

**MINUTES OF MEETING
EAST 547
COMMUNITY DEVELOPMENT DISTRICT**

The Organizational meeting of the Board of Supervisors of the East 547 Community Development District was held Thursday, **September 10, 2020** at 1:00 p.m. via Zoom Teleconference, pursuant to Executive Order 20-69, issued by Governor DeSantis, as amended and supplemented.

Present and constituting a quorum:

Rennie Heath	Chairman
Lauren Schwenk	Vice Chairman
Matthew Cassidy	Assistant Secretary
Patrick Marone	Assistant Secretary
Andrew Rhinehart	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Roy Van Wyk	Hopping Green & Sams
Ashton Bligh	Greenberg Traurig
Dennis Wood	Wood & Associates Engineering
Joel Adams	Highland Homes
Milton Andrade	Highland Homes

FIRST ORDER OF BUSINESS

Introduction

A. Call to Order

Ms. Burns called the meeting to order and called the roll. All five board members were present via Zoom teleconference constituting a quorum.

B. Public Comment Period

There were no members of the public present for the meeting.

C. Oath of Office

Ms. Burns stated for the record that the Supervisors were sworn in prior to the meeting including Mr. Heath, Ms. Schwenk, Mr. Marone, and Mr. Rhinehart. Mr. Cassidy was present, but he has not been sworn in yet so is unable to vote at this time.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Confirmation of Notice of Meeting

This meeting was advertised in the newspaper contemplating it would be a remote meeting through Zoom. The notice is included in the agenda package.

B. Information on Community Development Districts and Public Official Responsibilities and Florida Statutes Chapter 190

Ms. Burns stated that everybody on the Board is familiar with Community Development Districts so they will not cover it further. Questions can be directed to Ms. Burns or Mr. Van Wyk.

C. Election of Officers

1. Resolution 2020-01 Appointing Officers

Ms. Burns stated that a Chair, Vice Chair, and three supervisor who will act as Assistant Secretary need to be appointed. She asked that the Board appoint herself as Secretary and Mr. Flint as Assistant Secretary.

The Board came to a consensus that Mr. Heath will be Chair, Ms. Schwenk will be Vice Chair, and Mr. Cassidy, Mr. Marone, Mr. Rhinehart, and Mr. Flint will be Assistant Secretaries. Ms. Burns will be Secretary.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-01 Appointing Officers, Mr. Heath as Chairman, Ms. Schwenk as Vice Chairman, Mr. Cassidy, Mr. Marone, Mr. Rhinehart, and Mr. Flint as Assistant Secretaries, and Ms. Burns as Secretary, was approved.

2. Resolution 2020-02 Appointing Treasurer and Assistant Treasurer

Ms. Burns asks the Board to appoint Ariel Lovera as Treasurer and herself as Assistant Treasure.

On MOTION by Mr. Heath, seconded by Mr. Marone, with all in favor, Resolution 2020-02 Appointing Mr. Lovera as Treasurer and Ms. Burns as Assistant Treasurer, was approved.

THIRD ORDER OF BUSINESS Retention of District Staff

A. Consideration of Contract for District Management Services

i. Resolution 2020-03 Appointing District Manager

Ms. Burns reports that this resolution would appoint GMS as the District Manager. The agreement is included in the package and the fees can be found listed as Exhibit 'A' and they are standard fees for district management services. There were no questions on the agreement.

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, Resolution 2020-03 Appointing GMS as the District Manager, was approved.

B. Consideration of Agreement for District Counsel Services

i. Resolution 2020-04 Appointing District Counsel

Ms. Burns stated that this resolution will appoint Hopping, Green & Sams as District Counsel. Their fee agreement is attached to the resolution. There were no questions on the contract.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-04 Appointing Hopping, Green & Sams as District Counsel, was approved.

C. Consideration of Resolution 2020-05 Selection of Registered Agent and Office

Ms. Burns stated this would appoint Mr. Van Wyk as a registered agent and Hopping, Green & Sams office as the office location.

On MOTION by Mr. Rhinehart, seconded by Mr. Marone, with all in favor Resolution 2020-05 Selecting Mr. Van Wyk as the Registered Agent and Hopping Green & Sams as the Registered Office, was approved.

D. Consideration of Resolution 2020-06 Appointing Interim District Engineer

Ms. Burns stated this would appoint Wood & Associates Engineering as the Interim District Engineer. There are no questions.

On MOTION by Mr. Rhinehart, seconded by Mr. Marone, with all in favor, Resolution 2020-06 Appointing Wood & Associates Engineering as the Interim District Engineer, was approved.

E. Consideration of Interim District Engineering Agreement

Ms. Burns stated the fee schedule is also attached. Hearing no questions:

On MOTION by Mr. Heath, seconded by Mr. Marone, with all in favor, the Interim District Engineer Agreement, was approved.

F. Request Authorization to Issue RFQ for Engineering Services

Ms. Burns stated there is a need to go through the RFQ process in order to solicit proposals for a District Engineer as required by statute. She suggested the due date be October 15, 2020 at 12:00 p.m.

On MOTION by Mr. Heath, seconded by Mr. Marone, with all in favor, Authorization of Staff to Issue an RFQ for Engineering Services, was approved.

FOURTH ORDER OF BUSINESS

Designation of Meetings and Hearing Dates

A. Consideration of Resolution 2020-07 Designation of Regular Monthly Meeting Date, Time and Location for Fiscal Year 2021

Ms. Burns reports that there has been a discussion with other staff members to designate the best time for a meeting to be held at the office of Mr. Adams once in person meetings resume. Ms. Burns suggested the second Thursday of the month, at 1:30 p.m. at the Highland Homes offices.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-07 Designating the Regular Monthly Meeting Date for the Second Thursday of the Month at 1:30 p.m. at the offices of Highland Homes, was approved.

B. Designation of Date of Public Hearing to Adopt Rules of Procedure in accordance with Section 120.54, Florida Statutes

Ms. Burns reports that it would be beneficial to discuss dates to hold public hearings, timing wise, for notice provisions for the paper. A lot of them have a thirty day notice period.

i. Resolution 2020-08 Setting a Public Hearing to Consider the Proposed Rules of the District

a. Rules of Procedure

Ms. Burns noted that the soonest a meeting could be held is the last week of October or the November 12th meeting. Mr. Van Wyk recommended October 28 and stated that 11:00 a.m. would be best if there is a consensus among the Board. It was agreed that the meeting will be held October 28, 2020, at 11:00 a.m.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-08 Setting a Public Hearing to Consider the Proposed Rules of the District for October 28, 2020 at 11:00 a.m., at the offices of Highland Homes at 3020 South Florida Ave., Suite 101, Lakeland, FL 33803, was approved.

C. Designation of Dates of Public Hearing on the Budget for Fiscal Year 2021

1. Resolution 2020-09 Setting the Public Hearing and Approving the Proposed Budgets for Fiscal Years 2020/2021 Budget

Ms. Burns noted that they can make a sixty day notice and set this for the regular November 12th meeting. Ms. Burns asks for a motion to set the public hearing for November 12, 2020, at 1:30 p.m. at Mr. Adams’s office, 3020 South Florida Ave., Suite 101, Lakeland, FL 33803.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-08 Setting the Public Hearing for November 12, 2020 at 1:30 p.m. at the Offices of Highland Homes, 3020 S. Florida Ave., Suite 101, Lakeland, FL 33803, and Approving the Proposed Budgets for Fiscal Years 2020 & 2021, was approved.

2. Approval of the Fiscal Year 2020/2021 Developer Funding Agreement

Ms. Burns presented Developer Funding Agreement with Clayton Properties Group. The Board had no questions on the agreement.

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, the Fiscal Year 2020/2021 Budget Funding Agreement, was approved.

D. Resolution 2020-10 Setting Date of Public Hearing Expressing the District's Intent to Utilize the Uniform Method of Levying, Collecting and Enforcing Non-Ad-Valorem Assessments in accordance with Section 197.3632, Florida Statutes

Ms. Burns suggested that the meeting be held October 28, 2020 at 11:00 a.m.

On MOTION by Mr. Rhinehart, seconded by Mr. Marone, with all in favor, the Resolution 2020-10 Setting Date of Public Hearing for October 28, 2020 at 11:00 a.m., at the Offices of Highland Homes, 3020 S. Florida Ave., Suite 101, Lakeland, FL 33803, Expressing the District's Intent to Utilize the Uniform method of Levying, Collecting and Enforcing non-Ad-Valorem Assessments in accordance with Section 197.3632, Florida Statutes, was approved.

FIFTH ORDER OF BUSINESS

Other Organizational Matters

A. Resolution 2020-11 Designating a Qualified Public Depository

Ms. Burns states that generally SunTrust is used at all of the Districts. The Board had no objection to using SunTrust.

On MOTION by Mr. Marone, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-11 Designating SunTrust Bank as the District Depository, was approved.

B. Resolution 2020-12 Authorization of Bank Account Signatories

Ms. Burns asked that the signatories be herself and Mr. Flint.

On MOTION by Mr. Rhinehart, seconded by Ms. Schwenk, with all in favor, Resolution 2020-12 Authorizing George Flint and Jill Burns as Bank Account Signatories, was approved.

C. Consideration of Resolution 2020-13 Relating to Defense of Board Members

Ms. Burns noted that this resolution will allow the District to provide legal support to board members and staff outlined in the resolution when acting in their capacity as board members.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor Resolution 2020-13 Relating to Defense of Board Members, was approved.

D. Consideration of Resolution 2020-14 Ratifying the Recording of the “Notice of Establishment” in the Property Records of Polk County in accordance with Chapter 190.0485, Florida Statutes

1. Notice of Establishment

Ms. Burns reported that the Notice of Establishment has been filed and that it just needs to be ratified.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Resolution 2020-14 Authorizing District Counsel to Record in the Property Records of Polk County the Notice of Establishment in Accordance with Chapter 190.0485, Florida Statutes, was approved.

E. Consideration of Resolution 2020-15 Adopting Investment Guidelines

Ms. Burns states this would be adopting alternate investment guidelines. The District is required to adopt an investment policy and the four investment options are listed in the resolution.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-15 Adopting Alternative Investment Guidelines was approved.

F. Consideration of Resolution 2020-16 Authorizing Execution of Public Depositor Report

Ms. Burns reports that this authorizes the District Manager or Treasurer to file the report with the Treasurer of the State of Florida.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-16 Authorizing Execution of Public Depositor Report, was approved.

G. Consideration of Resolution 2020-17 Designating a Policy for Public Comment

Ms. Burns stated this sets forth guidelines and rules ability to govern public comment at public meetings.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-17 Designating a Policy for Public Comment, was approved.

H. Consideration of Resolution 2020-18 Adopting a Travel and Reimbursement Policy

Ms. Burns stated this policy is standard for travel reimbursement, rates, procedures, and limitations outlined in Florida law.

On MOTION by Mr. Rhinehart, seconded by Mr. Marone, with all in favor, Resolution 2020-18 Adopting a Travel and Reimbursement Policy, was approved.

I. Consideration of Resolution 2020-19 Adopting Prompt Payment Policy

Ms. Burns presented Resolution 2020-19 and noted that the District is required to submit timely payment to vendors and contractors and this policy outlines the terms that are attached as Exhibit A.

On MOTION by Mr. Rhinehart, seconded by Mr. Marone, with all in favor, Resolution 2020-19 Adopting Prompt Payment Policy, was approved.

J. Consideration of Resolution 2020-20 Adopting a Records Retention Policy

Ms. Burns stated that Resolution 2020-20 has a memo from District Counsel laying out two options. Ms. Burns recommends Option #1 which would allow the district to destroy records in a timely manner to be in compliance with State and Federal laws.

On MOTION by Mr. Heath, seconded by Mr. Marone, with all in favor Resolution 2020-20 Adopting Records Retention Policy Option #1, was approved.

K. Consideration of Compensation to Board Members

Ms. Burns brings the subject of Board compensation to matter and all Board members elect to be compensated.

L. Resolution 2020-21 Selecting District Records Office Within Polk County

Ms. Burns recommended they use the location of 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803 as the local records office.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor Resolution 2020-21 Selecting District Records Office Within Polk County as 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803, was approved.

M. Resolution 2020-22 Designating the Primary Administrative Office and Principal Headquarters of the District

Ms. Burns stated the primary Administrative Office would be her office, 219 East Livingston Street, Orlando, FL 32801. The principal headquarters that’s used to establish the venue in Polk County will be 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803.

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, Resolution 2020-22 Designating the Primary Administrative Office as 219 E. Livingston, Orlando, FL 32801 and the Principal Headquarters of the District as 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803, was approved.

N. Consideration of Website Design from Realign Web Design

Ms. Burns reported that this is with Realign Web Design. Realign did another district and the cost was \$1,750 to create a compliant website. She clarifies that Realign will do the one time site creation and then staff will keep it compliant moving forward

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Website Design from Realign Web Design, was approved.

O. Authorization to Prepare Public Facilities Report in Accordance with Chapter 189.08 Florida Statutes to Coincide with Special District Filing Date of August 1st for Polk County

Ms. Burns stated this will authorize staff to prepare a report.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Public Facilities Report in Accordance with Chapter 189.08 Florida Statutes to Coincide with Special District Filing Date in Polk County, was approved.

SIXTH ORDER OF BUSINESS

Capital Improvements

A. Appointment of the Financing Team

1. Bond Counsel

Ms. Burns reported that the first agreement in the package is for bond counsel from Greenburg Traurig and fees are included in this agreement.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Agreement with Greenburg Traurig to Serve as Bond Counsel, was approved.

2. Investment Banker

Ms. Burns presented the agreement with FMS Bonds for underwriting services. Ms. Burns stated their G17 Disclosure is also included in the agenda package for review. The underwriter gets paid out of an Underwriter's discount which is the indicated percentage associated with their fee.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Agreement with FMS Bonds, was approved.

3. Assessment Administrator

Ms. Burns stated the fees for this were outlined in the GMS contract that was approved so there is just a need to appoint GMS as the Assessment Administrator.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Appointment of GMS as Assessment Administrator, was approved.

4. Trustee

Ms. Burns stated they have an agreement from US Bank to serve as the Trustee. This was in line with what is seen in other districts.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Proposal from US Bank to Serve as the Trustee, was approved.

B. Approval of Financing Team Funding Agreement

Ms. Burns stated this agreement is with Clayton Properties Group, Inc. and agreed to fund the expenses related to the bond issuance.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Financing Team Funding Agreement, was approved.

SEVENTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Engineer's Report

Mr. Wood reviewed the Engineer's Report. The report is for approximately 122 acers and the project is located on the south side of county road 547. The plan is to have it implemented in two phases and the total number of lots is 509. Phase 1 has 261 and Phase 2 has 248 lots. The estimated cost for Phase 1 is \$5, 958,000 and the estimate for Phase 2 is \$5,494,450 making the total price \$11,452, 450. This includes all the infrastructure and the price was based on comparable bids that were received in the area.

Mr. Van Wyk asks, for the record, if the cost of those improvements is reasonable for the types of improvement that will be financed. Mr. Wood answered yes. Mr. Van Wyk asked if there was any reason why the improvements could not be constructed. Mr. Wood answered no. Mr. Van Wyk asked if all these improvements described in the report are necessary improvements for the benefit of the District. Mr. Wood answered yes.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Engineer's Report, was approved.

B. Consideration of Assessment Methodology

Ms. Burns stated the Methodology Report was included in the package and outlines the benefit that will be distributed to the properties in the District and this will be supplemented by one or more supplemental reports that will outline the actual terms of the bond. Table 1 outlines the assessable units and the ERUs per unit. All the lots are planned to be similar in size and product type and receive the same ERU. Table 2 outlines the Capital Improvement Plan costs. Table 3 has a bond sizing of \$15,000,000. Table 4 shows the improvement cost per unit of \$22,500. Table 5 shows the par dept per unit which is \$29,470 per platted lot. Table 6 outlines the net and gross annual debt assessments per unit, showing a net assessment of \$2,141 per unit on the 504 single family lots. Table 7 is the preliminary assessment roll that allocates the debt per acre for all parcels.

Mr. Van Wyk asks, for the record, if it is Ms. Burns' opinion that the benefit provided to the parcels and the units is equal to or greater than the burden placed on them by the assessments. Ms. Burns answered yes. He asked if it is her opinion that the assessment are fairly and reasonably apportioned across the products within the District. Ms. Burns answered yes.

On MOTION by Ms. Heath, seconded by Mr. Rhinehart, with all in favor, the Assessment Methodology, was approved.

C. Consideration of Resolution 2020-23 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings

Ms. Bligh noted that the Engineer's Report states approximately \$11.4 million will be necessary to construct the District and the assessment methodology considers the construction cost and financing costs to gross up to \$15 million. This resolution is the first step in the bond issuance process and is authorizing the issuance not to exceed \$17 million aggregate principle amount of special assessment bonds. The Board will be presented a delegation resolution with details describing a series of bonds when the District intends to issue. Chapter 190 requires any bond to be secured by a Trust Agreement. That is the Master Indenture which is the agreement between the District and the Trustee. Section 5 authorizes and approves the execution and delivery of the Master Indenture which is attached to the resolution. The projects related to the Districts Capital Improvement Plan described in the Master Engineer's Report are also described in the resolution in schedule one. Section 7, the District is appointing US Bank as the Trustee under the Trust Agreement. Chapter 75 requires any bonds maturing after five years to be validated. Section 8

authorizes and directs District counsel and bond counsel to the District to proceed with filing for validation.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-23 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings, was approved.

D. Consideration of Resolution 2020-24 Declaring Special Assessments and Approval of Assessment Methodology

Ms. Burns stated this will start the process for bond issuance. The District is stating that they are going to construct the improvements in the Engineer's Report and it is in the best interest of the District to pay for those improvements by issuing bonds.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Resolution 2020-24 Declaring Special Assessments and Approval of Assessment Methodology, was approved.

E. Consideration of Resolution 2020-25 Setting the Public Hearing for Special Assessments

Ms. Burns suggested that the public hearing be held on October 28, 2020 at 11:00 a.m. at 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-25 Setting the Public Hearing for Special Assessments on October 28, 2020 at 11:00, at 3020 S. Florida Avenue, Suite 101, Lakeland, FL 33803, was approved.

EIGHTH ORDER OF BUSINESS

Landowner's Election Documents

A. Consideration of Resolution 2020-26 Canvassing and Certifying the Results of the Landowner's Election

Ms. Burns reports that the Landowner's Election was held shortly after establishment and there was a need for approval that certifies the results of the election.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, Resolution 2020-26 Canvassing and Certifying the Results of the Landowner’s Election, was approved.

B. Approval of Minutes of the July 16, 2020 Landowner’s Meeting and Election

Ms. Burns stated that the minutes from the Landowner’s Election meeting can be found in the package. The Board had no changes to the minutes.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Minutes of the July 16, 2020 Landowner’s Meeting and Election, were approved.

NINTH ORDER OF BUSINESS

Other Business

A. Staff Reports

i. Attorney

Mr. Van Wyk reports that the validation complaint is ready to be filed ASAP

ii. Manager

There being none, the next item following.

B. Supervisors Requests

There being none, the next item followed.

C. Approval of Funding Request No. 1

Ms. Burns adds that she needs approval of Funding Request No.1. The total amount is \$20,000 and these are funds to open the account, pay for the insurance, and pay for all the legal advertising costs for the assessment hearings. The funding request should be directed to Mr. Adams.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Funding Request No. 1 for \$20,000, was approved.

TENTH ORDER OF BUSINESS

Adjournment

September 10, 2020

East 547 CDD

Ms. Burns adjourned the meeting at 3:11 p.m.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman