

MINUTES OF MEETING
WINDWARD
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Windward Community Development District was held Wednesday, April 18, 2018 at 2:00 p.m. in the West Osceola Branch Library, 305 Campus Street, Kissimmee, Florida.

Present and constituting a quorum were:

John Kassik	Chairperson
Jimmy Clark	Vice Chairman
Walter Beeman	Assistant Secretary

Also Present were:

Jason Showe	District Manager
Andrew d'Adesky	District Counsel
Jeffery Grant	Poulos & Bennett
Justin Rowan	MBS Capital Markets
Brian Smith	GMS

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the March 21,
2018 Meeting**

On MOTION by Mr. Beeman seconded by Mr. Kassik with all in favor the minutes of the March 21, 2018 meeting were approved as presented.
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FOURTH ORDER OF BUSINESS

Financing Matters

A. Presentation of Supplemental Engineer's Report

Mr. Grant stated the report outlines the improvements that have been funded to date and the improvements that are under contract. The total amount of that is \$9,276,732.

Mr. d'Adesky stated the type of improvements are roadways, stormwater, reclaimed, potable, wastewater, landscape, hardscape, undergrounding of electric and professional fees.

Mr. Rowan asked does the \$9.3 million represent all the costs associated with Tracts C&D?

Mr. Grant stated yes.

Mr. Rowan asked are all of those completed improvements or of the \$9.3 million there is additional work to be completed?

Mr. Grant stated it is work that has been completed and work currently under contract but has not been constructed.

Mr. Rowan stated the bonds will finance a portion of that and acquire at that time improvements that have been completed to date at the time of the bond issuance.

B. Presentation of Supplemental Assessment Methodology

Mr. Showe stated the supplemental assessment methodology is in substantial form to what we did as the master. We made some changes to reflect the smaller bond issue as well as tying up some of the dollar amounts and product types. We go through the same assessment process and lay out the Phase 1 assessments, tie into the engineer's report, lay out what we expect the bonds to be issued and take that debt in annual amounts and lay out over the Phase 1 products, which is on Table 6 that shows the projected annual assessments.

Mr. Beeman stated the debt service is a little less on the 45s than on the 50s. Is that a conscious effort to make the 45s a little cheaper than the 50s?

Mr. Showe responded I will double check that. I think based on the developer recommendation the 50 was supposed to be a little higher.

Mr. Rowan stated I think the intent was all the single-family have the same assessment because the 45s and 50s were so close in size. You did point out something on the table that might be a typo, the net annual assessment and the gross should be correlated so there should be the same for the 45s and 50s.

Mr. Showe stated we will tighten those up.

Mr. Rowan stated for the record the 241 units represent the units planned within Tract C & D and that is how we will be sizing this first bond issuance. Initially the assessments will be levied

over all the property in the District and once the 241 lots are platted the assessments will attach to all of those lots.

Mr. Beeman asked are they going to be 30 year bonds?

Mr. Rowan stated the A1s will be 30 year bonds, the A2s will be pay down bonds, seven year bonds. They will be issued at the same time and ultimately by the time there are homeowners within all of Tract C & D the A2 will have been paid down.

Mr. Beeman stated I'm just curious, you are showing the interest rate for a seven year bond and 30 year bond the same.

Mr. Rowan over the past couple of years, historically there was a differential in the interest rate due to a shorter maturity on the A2 bonds but as the market has recovered since 2013 the way bond investors view the additional leverage today is that pretty much it is the same credit so both the A1s and A2s result in the same interest rate, which is a higher interest rate so there is no benefit today from having a shorter duration because the additional leverage is on the same lots.

Mr. d'Adesky stated we will bring back a finalization resolution to the Board to bring assessments in line with the price they are actually issued and along with that we will have a revised methodology with the actual numbers.

Mr. Rowan stated the numbers in here are represented for illustrated purposes and estimates but we will ultimately come back with the final pricing.

Mr. Beeman asked when are you looking at issuing?

Mr. Rowan stated I think at the direction from the developer the targeted bond issuance date is in June so after these reports are adopted in form today we will continue preparing the necessary documentation and getting ready for the bond issuance. At the May Board Meeting we intend to present a delegation resolution, which will approve an offering memorandum associated with the documents and trust indenture and approval of the pricing of the bonds within certain parameters. Our target will be to start marketing the bonds shortly after the May Board Meeting with anticipation of closing in conjunction with the June Board Meeting.

On MOTION by Mr. Beeman seconded by Mr. Clark with all in favor the Supplemental Engineer's Report and Supplemental Assessment Methodology Report were approved in substantial form subject to amendments as stated.

FIFTH ORDER OF BUSINESS

Consideration of Windward Irrigation Cost Sharing Agreement with HOA

Mr. Showe stated we discussed this agreement at the last meeting and had Counsel draft an agreement that lays out a method for us to split the costs with the HOA for their water usage. The CDD will get the bill and we will split that bill with the HOA and invoice them for their usage.

Mr. d’Adesky stated it is based on actual use not 50/50. It is a standard form cost sharing agreement.

On MOTION by Mr. Beeman seconded by Mr. Kassik with all in favor the irrigation cost sharing agreement with the HOA was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d’Adesky stated we will be working on the documents related to the bond issuance.

B. Engineer

There being none, the next item followed.

D. Manager

i. Balance Sheet and Income Statement

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

ii. Consideration of Funding Requests #6 - #8

On MOTION by Mr. Beeman seconded by Mr. Kassik with all in favor funding requests #6 – #8 were approved.

iii. Field Operations

Mr. Smith stated all the contractors are performing well.

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none,

On MOTION by Mr. Beeman seconded by Mr. Kassik with all in favor the meeting adjourned at 2:11 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman