

MINUTES OF MEETING
STOREY CREEK
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Board of Supervisors of the Storey Creek Community Development District was held Monday, October 7, 2019 at 12:30 p.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida 33896.

Present and constituting a quorum were:

Lane Register
Rob Bonin
Mike Lewellen

Vice Chairman
Assistant Secretary
Assistant Secretary

Also present were:

George Flint
Andrew d'Adesky
Steve Boyd

District Manager
District Counsel
District Engineer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll and a quorum was present.

Mr. Flint: For the record, I have administered the Oath to Mr. Lewellen prior to the meeting and I have that here to be notarized.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: No members of the public are present to provide comment.

THIRD ORDER OF BUSINESS

Approval of Minutes of the September 9, 2019 Meeting

Mr. Flint: Did the Board have any comments on those? Is there a motion to approve?

On MOTION by Mr. Register, seconded by Mr. Bonin, with all in favor, the Minutes of the September 9, 2019, were approved.

FOURTH ORDER OF BUSINESS

Public Hearing

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

A. Levying Assessments – Assessment Area 1**i. Consideration of Engineer's Report**

Mr. Flint: You have in your agenda the Engineer's Report prepared by the Interim District Engineer, Steve Boyd, and it's dated July 30, 2019. Do you want to summarize the report, Steve?

Mr. Boyd: Certainly, the Engineer's Report summarizes the overall development program, the entitlement status, and establishes any probable costs prepared by us. For the development of the entire project, it is broken down into Assessment Area 1 and Assessment Area 2.

Mr. Flint: Table 3 on page 5 shows the costs and those costs were used in the Assessment Methodology Report. Are both of these attached to the Resolution?

Mr. d'Adesky: Yes, the Methodology is attached to the Resolution, not the Engineer's Report. The Engineer's Report was previously approved as part of the prior Resolution.

Mr. Flint: And there's been no changes, Steve?

Mr. Boyd: No changes.

ii. Consideration of Master Assessment Methodology for Assessment Area 1

Mr. Flint: That's behind the next tab. It's dated August 5, 2019. This assumes it takes all of the eligible costs identified by the District Engineer for Assessment Area 1 and assumes that the District is going to finance 100% of those costs although we know that's likely not the case. This gives the Board maximum flexibility when you actually go out and price the bonds. If you turn to Table 1 on page 10, the development program indicates there's 536 equivalent residential units. Table 2 takes the infrastructure costs in the Engineer's Report of \$20,931,538. It shows the Capital Improvement Plan costs. Table 3 is a bond sizing, so based on the \$20.9 million in construction costs, we included debt service reserve of 1 years max annual debt, capitalized interest of 24 months, underwriters discount of 2%, and an estimated cost of issuance of \$220,000. Then we included a half million in contingency to round up to a par amount of \$27,500,000. It assumes a 6% interest rate and a 30 year amortization period. We know that when we go out and price the interest rate is likely going to be lower than the 6%. Again, we're putting a Master Assessment Levy in place and then when we actually go to price, we'll issue a Supplemental Assessment Methodology that will tie to the target assessments and the actual pricing. Table 4 shows the improvement costs per unit. Table 5 shows the par debt per unit.

Table 6 shows what the annual assessments would be if we funded all \$21 million in improvements. Again, when we actually go to price, we are going to be using target assessment levels that will be lower than this. Table 7 is the preliminary assessment roll.

iii. Public Comment and Testimony

Mr. Flint: We've indicated that there are no members of the public here.

iv. Consideration of Resolution 2020-01 Levying Assessments for Assessment Area 1

Mr. Flint: I'll let District Counsel introduce that Resolution.

Mr. d'Adesky: Resolution 2020-01 is a Levying resolution which actually goes ahead and puts it on the roll. Of course, once the bonds are issued we'll bring down the numbers to whatever the actual realistic numbers the bonds are priced at. This gives us maximum flexibility up to the amounts provided for in the Methodology and Engineer's Report. It confirms the Engineer's Report, approves the Final Methodology as presented by George, and provides for collection of those assessments. Once again, we went through the process, we noticed it properly, and we put out the affidavit that's required.

Mr. Flint: Validation, where are we on that?

Mr. d'Adesky: I can give an update on that. The hearing is on November 6th at 1:30 p.m. We have 30 minutes allocated with Judge Shriber. Good news is the state attorney has already said they are appearing telephonically which means they are not planning on questioning anybody. We've submitted affidavits from the engineer as well as from the manager. So, it is like prefiling a testimony, and we are satisfied with that. So, it should be noncontroversial. I would imagine that if they appear telephonically, they aren't going to bring up many issues. After we finish this assessment process today, I will probably have George do either a supplemental affidavit or some other filing showing we finished the assessment process. So, they have that on the record and that helps us in the future show that our assessments are valid going forward. That would be the last filing we'd make before the hearing. Once that validation is finalized, we have no appeal period of 30 days before we can issue bonds. I think Steve Sanford has been very proactive and already distributing bond documents way before we are issuing them.

Mr. Flint: You were planning on the November 4th Board Meeting to have the Delegation Resolution on that agenda which will delegate authority to the Chair and Vice Chair to complete

the documents necessary to actually close on the bonds. So, with the Delegation Resolution and once the no appeal period runs, then we'll be in a position to be able issue bonds in December. Back on the Resolution 2020-01, were there any questions from the Board on that Resolution? If not, is there a motion to approve it?

On MOTION by Mr. Register, seconded by Mr. Bonin, with all in favor, Resolution 2020-01 Levying Assessments for Assessment Area 1, was approved.

B. Levying Assessments – Assessment Area 2

i. Consideration of Engineer's Report

Mr. Flint: Again, I'll open the public hearing and note for the record there's no members of the public here to provide comment or testimony. We are using the same Engineer's Report as Assessment Area 1. That report delineates the cost for both Assessment areas in one report. So, that report will also be the backup for the Assessment Area 2.

Mr. d'Adesky: Just for the record, the Assessment Area 1 versus the 2 it is Phase 1 versus Phase 2. Correct, or are you guys phasing it slightly different?

Mr. Boyd: When you are referring to phases, you're talking about our development phases?

Mr. d'Adesky: Yeah.

Mr. Boyd: It does not correspond to that. Do you need to know what they are?

Mr. d'Adesky: No, I was just asking out of curiosity because a lot of times it doesn't line up legally with. You know, we'll name it an Assessment Area 1 and Assessment Area 2, but that doesn't necessarily line up with the developers.

Mr. Boyd: There is a nice geographic break between the two, so we do have that going for us.

Mr. Bonin: Is there a map that has where the line of Assessment 1 and 2 is?

Mr. Boyd: Yes.

Mr. Flint: It's one of the exhibits.

Mr. Boyd: Basically, everything west of right here.

Mr. d'Adesky: My question was meant to clarify whether they're correlated geographically or chronologically.

Mr. Boyd: It's geographically.

Mr. Flint: There's a separate legal description for each area.

Mr. Boyd: Phase 1, 2A, 2B, and phase 5 are all in Assessment Area 1.

Mr. d'Adesky: So, that pond, is that going to exist as it is there?

Mr. Boyd: No, the Assessment Area 2 map is slightly different and an update was done by Tom Daily. We may need to adjust the legal description on the assessment areas.

Mr. d'Adesky: Well, if we have to adjust the legal description then we have to go through the process again. That's the issue. If it's something that could be funded as part of one. I'm assuming you set the ceiling pretty high in terms of the numbers.

Mr. Flint: It's just the timing of the development.

Mr. Register: But this will affect the Assessment Area 2 not 1.

Mr. d'Adesky: Well, it says there's only 2 assessment areas.

Mr. Flint: If you are carving out lots that were previously in Assessment Area 1 and now they are in 2, this bond issue is only for Assessment Area 1.

Mr. Register: Yeah, but the lots were here.

Mr. Flint: Okay. So, how is the new different than what's in there?

Mr. Register: I'm regrettably just now seeing this for the first time on Friday. This is not how I expected or wanted for this to look. This pond grew without me I guess diving into the facts of that and lots got moved, shifted, show up somewhere else. I don't have any confirmation of that, so I'm not comfortable with this line, this pond, etc. As I sit here right now, how do we deal with this?

Mr. Flint: Well, we can continue the public hearing until we figure it out.

Mr. d'Adesky: How much time do you think you will need to look at that and feel comfortable with it? About a week?

Mr. Boyd: About a week.

Mr. d'Adesky: We can continue it in about two weeks then come back to it.

Mr. Lewellen: Do we host a special meeting?

Mr. Flint: Yes, to continue a meeting you don't have to advertise it. This report was attached to the Resolution when we sent the public hearing. So, it has been circulated.

Mr. d'Adesky: We can continue to meet in two weeks.

Mr. Flint: Do you want to do one week or two weeks?

Mr. Boyd: I think one week is not enough.

Mr. Flint: Do we want to go back and reconsider because they have approved the Assessment Area 1.

Mr. d'Adesky: Yeah, so let's take a vote to table that one too. Rescind the prior motion and table it.

Mr. Flint: So, you approved the resolution for Assessment Area 1, let's go back and consider a resolution to reconsider that vote and table that to the continued meeting. Is there a motion to that effect?

On MOTION by Mr. Register, seconded by Mr. Bonin, with all in favor, Reconsidering Resolution 2020-01 Levying Assessments for Assessment Area 1 and Tabling to the October 21, 2019 Continued Meeting, was approved.

ii. Consideration of Master Assessment Methodology for Assessments Area 2

iii. Public Comment and Testimony

iv. Consideration of Resolution 2020-02 Levying Assessments for Assessment Area 2

Mr. Flint: So, now we are on Assessment Area 2 and.

Mr. d'Adesky: We don't need to motion to table it.

Mr. Flint: Well, it's a public hearing so we do need to continue the public hearing. Then at the end we will continue the meeting. Is there a motion to continue the Assessment Area 2 Public Hearing? What date does the Board want? The 21st is two weeks at the same time.

On MOTION by Mr. Bonin, seconded by Mr. Register, with all in favor, Continuing the Assessment Area 2 Public Hearing to the October 21, 2019 Continued Meeting, was approved.

Mr. Flint: Both public hearings are continued until October 21st at 12:30.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: You've already heard what I said about the validation.

Mr. Flint: We have a little time if we have to redo the Assessments. It's going to impact them being validated, but it's not a legal requirement to validate the Assessments. It's not going

to hold up the financing because we still have the no appeal period and we should be able to get it redone before then if we need to.

B. Engineer

There being none, the next item followed.

C. District Manager's Report

i. Balance Sheet and Income Statement

Mr. Flint: You have the balance sheet and income statement. There's no action required, is there any questions?

ii. Ratification of Funding Request #3

Mr. Flint: This was submitted to the developer under the Funding Agreement totaling \$10,561.37. Any questions on that? If not, is there a motion to ratify it?

On MOTION by Mr. Register, seconded by Mr. Bonin, with all in favor, Ratification of Funding Request #3, was ratified.

SIXTH ORDER OF BUSINESS

Supervisor's Requests & Audience Comments

Mr. Flint: Anything else from the Board that you want to discuss?

SEVENTH ORDER OF BUSINESS

Adjournment

Mr. Flint: Is there a motion to continue to the Board meeting to October 21st at 12:30 in this location?

On MOTION by Mr. Register, seconded by Mr. Bonin, with all in favor, the Meeting was Continued to October 21, 2019 at 12:30 p.m. at the Oasis Club at ChampionsGate.


Secretary/Assistant Secretary


Chairman/Vice Chairman