost. The Bonds had a coupon rate of 5% requiring net annual Debt Service of \$259,098.00 and when Annual and Principle Assessments are apportioned equally among the units planned for the District it worked out to \$20,879.00 in Bond Principle per lot and an initial Gross Annual Assessment of \$1,400.00 per year. Mr. Van Wyk asked Mr. MacLaren if it is his opinion that the benefit received by the parcel is equal to or greater than the burden being placed on it by the assessments and Mr. MacLaren responded that it is. Mr. Van Wyk asked if it is his opinion that the assessments are fairly and reasonably apportioned across the product types within the District and Mr. MacLaren confirmed that it is. There were no questions from the Board. Mr. Van Wyk explained that attached to the resolution are also a number of exhibits that will be approved as well which include the Amortization Schedule, Sources and Uses Schedule, The Annual Debt Service and Maturities and Coupons. He noted that the Board will be authorizing the recording of an Assessment Notice and the

approval of a True-UP Process. There were no questions from the Board. Mr. Van Wyk requested a motion to approve Resolution 2017-21.

On MOTION by Mr. Adams, seconded by Mr. Heath, with all in favor, the Board approved Resolution 2017-21, Supplemental Assessment Resolution (Phase 4B/C).

FIFTH ORDER OF BUSINESS

**Ratification of Payment
Authorizations Nos. 131-133**

The Board reviewed Payment Authorizations Nos. 131-133.

On MOTION by Mr. Adams, seconded by Mr. Heath, with all in favor, the Board ratified Payment Authorizations Nos. 131-133

SIXTH ORDER OF BUSINESS

Review of Monthly Financials

The Board reviewed the monthly financials. Through the end of August, the District has \$317,000.00 in O & M expenditures versus a budget of \$324,000.00 so the District is slightly under budget. There was no action necessary by the Board.

SEVENTH ORDER OF BUSINESS

Staff Reports

District Counsel – Mr. Van Wyk noted that the Developer has approached him to have the District accept transfer of the common areas in several of the phases of the development. The first deed is for the Ridge at Highland Meadows, Tracks A-M. The second Deed is for 2 plats, the Reserve at Highland Meadows and the Grove at Highland Meadows which are Tracks A&B, and D-G at the Reserve and Tracks A-E at the Grove. Mr. Van Wyk requested to have the Board accept, subject to final paperwork.

On MOTION by Mr. Heath, seconded by Mr. Adams, with all in favor, the Board accepted transfer of the Common Area tracks as outlined by District Counsel, subject to Final Paperwork.

Mr. Van Wyk stated that once the District has transferred the tracks the Temporary Easement will be released. Mr. Shapiro noted that the Ridge is Phase 5, the Reserve is Phase 6, and the Grove is Phase 6A.

District Engineer – No Report

District Manager – Mr. Maclaren explained that the District must approve an Annual Meeting schedule and the District Manager proposed to continue the current schedule, which is the 2nd Thursday of the month at 9:00 a.m. at the current location. Mr. Maclaren requested approval of Resolution 2017-22.

On MOTION by Mr. Heath, seconded by Mr. Adams, with all in favor, the Board approved Resolution 2017-22, Approving FY 2017-2018 Meeting Schedule.

Mr. MacLaren explained that there was some sign damage in the community. ASAP did a survey and stated that there were 250 damaged or down signs and gave the District a proposal of \$5,000.00 to repair them all and secure them in concrete. Mr. MacLaren said that insurance does not cover that. Mr. Adams noted that he can get Mr. MacLaren the name of another Vendor. Mr. Maclaren asked the Board for approval of a not-to-exceed amount of \$5,000.00 for sign repair and replacement. Mr. MacLaren noted that Mr. Viasalyers will be going through the District today to verify that there are that many signs damaged.

On MOTION by Mr. Shapiro, seconded by Mr. Heath with all in favor, the Board approved a not-to-exceed amount of \$5,000.00 for Sign Repair and Replacement.

Mr. Adams asked Mr. MacLaren to send him the proposal and he will have it checked out as well.

EIGHTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Mr. Shapiro requested the Board's approval for Highland Meadows 5 & 6 to allow the District to do a redemption on the Bonds from the Construction Fund for excess funds. Mr. Van Wyk explained that he would need a Completion Letter from the Engineer in

order for the District to do a resolution declaring the project complete and send that to the Trustee; the Trustee would then release whatever monies that are in the Construction account and not held for additional costs and that money runs straight into the redemption. Mr. Van Wyk also noted that if there are significant funds then the District can re-amortize the Assessments but if not, the District would do the Bond redemption and then at the end there is a lesser payment than last year. Mr. Shapiro asked when the next Board Meeting is and Ms. Gaarlandt answered that it is October 12, 2017. Mr. MacLaren asked if the project will be complete by then to which Mr. Shapiro answered yes and that he needs to do it before the lots are transferred to the builders.

NINTH ORDER OF BUSINESS

Adjournment

There was no further business to discuss. Mr. MacLaren requested a motion to adjourn.

ON MOTION by Mr. Adams, seconded by Mr. Heath, with all in favor, the Board of Supervisor's for Highland Meadows II Community Development District adjourned the September 20, 2017 Board of Supervisors Meeting.


Secretary / Assistant Secretary


Chairman / Vice Chairman