

MINUTES OF MEETING  
WINDWARD  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Windward Community Development District was held Wednesday, September 16, 2020 at 2:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150, 20-179, 20-193 and 20-246 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020, July 30, 2020, August 7, 2020, and September 30, 2020 respectively, and any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

John Kassik	Chairperson
Jimmy Clark	Vice Chairman
Thomas Franklin	Assistant Secretary
Marvin Morris	Assistant Secretary
Leslie Peters	Assistant Secretary

Also present were:

Jason Showe	District Manager
Kristen Trucco	District Counsel
David Kelly	District Engineer
Justin Rowan	MBS Capital Markets
William Viasalyers	Field Manager

**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 August 19,  
2020 Meeting**

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the minutes of the August 19, 2020 meeting were approved as presented.

**FOURTH ORDER OF BUSINESS**

**Consideration of Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2020**

Mr. Showe stated this agreement is in line with what we signed with them earlier and the fee of \$4,200 was in the original agreement and budgeted.

On MOTION by Mr. Kassik seconded by Mr. Franklin with all in favor the engagement letter with Grau & Associates to perform the Fiscal Year 2020 audit in the amount of \$4,200 was approved.

**FIFTH ORDER OF BUSINESS**

**Financing Matters**

**A. Consideration of Supplemental Engineer's Report**

Mr. Kelly stated the Second Supplemental Engineer's Report for the 2020 project includes updates on where we are currently, what we have spent to date and includes future work for the expansion area and everything is spread out so you can see the estimated costs of all those items. There was a slight over estimation of costs originally assumed or calculated a few years ago and we are a little bit under those costs and are similar to contract costs we have today. However, some of the soft costs and landscaping haven't been determined so we allocated the overage to those categories.

**B. Consideration of Supplemental Assessment Methodology**

Mr. Showe stated we made some slight revisions to the methodology; we increased the size of it to match bond sizing capabilities. It is in the same form and takes the engineer's schedule of values and we compare that to the bond sizing and those bonds are allocated to each individual parcel in the new phases and the expansion phases. Although the expansion area is included those funds will be escrowed in the event the expansion doesn't get completed and will be refunded against the bonds.

**C. Consideration of Resolution 2020-11 Delegation Resolution**

Ms. Trucco stated 2020-11 is the delegation resolution for the 2020A Bonds, there is a not to exceed amount of \$14 million and it authorizes the Chairman and Vice Chairman to authorize the issuance of the 2020A Bonds. This is substantially the same as the delegation resolution that was used for the 2018 Bonds. We also have Justin Rowan, the underwriter, on the line and he can answer specific questions about the issuance of the bonds. This delegation resolution allows the Board to proceed with the sale of the bonds and using the bonds to fund the 2020 project in accordance with the Engineer's Report that was just approved.

Mr. Rowan stated within the resolution are some parameters regarding the pricing of the bonds. I believe the parameters include a not to exceed amount of \$14 million principal amount of bonds, the maximum statutory interest rate, a not to exceed maturity of 2052 and a call provision not to exceed 2033.

Mr. Morris asked what is the interest rate going to be?

Mr. Rowan stated the interest rate won't be determined until such time as we price the bonds so it is the last step in the financing process to approve all these forms of documents that will be used in conjunction with marketing the bonds. Also approving the pricing of the bonds within certain parameters, which allows us to go out and time the market and get the most advantageous pricing for the District. Deals today structured in a similar manner are pricing around 4.50% to 4.75%.

Mr. Morris asked are these bonds open to the general public or are they sent to specific dealers?

Mr. Rowan stated these bonds will be marketed to accredited investors and there are certain guidelines as to what that investor needs to have in order to purchase these bonds. The minimum denominations for the initial issuance are \$100,000 and \$5,000 denominations above that. We are limited to accredited institutional investors.

Mr. Morris stated there is no likelihood we will see these bonds listed on Fidelity.com.

Mr. Rowan stated typically the institutions we market these to are high yield, municipal bond funds. Perhaps one day if you were to look at the holdings of a particular bond fund, a publicly traded bond fund you might see that these bonds could fall within their holdings.

Ms. Trucco stated part of this delegation resolution is an acquisition agreement, we also have an amended acquisition agreement. It is an agreement between the District and the developer and amends the original acquisition agreement from the 2018 bonds and allows the developer to

complete construction and the improvements in accordance with the Engineer's Report prior to the bonds being issued. Once the bonds are issued the acquisition agreement sets forth a process for which the improvements can be conveyed to the District and the developer can be reimbursed using those funds.

Mr. Morris asked is the District acquiring some additional land?

Ms. Trucco stated there is an expansion going on now and that is part of this 2020 project.

Mr. Showe stated there is certain property that as part of these bonds the developer will be turning over to the District for operation and maintenance and this agreement lays out the parameters by which those common area properties get transferred from the developer to the District.

Mr. Morris asked does that mean there will be more homes than the original stated number?

Mr. Showe stated it is going to be pretty close to the original. I think most of the documents we did in 2018 contemplated the expansion of units.

Mr. Morris stated my understanding was there were going to be somewhere around 550 homes established in 2018. Is that number still pretty close or is it higher?

Mr. Rowan stated I think that is still accurate I think it is 553 and that includes the 86 duplex units that will be brought in with the expanded parcel.

Mr. Kelly stated 553 is the total.

Mr. Morris stated it is my understanding that 90% of those need to be sold before the HOA is turned over to the homeowners. Is that correct?

Mr. Kassik stated I would have to go into the HOA documents and check but off the top of my head I don't know the percentage. It is in the HOA declaration.

Mr. Franklin stated that is a standard percentage in most HOA docs. The developer usually stays in control because he is carrying some of the expenses.

Ms. Trucco stated Bond Counsel for the District had prepared the delegation resolution and this is also approving the bond purchase agreement and the preliminary offering memorandum, which we are reviewing with Bond Counsel currently. There are lots of parties with eyes on these documents reviewing them.

On MOTION by Mr. Franklin seconded by Mr. Morris with all in favor Resolution 2020-11 Delegation Resolution authorizing the issuance of the 2020A Bonds, the Supplemental Engineer’s Report, Supplemental Assessment Methodology, and Amended and Restated Acquisition Agreement, were approved.

**D. Consideration of Amended and Restated Acquisition Agreement**

This item was previously approved.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Trucco stated we are reviewing the documents with Bond Counsel and the underwriter to prepare for the 2020A Bonds being issued.

**B. Engineer**

Mr. Kelly stated we are focused on Phases 3B and 4A, 3B being the Spine Road going to the south and 4A is the parcel at Sand Hill Road and Old Lake Wilson Road. That is approximately 50% done with infrastructure. The remaining parcels are approximately 10% completed with some grading activities.

**D. Manager**

**i. Approval of Check Register**

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the check register was approved.

**ii. Balance Sheet and Income Statement**

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

**ii. Field Operations**

Mr. Viasalyers stated we are continuing to work with the vendor who was responsible for hitting the front guardhouse to get those repairs made. I’m waiting on feedback on when that will be completed.

We are waiting for the landscapers to get the plant material in and we are looking at early October before they get everything in and ready to go for the landscape enhancement proposal approved at the last meeting.

Staff is working to get prices to replace the two damaged sections of the sidewalk towards the back gate.

Mr. Morris stated as of yesterday most of the repairs have been done to the guardhouse. I think all they have to do is paint it.

**SEVENTH ORDER OF BUSINESS                      Other Business**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS                      Supervisor's Requests**

Mr. Morris stated I heard a rumor and I don't know if it is true that a letter is going to come from the CDD to homeowners who have lollipop trees in front of them, that we are going to have to remove them.

Mr. Showe stated I'm not aware of that.

Mr. Clark stated a couple of homeowners are trimming their trees like that and it will stunt the growth of the oak tree.

Mr. Franklin asked is that on the street trees or on a yard tree?

Mr. Clark stated street trees.

Mr. Franklin stated they shouldn't be doing that on street trees.

Mr. Showe stated the maintenance of that area in front of homes falls to the homeowners just as the area you cut between the sidewalk and curb.

Mr. Viasalyers stated it is homeowners not Down to Earth.

Mr. Showe stated I am not aware of any letter going out and we would lean towards the HOA since the homeowners would be responsible to maintain those areas.

Mr. Franklin stated the HOA probably has something in their documents that says something about trees and what you can and can't do. That is where I would look first.

Mr. Kassik stated I do want to let Marvin know that the HOA turnover is 90%.

On MOTION by Mr. Morris seconded by Mr. Franklin with all in favor the meeting adjourned at 2:27 p.m.



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Secretary/Assistant Secretary



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Chairman/Vice Chairman