

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, October 20, 2022 at 2:00 p.m. at 1115 Aloha Blvd, Davenport, Florida.

Present and constituting a quorum were:

Amy Steiger	Assistant Secretary
Sean Bailey	Assistant Secretary
Chris Wrenn	Assistant Secretary

Also present were:

George Flint	District Manager
Andy Hatton	Field Manager
Broc Althafer	District Engineer
Ryan Dugan	District Counsel
Valeria Lescano	Pulte

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll. Three Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint stated that there were no members of the public present.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the August 25,
2022 Meeting**

Mr. Flint asked if the Board had any comments or corrections to the August 25, 2022 meeting minutes. The Board had no changes.

On MOTION by Ms. Steiger, seconded by Mr. Wrenn, with all in favor, the Minutes of the August 25, 2022 Board Meeting, were approved as presented.

FOURTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Resolution 2023-01 Finalizing Assessments

Mr. Dugan stated that during the last Board meeting the Board authorized the sale of bonds under certain parameters to fund the Phase 3 improvements. He noted that since the last Board meeting the bonds were sold within those parameters. He stated that the resolution before them today would finalize the assessments that were repaying the bonds based on the final terms of the bonds. He added that the resolution also approved the revised Engineer's Report and the Supplemental Assessment Methodology, which were attached to the resolution as exhibits 'A' and 'B.' He noted that at the last meeting the Board approved the Engineer's Report used to determine the cost of the improvements as well as an assessment methodology used to allocate those cost. He explained that they had approved those initial reports at the last meeting and that these reports today updated those previously adopted reports based on the final terms of the bonds. He further explained that the main purpose was to finalize the assessments. He stated that he was happy to answer any questions.

Mr. Flint explained that they prepared a Supplemental Assessment Methodology for purposes of marketing the bonds. Then once the bonds were priced and the final terms were decided, the report would be updated for the actual interest rate in terms. He further explained that table 3 reflected the final terms. He added that the average coupon was 5.91%, 30 years amortization, no capitalized interest, 50% max annual debt service, and the 2% underwriter's discount. He noted that there was a construction fund of \$2,293,000 resulting from the bond issue. Mr. Wrenn asked if those terms were set. Mr. Flint responded yes they were and the Bond Purchase Agreement was signed about three weeks ago. He stated that they had delayed the actual closing because District counsel required a Board meeting between pricing and closing to finalize the assessments. He noted that the closing was scheduled for the 26th.

On MOTION by Mr. Wrenn, seconded by Mr. Bailey, with all in favor, Resolution 2023-01 Finalizing Assessments, was approved.

B. Consideration of Notice of Series 2022 Special Assessments

Mr. Dugan stated that this was similar to the process that they just went through with the resolution for the assessments. He explained that they posted a public notice of their attempt to levy these assessments on the benefit of lots. He added that this notice would come back through and provide the recorded public notice on the lands that the assessments were actually being levied.

On MOTION by Mr. Wrenn, seconded by Ms. Steiger, with all in favor, Authorizing District Staff to Record the Notice of Series 2022 Special Assessments, was approved.

C. Consideration of Acquisition Agreement with Pulte Home Company, LLC

Mr. Flint stated that this was an agreement between the District and Pulte that allowed Pulte to be paid and allowed the District to acquire improvements that were identified in the engineer's report. He stated that the form of the acquisition agreement was the same that they saw on the first two bond issues.

On MOTION by Mr. Wrenn, seconded by Mr. Bailey, with all in favor, the Acquisition Agreement with Pulte Home Company, LLC, was approved.

D. Continued of Amended and Restated Disclosure of Public Financing

Mr. Flint stated that they were required to take proactive steps in disclosing the financing to current and future owners of land within the District. He noted that there was a disclosure of public financing that was in the agenda, and it had been revised to now incorporate the Phase 3 bond issue so that when anyone purchased a home or land within the District during title work, this disclosure would come up and explain what a CDD was, what it's financed, what the annual debt service assessment was, etc.

On MOTION by Mr. Wrenn, seconded by Ms. Steiger, with all in favor, the Amended and Restated Disclosure of Public Financing, was approved.

FIFTH ORDER OF BUSINESS

Ratification of Proposal for Pond Discing

Mr. Flint noted that he had a proposal from Toole's Tractor Services and H2O Weed Control for discing of the dry ponds bimonthly at a cost of \$1,350. He stated that for the dry ponds to properly function and be maintained, they needed to be periodically disced. He noted that this was not the landscape contractor that the District used because they were not equipped to do the discing. He added that it was actually being done by the HOA and because the ponds were CDD ponds and the responsibility of the CDD, they had reached out to the contractor that was doing this previously and asked for a proposal. He stated that they were able to negotiate the price down a little bit.

On MOTION by Mr. Wrenn, seconded by Mr. Bailey, with all in favor, the Proposal for Pond Discing, was ratified.

Mr. Wrenn asked where this would manifest in their budget moving forward. Mr. Flint responded that it would be in the landscape maintenance line item. He added that they would have money in there this year because landscaping would not come on for a full year, so there would be room in that budget. He explained that in future years, there would likely be an increase in that line item.

SIXTH ORDER OF BUSINESS

Consideration of Fiscal Year 2022 Audit Engagement Letter from Berger, Toombs, Elam, Gaines & Frank

Mr. Flint noted that Berger, Toombs, Elam, Gaines & Frank were selected by the Board through a bidding process as the District's independent auditor. He added that their engagement letter was in the agenda. He noted that when they provided their bid, they included their pricing for five years. He added that they then entered annual engagements and that this one was not to exceed \$3,375.

On MOTION by Mr. Wrenn, seconded by Ms. Steiger, with all in favor, the Fiscal Year 2022 Audit Engagement Letter from Berger, Toombs, Elam, Gaines & Frank, was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Dugan stated that he had nothing further to report.

B. Engineer

Mr. Althafer stated that he would be working with the District counsel on the requisition for the Phase 3 improvements over the next couple of weeks. Mr. Wrenn responded that there was a hold on that, and they would discuss this later.

C. District Manager’s Report

i. Balance Sheet and Income Statement

Mr. Flint presented the financials to the Board stating that these were unaudited through September 30th. There was no action required.

ii. Ratification of Funding Request #30

Mr. Flint stated that Funding Request #30 was for District counsel services for \$634.50.

On MOTION by Mr. Wrenn, seconded by Ms. Steiger, with all in favor, Funding Request #30, was ratified.

iii. Presentation of Series 2020 Arbitrage Rebate Calculation Report

Mr. Flint stated that the District had to have a calculation performed annually to make sure that they were not earning more interest than they were paying. He noted that this was an IRS requirement. He noted that they had a negative rebatable arbitrage of \$97,431, which meant that there were no arbitrage issues. He stated that he could try to answer any questions. Hearing none,

On MOTION by Mr. Wrenn, seconded by Mr. Bailey, with all in favor, the Series 2020 Arbitrage Rebate Calculation Report, was approved.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Supervisors Requests

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Adjournment

Mr. Flint adjourned the meeting.

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


Secretary/Assistant Secretary


Chairman/Vice Chairman