

MINUTES OF MEETING
WINDWARD
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Windward Community Development District was held Wednesday, June 21, 2017 at 2:03 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
Jeremy Ickovic	Assistant Secretary
Walter Beeman	Assistant Secretary
Thomas Franklin	Assistant Secretary

Also Present were:

George Flint	District Manager
Jan Carpenter	District Counsel
David Kelly	District Engineer
Darrin Mossing, Jr.	GMS
Brett Sealy	MBS Capital Markets
Justin Allen	Developer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint 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

Organizational Matters

A. Administration of Oaths of Office to Newly Elected Supervisors

Mr. Flint being a notary public of the State of Florida administered the Oath of Office to the newly elected supervisors.

Mr. Flint stated you have all been provided the Form 1 Statement of Financial Interests that had to be filed within 30 days of being sworn in last time so you don't need to redo that as long as you have already filed that.

B. Consideration of Resolution 2017-21 Canvassing and Certifying the Results of the Landowners' Election

Mr. Flint stated next is Resolution 2017-21 this canvasses and certifies the results of the Landowner Election. The Board is sitting as the canvassing Board to certify the results of the Landowner Election that occurred just prior to the Board meeting. You have a resolution in your agenda and we would insert Mr. Kassik, Mr. Clark, Mr. Franklin, Mr. Beeman and Mr. Ickovic. One of the other four-year terms needs to be a two-year term. The landowner is still here, would you want to designate which of the three would have a two-year term. Mr. Ickovic will serve a two-year term. We will put Mr. Kassik and Mr. Clark serving four-year terms and Mr. Franklin, Mr. Beeman and Mr. Ickovic serving two-year terms.

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor Resolution 2017-21 was approved as outlined above.

C. Consideration of Resolution 2017-22 Electing Officers

Mr. Flint stated at the organizational meeting you elected officers and since you had a Landowner Election you need to do that again. Previously you designated Mr. Kassik as Chairman, Mr. Clark as Vice Chair, and the other three Board members as Assistant Secretaries, the District Treasurer, Ariel Lovera as Treasurer and myself as Secretary. If you chose to keep the same officers you can do that or if you want to make a change you can do that as well.

On MOTION by Mr. Franklin seconded by Mr. Ickovic with all in favor Resolution 2017-22 retaining the same officers was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the April 27, 2017 Meeting

On MOTION by Mr. Franklin seconded by Mr. Beeman with all in favor the minutes of the April 27, 2017 meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Public Hearings

A. Adopt Fiscal Year 2017 Budget

i. Consideration of Resolution 2017-23 Adopting the Fiscal Year 2017 Budget and Relating to the Annual Appropriations

Mr. Flint stated we have a series of public hearings and the first is to adopt the Fiscal Year 2017 budget, that is the current fiscal year because the District was created partway through the year and at the organizational meeting you adopted a resolution approving a proposed budget and set the May meeting for the public hearing. Since that was the only item on the agenda we advertised the public hearing for the budget for this meeting and I would ask District Counsel in Resolution 2017-23 to incorporate language ratifying the District manager's actions in advertising today for the public hearing.

Ms. Carpenter stated we will incorporate that and ask that the motion include that.

Mr. Flint stated you have the resolution and Exhibit A to the resolution is the form of the budget that you saw previously. The first column is a prorated budget amount for April through September and the second column is the Fiscal Year 2018 budget, which you are not considering today you are only considering the 2017 budget and it total \$47,838. The Board approved a funding agreement at the organizational meeting and that is the revenue source to fund the expenses that are reflected in the budget.

On MOTION by Mr. Franklin seconded by Mr. Beeman with all in favor Resolution 2017-23 was approved as amended to include language ratifying the District Manager's actions in advertising the public hearing for June 21, 2017.

B. Uniform Method of Collection

i. Consideration of Resolution 2017-24 Expressing the District's Intent to Utilize the Uniform Method of Collection

Mr. Flint stated next is a public hearing to consider a resolution allowing the District to utilize the uniform collection method, which is utilizing the tax bill as the method of collecting the debt and operating and maintenance assessments. At the organizational meeting you set today for that hearing and we ran notices in the paper four consecutive weeks and this resolution will be adopted and we will send it to the property appraiser and tax collector and the Department of Revenue and at the point the District is ready to impose assessments and collect

them on the tax bill you will have already gone through the legal process of using the tax bill. This is just allowing you to do it at a point in the future when you are ready.

On MOTION by Mr. Beeman seconded by Mr. Franklin with all in favor Resolution 2017-24 was approved.

Mr. Flint stated we will note for the public hearings there are no members of the public present to provide comment.

C. Rule Adoption

i. Consideration of Resolution 2017-25 Adopting Rules of Procedure

Mr. Flint stated the next public hearing is to consider adoption of the District's rules of procedure and this public hearing was set at your organizational meeting and you were provided a proposed set of District rules of procedure that requires two notices in the paper, which were run 28 and 29 days in advance of the public hearing today.

Ms. Carpenter stated we discussed them generally before it is the rules of procedure that incorporates some of the statutory requirements and if there is a bid protest how that would work and some timing specifics so if we have issues along the way we have policies and rules in place.

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

On MOTION by Mr. Beeman seconded by Mr. Franklin with all in favor Resolution 2017-25 was approved.

D. Special Assessments

i. Consideration of Engineer's Report

Mr. Flint stated next are items related to a public hearing to impose and levy assessments and the first item under this section is consideration of the Engineer's report. At the organizational meeting when we set the public hearing we provided a copy of this Engineer's report, David Kelly of Poulos & Bennett is here today and they prepared the report.

Mr. Kelly stated the Engineer's report includes estimates of costs of items included in the District's infrastructure, stormwater, roadways, utilities, etc. that are subject to District funding.

The totals we initially determined were \$22,712,000 for estimated capital improvements and the report includes assessment areas for those areas currently in the District.

On MOTION by Mr. Beeman seconded by Mr. Franklin with all in favor the Engineer's report was accepted.

ii. Consideration of Assessment Methodology Report

Mr. Flint stated we took the Engineer's report and prepared what is called a master assessment methodology. Table 1 shows that there are 455 planned units, there are 46 50-foot lots and we assume there is no significant difference in benefit between the lots so we are treating them as one equivalent residential unit. Table 2 is the infrastructure cost estimates that the Engineer prepared, the \$22,712,000. Table 3 is the bond sizing, we take the \$22,712,000 and gross that up for the required debt service reserve, which is one year max annual debt, capitalized interest, which for purposes of this we are using 12 months, underwriters' discount, which is 2% of par and cost of issuance we are assuming there are going to be two issues and rounding so the infrastructure cost is grossed up to \$26,880,000. Table 4 shows the improvement costs per unit. Table 5 shows the par debt per unit so after you gross it up, size it based on the various assumptions we included in Table 2 you can see where the par debt per unit is \$59,077. Table 6 shows the per unit net and gross debt service assessment would be if we were to fund all \$22 million we would have an annual per unit assessment of \$4,000. We know we are not going to do that and what we have here is the master methodology and once the bonds are actually priced we will issue a supplemental assessment methodology report and that supplemental report will be scaled down to the target per unit assessment that came out of the gross. This is for purposes of doing a master assessment we don't intend to issue this much debt and place this much on the units. We will come back once the issue is sized the Board will adopt a supplemental that will be tied to the target assessment. Once it is priced we will know the actual interest rate and then size it based on per unit amount. Table 7 is the preliminary assessment roll, which right now we are using legal descriptions of the boundaries of the District so that all 128 acres are included in the preliminary assessment roll.

On MOTION by Mr. Ickovic seconded by Mr. Kassik with all in favor the assessment methodology report was accepted.

iii. Public Comment and Testimony

There being none, the next item followed.

iv. Consideration of Resolution 2017-26 Levying Assessments

Ms. Carpenter stated Resolution 2017-26 is the actual levy of assessments.

On MOTION by Mr. Ickovic seconded by Mr. Franklin with all in favor Resolution 2017-26 was approved.

SIXTH ORDER OF BUSINESS

Ranking of Proposals for District Engineering Services and Selection of District Engineer

Mr. Flint stated item six is selection of the District Engineer. At the organizational meeting you appointed Poulos & Bennett as the interim District Engineer and then authorized staff to issue an RFQ for District Engineering services because it falls under the consultants competitive negotiation act. As a result of placing the notice in the newspaper we received one proposal from Poulos & Bennett and that was provided under separate cover to the Board. Per the District's rules if you receive less than three you have the ability to reject and rebid. Our recommendation, since Poulos & Bennett is familiar with the project and are currently serving as interim District Engineer, is that the Board considers retaining them as your District Engineer.

On MOTION by Mr. Beeman seconded by Mr. Franklin with all in favor Poulos & Bennett was retained as District Engineer.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Manager

i. Consideration of Funding Requests 2 and 3

Mr. Flint stated you have funding requests 2 and 3 and these are in your agenda. Per the developer funding agreement these will be transmitted to K. Hovnanian to be funded under that

funding agreement. You have the monthly management fees, District Counsel fees and two members of the Board receive compensation.

On MOTION by Mr. Franklin seconded by Mr. Beeman with all in favor funding requests 2 and 3 were approved.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Supervisors Requests

There being none,

On MOTION by Mr. Beeman seconded by Mr. Franklin with all in favor the meeting adjourned at 2:30 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman