

MINUTES OF MEETING  
SANDMINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT

The Regular meeting of the Board of Supervisors of the Sandmine Road Community Development District was held Thursday, August 20, 2020 at 2:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150 and 20-179 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020 and July 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:

Wesley Hunt	Chairman
Aaron Struckmeyer	Vice Chairman
Eric Baker	Assistant Secretary
Amy Steiger	Assistant Secretary
Chris Wrenn	Assistant Secretary

Also present were:

George Flint	District Manager
Tucker Mackie	District Counsel
Emma Gregory	District Counsel
Broc Althafer	District Engineer

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order and called the roll. Three Board Members were present via Zoom teleconference constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint recognized that no public was present via Zoom, only Board Members and staff were in attendance.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the July 16, 2020 Meeting and Acceptance of Minutes of the May 21, 2020 Landowner's Meeting**

Mr. Flint asked if the Board had any comments or corrections to the July 16, 2020 Board meeting or May 21, 2020 Landowner's meeting minutes. The Board had no changes to either set of minutes.

On MOTION by Mr. Hunt, seconded by Mr. Baker, with all in favor, Acceptance of the May 21, 2020 Landowner's Meeting and the Minutes of the July 16<sup>th</sup>, 2020 meeting, were approved.

*\*Mr. Aaron Struckmeyer joined the meeting at this time.*

#### **FOURTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2020-35 Setting Forth the Specific Terms of the District's Special Assessment Revenue Bonds, Series 2020**

Mr. Flint stated that this resolution is adopted after the bonds have been priced to incorporate the final terms of the bond issuance.

Ms. Mackie reminded the Board that they previously approved all documents necessary in order to close on the issuance of the Series 2020 bonds. A methodology was presented that contemplated certain terms of the bonds that were expected given what the underwriter was projecting before going to price. After the bonds are priced, the methodology is tailored to the actual terms of the bond issuance. Ms. Mackie noted in this case they were able to identify the actual amount of the par being issued in the interest rate which would then have an effect on the ultimate assessment that is certified for collection at the necessary time.

Ms. Mackie reviewed the resolution quickly stating that Section 2 makes certain findings relative to the District's Capital Improvement Plan and the approval of a Supplemental Assessment Methodology report. Section 3 t sets forth the specific terms of the bonds as identified in the exhibits attached to the resolution. Section 4 levies and allocates the Series 2020 assessments in accordance with the methodology prepared by GMS. Ms. Mackie noted that following the adoption of the resolution, in conjunction with the bond closing, they will be recording a series notice for the 2020 assessments in the public record. That would be in addition to the notice of assessments that was previously approved by the Board in connection with the levy of the Master Assessments. Ms. Mackie offered to answer any questions that the Board might have.

*\*Mr. Chris Wrenn joined the meeting at this time. All 5 Board Members were present via Zoom.*

Mr. Flint explained one of the exhibits of the resolution is the final version of the Supplemental Assessment Methodology. As Ms. Mackie indicated, it incorporates the final terms of the bond issue. Page 11 shows the final bond sizing as a result of the pricing. Mr. Flint stated the average coupon rate is 3.66%. He noted that is very favorable. Mr. Flint stated that \$6,004,567 was generated in construction funds. Mr. Flint asked for any questions, the Board had none.

On MOTION by Mr. Hunt, seconded by Mr. Struckmeyer, with all in favor, Resolution 2020-35 Setting Forth the Specific Terms of the District's Special Assessment Revenue Bonds, Series 2020, was approved.

#### **FIFTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2020-36 Debt Service Assessment Collection**

Ms. Mackie explained some of the terms of the bonds, one of which is a period of time in which the District has Capitalized Interest Payments. She noted that they have capitalized interest through May 1<sup>st</sup> of 2021 which would necessitate an interest payment on November 1, 2021. That means that the District needs to go ahead in the current fiscal year and collect assessments that would be necessary to generate the funds to pay the November 1, 2021 payment as the District will not start receiving assessments for Fiscal Year 21/22 until after the time in which that payment needs to be paid. The purpose of Resolution 2020-36 is to certify the debt service assessment needed for collection this year to make that payment. She noted there is not the availability this year to access the uniform method. She noted that is a method the District will take advantage of in the future to certify both debt and Operations & Maintenance assessments for collection on the tax roll. So, rather they will be directly collecting the assessments from Pulte the landowner directly. One benefit is you do not have to pay the gross up for collection costs associated with the county. She stated by approval of Resolution 2020-36 and the subsequent Direct Collect Agreement, that would allow the District to move forward.

Mr. Flint asked if the agreement was an exhibit to the resolution or if it needs to be approved separate. Ms. Mackie stated it was not attached and would need to be approved separately. Mr. Flint asked for any questions on the resolution. The Board had no questions.

On MOTION by Mr. Hunt, seconded by Mr. Struckmeyer, with all in favor, Consideration of Resolution 2020-36 Debt Service Assessment Collection, was approved.

## **SIXTH ORDER OF BUSINESS**

### **Consideration of Agreement with Pulte Home Company, LLC for Direct Collection of Fiscal Year 2021 Debt Service Assessments**

Mr. Flint stated this is the agreement that Ms. Mackie just referenced between Pulte and the District regarding the direct billing because of the fact that the formation of the District and issuance of the bonds does not allow us to use the uniform collection method so it will be direct billing Pulte for the O&M and the debt. This agreement formalizes that arrangement. This agreement is subject to review from Pulte if the Board approves it. Mr. Flint noted this is probably in a form that is consistent with what Pulte has seen in other Districts.

Ms. Mackie confirmed that it is. For reference, it is the exact agreement that was approved at one point in time for Windsor at Westside. The Board had no questions on the agreement.

On MOTION by Mr. Struckmeyer, seconded by Mr. Hunt, with all in favor, the Agreement with Pulte Home Company, LLC for Direct Collection of Fiscal Year 2021 Debt Service Assessments, was approved.

## **SEVENTH ORDER OF BUSINESS**

### **Consideration of Agreement with Osceola Engineering, Inc. for Professional Engineering Services**

Mr. Flint stated the Board engaged Osceola Engineering as the interim District Engineer at the Organizational meeting. He noted the Board also authorized the issuance of an RFQ for Engineering services pursuant to the CCNA Act. Mr. Flint noted that it was issued, and one response was received from Osceola Engineering. The Board selected them as the District Engineer and this agreement is bringing it back to the Board to engage them as District Engineer.

On MOTION by Mr. Struckmeyer, seconded by Mr. Hunt, with all in favor, the Agreement with Osceola Engineering, Inc. for Professional Engineering Services, was approved.

**EIGHTH ORDER OF BUSINESS****Appointment of Audit Committee and Chairman**

Mr. Flint explained that the District as a government entity is required to have an annual independent audit performed. The process the District has to follow to select an auditor includes appointment of an Audit Committee. The committee's sole responsibility is to approve the form of the notice and the selection criteria and then reviewing the responses, ranking those in accordance with the criteria, and then making a recommendation to the Board.

Mr. Flint stated it is typically recommended that the Board appoint themselves as the Audit Committee and one of the Board Members as the Chair. He noted the Board isn't obligated to do that. There was a recent legislative change that requires at least 2 Board Members to be on the committee. Mr. Flint stated he did suggest a motion to designate the Board as the Audit Committee and Board Member to be to be the Chair.

Mr. Flint stated that immediately after the Board meeting there will be a short Audit Committee meeting where the RFQ and the notice will be approved.

On MOTION by Mr. Hunt, seconded by Mr. Struckmeyer, with all in favor, Appointing the Board as the Audit Committee and Appointing Mr. Hunt as the Chairman of the Audit Committee, was approved.

**NINTH ORDER OF BUSINESS****Staff Reports****A. Attorney**

Ms. Mackie reviewed the Disclosure of Public Finance and Maintenance of Improvements to Real Property. Following a District's bond issuance this document is required to be recorded in the public record that provides certain information, mainly to those purchasing property within the District about the District and any financings that have been undertaken by the District. She stated that given closing of the 2020 bonds at the end of the month, and more importantly understanding that Pulte is going to be closing on lots within the month of September, Ms. Mackie went ahead and expedited preparation of the documents. She wanted to get it in front of the Board so that review and comment could be provided. Pulte will also be providing review and comment. This allows, subsequent to the 31<sup>st</sup>, that the document can be recorded in addition to the notices of Special Assessment. Ms. Mackie noted the document will continue to be updated as subsequent issuances are done on behalf of the District and if anything changes in the future.

Mr. Flint stated the Disclosure of Public Financing document briefly describes what the District is, how it's governed, what it has financed, what it is responsible for, etc. The detail about the infrastructure is all taken from the Engineer's Report. It also describes the assessment fees and charges, so that anyone buying property within the District this document will come up in their title search. They can't say they didn't know they were buying property within a CDD or didn't know it was subject to assessments. Mr. Flint asked Mrs. Mackie if she wanted the Board to approve it in substantial form. Ms. Mackie replied approval in substantial form would be great.

On MOTION by Mr. Hunt, seconded by Mr. Wren, with all in favor, the Disclosure of Public Financing, was approved.

Ms. Mackie stated as the heading of the document indicates it is Exhibit 'F' to the Arbitrage and Tax Certificate that the District is required to execute at closing on the bonds. This is a requirement within the last 5 to 6 years from Bond Counsel's perspective to make sure that the District has documented written policies and procedures regarding their continuing obligation to monitor on going compliance with tax requirements that allow these bonds to be tax exempt. In connection with the closing, the Chair will execute the certificate but preference would be for the Board to approve the written policies and procedures. While the Chair executes this document, District staff assists with making sure that the District is in compliance with then various bullets listed. Staff will complete adequate checks and make sure that requisitions as processed meet the standard necessary to continue to provide documentation that the District is in compliance with these obligations. Ms. Mackie asked for any questions. She noted they are looking for a motion to approve the tax exempt bond written policies and procedures.

On MOTION by Mr. Hunt, seconded by Mr. Struckmeyer, with all in favor, the Tax Exempt Bond Written Policies and Procedures, was approved.

## **B. Engineer**

Mr. Althafer stated they were working through the acquisition check list that Ms. Mackie sent out. Mr. Flint stated that they are working toward submitting Requisition #1 at the time of closing. Ms. Mackie noted the dollar amount was just below \$3.6. Mr. Flint stated about \$600,000 of that is being held but the remainder would be on the initial requisition. The balance of the \$6

million in the construction account would be taken down in a future requisition once infrastructure is completed in that assessment area.

**C. District Manager's Report.**

**i. Balance Sheet and Income Statement**

Mr. Flint presented the unaudited financials through July. There was no action required.

**ii. Consideration of FY20 Funding Request #5**

Mr. Flint stated that for Funding Request #5, in lieu of closing assessments the District is operating under a funding agreement with Pulte. The Board had no questions on the funding request.

On MOTION by Mr. Struckmeyer, seconded by Mr. Hunt, with all in favor, FY20 Funding Request No. 5, was approved.

**TENTH ORDER OF BUSINESS**

**Other Business**

Mr. Flint asked for any other comments. There being none, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Supervisors Request**

There being none, the next item followed.

**TWELTH ORDER OF BUSINESSES**

**Adjournment**

Mr. Flint adjourned the meeting.

On MOTION by Mr. Wrenn, seconded by Mr. Struckmeyer, with all in favor, the meeting was adjourned.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman