

MINUTES OF MEETING
HIGHLAND MEADOWS WEST
COMMUNITY DEVELOPMENT DISTRICT

The Organizational Meeting of the Board of Supervisors of the Highland Meadows West Community Development District was held on Monday, July 24, 2018 at 1:00 p.m. at 346 E Central Ave, Winter Haven, Florida.

Present and constituting a quorum were:

John Mazuchowski
Keaton Alexander
Andrew Rhinehart
Lauren Schwenk

Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also, present were:

Jill Burns
Sarah Warren
Bob Gang

GMS
Hopping Green & Sams
Greenberg Taurig *via telephone*

The following is a summary of the discussions and actions taken at the July 24, 2018 Highland Meadows West Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Introduction

A. Call to Order

Ms. Burns called the meeting to order and noted that a quorum was established.

B. Public Comment Period

(Speakers will fill out a card and submit it to the District Manager prior to beginning of the meeting)

Ms. Burns stated that there were no members of the public present.

C. Oath of Office

Ms. Burns stated that she handed the Board members a new member packet containing the Oath of Office, a Form 1: Statement of Financial Interests, and a W-9. Ms. Burns, being a Notary Public of the State of Florida, administered the Oath of Office to Lauren Schwenk, John Mazuchowski, and Keaton Alexander.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Confirmation of Notice of Meeting

Ms. Burns noted that the proof of meeting notice was included in the package.

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

Ms. Warren explained the Government in the Sunshine Laws and the Public Records Requirements. Ms. Schwenk also explained that no communication about items that will come before the Board is allowed.

C. Election of Officers

1. Resolution 2018-01 Appointing Officers

Ms. Schwenk nominated Rennie as the Chairman and John as Vice Chairman. Ms. Burns stated that Andrew, Lauren, and Keaton would be named as Assistant Secretaries. Ms. Burns stated that she would be named Secretary in order to sign the District's checks.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-01 Appointing Rennie Heath as Chairman, John Mazuchowski as Vice Chairman, and Lauren Schwenk, Keaton Alexander, and Andrew Rhinehart as Assistant Secretaries, was approved.

2. Resolution 2018-02 Appointing Treasurer and Assistant Treasurer

Ms. Burns stated that Ariel Lovera and Teresa Viscarra of GMS would be named as Treasurer and Assistant Treasurer.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-02 Appointing Treasurer and Assistant Treasurer, was approved.

THIRD ORDER OF BUSINESS

Retention of District Staff

A. Consideration of Resolution 2018-03 Appointing a District Manager

Ms. Burns noted that the contract was attached to the resolution. She stated that the only change was the note that the website fee might change based on the legislation concerning the ADA compliance issues.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-03 Appointing a District Manager, was approved.

B. Consideration of Resolution 2018-04 Appointing District Counsel

Ms. Burns stated that attached to the resolution was the Fee Agreement from Hopping Green and Sams. Ms. Warren briefly explained the Fee Agreement.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-04 Appointing District Counsel, was approved.

C. Consideration of Resolution 2018-05 Selection of Registered Agent and Office

Ms. Burns stated that this resolution would name Roy Van Wyk, of Sarah's office, as the registered agent and the office as the Hopping Green and Sams office.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-05 Appointing a Registered Agent and Office, was approved.

D. Consideration of Resolution 2018-06 Appointing Interim District Engineer

Ms. Burns stated that a fee schedule was included in the agenda package. She stated that this resolution would appoint Dennis Wood Engineering as the Interim District Engineer.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-06 Appointing an Interim District Engineer, was approved.

E. Consideration of Interim District Engineering Agreement

Ms. Burns stated that the Interim Engineering Services Agreement was also included in the agenda package.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, the Interim District Engineering Agreement, was approved.

F. Request Authorization to Issue RFQ for Engineering Services

Ms. Burns stated that the District is subject to procurement laws, which requires the District to use an RFQ to select a District Engineer. Ms. Burns directed the Board to review the last page containing the evaluation criteria.

On MOTION by Mr. Schwenk, seconded by Ms. Alexander, with all in favor, the Request Authorization to Issue RFQ for Engineering Services, was approved.

FOURTH ORDER OF BUSINESS

Designation of Meetings and Hearing Dates

A. Consideration of Resolution 2018-07 Designation of Regular Monthly Meeting Date, Time and Location for Fiscal Years 2018 & 2019

Ms. Warren suggested keeping all of the meetings managed by Fishkind on the 2nd Thursday of the month, and have two additional days a month for GMS Districts. The Board members and Ms. Warren discussed different options for meeting days. Ms. Warren suggested scheduling the next two meeting for Highland Meadows West and setting the 2019 schedule at the August meeting. Ms. Burns suggested the fourth Tuesday of the month at 1:30 p.m. Ms. Burns noted that the next meeting would be held on August 28th and the September meeting would be on the 25th.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-07 Designated a Regular Monthly Meeting Date on the Fourth Tuesday of the Month at 1:30 p.m., at this location for Fiscal Year 2018, was approved.

B. Consideration of Resolution 2018-08 Designation of Landowner's Meeting Date, Time and Location

Ms. Burns stated that the Landowner's meeting needed to be held within 90 days of the creation of the District which was July 10th. Ms. Burns appointed September 25th at 1:30 p.m. as the Landowner's meeting date and time.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-08 Designating September 25th at 1:30 p.m. as the Landowner's Meeting Date and Time, was approved.

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

1. Consideration of Resolution 2018-09 Setting a Public Hearing to Consider the Proposed Rules of the District

Ms. Burns suggested setting the date as September 25th at 1:30 p.m.

On MOTION by Ms. Alexander, seconded by Ms. Schwenk, with all in favor, the Designation of September 25, 2018 at 1:30 p.m., at this location as the of Public Hearing to Adopt Rules of Procedure in Accordance with Section 120.54, Florida Statutes, was approved.

D. Designation of Dates of Public Hearing on the Budget for Fiscal Years 2018 & 2019

1. Consideration of Resolution 2018-10 Setting the Public Hearing and Approving the Proposed Fiscal Years 2018 & 2019 Budget

Ms. Burns stated that the budget was attached to the resolution as Exhibit A. Ms. Burns explained that the budget was based on administrative costs and the budget for 2018 is prorated for the next couple months. Ms. Burns asked for questions from the Board. Ms. Burns also stated that it is developer funded so costs would only be as incurred. Ms. Schwenk asked if Rennie had reviewed the budget and Ms. Burns stated that he had not. Ms. Burns stated that the public hearing was set for September 25th at 1:30 p.m. at their current location.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-10 Setting the Public Hearing for September 25th at 1:30 p.m. and Approving the Proposed Fiscal Years 2018 & 2019 Budget, was approved.

2. Approval of the Fiscal Year 2017/2018 & Fiscal Year 2018/2019 Developer Funding Agreement

Ms. Burns stated that the funding agreement can be revised, at the public hearing it will be officially adopted. Ms. Burns asked the Board for questions about the funding agreement. Ms. Burns noted that the Funding Agreement was with Atlantic Property Company, LLC.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, the Fiscal Year 2017/2018 & Fiscal Year 2018/2019 Developer Funding Agreement, was approved.

E. Resolution 2018-11 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 noted that they would send this resolution to the County and it will allow them to use the tax roll to collect District assessments. Ms. Burns suggested that they set the public hearing date with the others on September 25th at 1:30 p.m.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-11 Setting the date of the Public Hearing for September 25th at 1:30 p.m. 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 2018-12 Designating a Qualified Public Depository

Ms. Burns stated that GMS generally uses SunTrust, and that is who Highland Meadows II is with. Ms. Burns told the Board that they would be happy to use anyone else if they had a preference. Ms. Schwenk suggested they use SunTrust.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-12 Designating SunTrust as a Qualified Public Depository, was approved.

B. Resolution 2018-13 Authorization of Bank Account Signatories

Ms. Burns requested that herself and George Flint be filled into the blanks authorizing them to sign checks.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-13 Authorizing Ms. Burns and Mr. Flint of GMS as Bank Account Signatories, was approved.

C. Consideration of Resolution 2018-14 Relating to Defense of Board Members

Ms. Burns noted that this resolution evidences the District's intent to provide legal defense to Board members and staff.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-14 Relating to Defense of Board Members, was approved.

D. Consideration of Resolution 2018-15 Authorizing District Counsel to Record in the Property Records of Polk County the "Notice of Establishment" in accordance with Chapter 190.0485, Florida Statutes

Ms. Burns stated that this resolution must be approved within 30 days of establishment.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-15 Authorizing District Counsel to Record the Property Records of Polk County the "Notice of Establishment" in accordance with Chapter 190.0485, Florida Statutes, was approved.

E. Consideration of Resolution 2018-16 Adopting Investment Guidelines

Ms. Burns explained that this resolution outlines conservative investment requirements for the District that directs how the District's excess funds can be invested.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-16 Adopting Investment Guidelines, was approved.

F. Consideration of Resolution 2018-17 Authorizing Execution of Public Depositor Report

Ms. Burns stated that this resolution allows the District Manager or Treasurer to execute the Depositor Report and send it to the Treasurer of the state of Florida.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-17 Authorizing Execution of Public Depositor Report, was approved.

G. Consideration of Resolution 2018-18 Designating a Policy for Public Comment

Ms. Burns stated that this resolution is required by Florida Statutes that outlines the procedures on how members of the public are able to comment at our meeting. Ms. Burns explained that there will be public comment at the beginning and at the end of the meetings, and the resolution outlines how the Board can deal with public decorum issues that might come up during meetings.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-18 Designating a Policy for Public Comment, was approved.

H. Consideration of Resolution 2018-19 Adopting a Travel and Reimbursement Policy

Ms. Burns explained that the policies outlined in this resolution are consistent with state statutes and outline the amounts that can be charged for travel reimbursements by District staff.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-19 Adopting a Travel and Reimbursement Policy, was approved.

I. Consideration of Resolution 2018-20 Adopting Prompt Payment Policy

Ms. Burns stated that this resolution sets forth requirements of the District for payments under vendor invoices and pay applications for construction.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-20 Adopting Prompt Payment Policy, was approved.

J. Consideration of Resolution 2018-21 Adopting a Records Retention Policy

Ms. Burns addressed two memos that outlined option A and option B. Ms. Burns explained that option A allowed the District to timely destruction of records as outlined with state and federal laws, and explained that option B did not allow the District to destroy any

records. Ms. Burns stated that she recommended option A, and explained that after 5 years they destroy records.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, Resolution 2018-21 Adopting Records Retention Policy Option A, was approved.

K. Consideration of Compensation to Board Members

Ms. Burns explained that the Florida Statutes allow payment of up to \$200 per meeting for Board Members if they choose to receive compensation.

L. Resolution 2018-22 Selecting District Records Office Within Polk County

Ms. Burns suggested the office 346 East Central Ave.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-22 Selecting 346 East Central Ave., Winter Haven, Florida as the District Records Office Within Polk County, was approved.

M. Resolution 2018-23 Designation the Primary Administrative Office and Principal Headquarters of the District

Ms. Burns explained that the District's primary administrative office would be the GMS office in Orlando at the address 135 West Central Boulevard, Suite 320, Orlando, Florida. Ms. Burns stated that the principal headquarters for establishing the venue needs to be located within Polk County, she suggested the address 346 East Central Ave., Winter Haven, Florida.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-23 Designating the Primary Administrative Office at 135 West Central Boulevard, Suite 320, Orlando, Florida, and the Principal Headquarters of the District at 346 East Central Ave., Winter Haven, Florida was approved.

N. Consideration of Website Services Agreement

Ms. Burns explained that Districts are required to have their own website, and there was a list of all the requirements attached as Exhibit A in their agenda package. Ms. Burns stated the fee outlined was the one-time setup fee of \$1,500 and the annual maintenance cost of \$900 or \$75 per month. Ms. Burns noted that the prices and requirements may change subject to ADA requirements.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, the Website Services Agreement with GMS-CF, LLC, 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. Warren noted that there was nothing to report at this time being that there are no current public facilities.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, the 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, was approved.

SIXTH ORDER OF BUSINESS

Capital Improvements

A. Appointment of Financing Team

1. Bond Counsel

Ms. Burns stated that they had an agreement from Greenberg Traurig and asked Bob Gang if he wanted to outline anything specific. Mr. Gang noted that the agreement was entirely consistent with the other Districts in Polk County that they work with.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, the Appointment of Robert 'Bob' Gang with Greenberg Traurig as Bond Counsel, was approved.

2. Investment Banker

Ms. Burns noted that the Investment Banker Agreement was with FMSbonds, Inc. She stated that Jon Kessler was not on the phone for this meeting.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, the Appointment of Jon Kessler with FMSbonds, Inc. as Investment Banker, was approved.

3. Assessment Administrator

Ms. Burns stated that the Assessment Administrator is included in the GMS-CF, LLC contract that the Board had previously approved.

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

4. Trustee

Ms. Burns stated that there was an agreement in the agenda package from U.S. Bank provided by Stacey Johnson. Ms. Burns noted that the fees were consistent with other issuances the Board had seen before.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, the Appointment of U.S. Bank as Trustee, was approved.

B. Approval of Financing Team Funding Agreement

Ms. Burns noted that the agreement states the Developer will provide money to the District necessary to issue the bonds and that they will provide funds within 15 days of the request. Ms. Burns also noted the agreement stated that the District will provide copies or invoices that way the developer can be reimbursed at the point bonds are issued.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, the Financing Team Funding Agreement with Atlantic Property Company, LLC, was approved.

SEVENTH ORDER OF BUSINESS**Financing Matters****A. Consideration of Engineer's Report**

Ms. Burns stated that the Engineer's Report was circulated and suggested that the Board approve the report in substantial form in case revisions were necessary.

On MOTION by Ms. Schwenk, seconded by Ms. Alexander, with all in favor, the Engineer's Report was approved in substantial form.

B. Consideration of Assessment Methodology

Ms. Burns directed the Board to Tab B in their agenda package. She stated that this methodology takes the costs outlined in the Engineer's Report and assesses them across the parcels. Ms. Burns noted one change in the methodology, the gross up amount in the report is 6% but it will change to 7%. Ms. Burns noted that the par debt per unit on table 5 was \$27,778 which comes out to a net annual debt assessment of \$2,018 per 396 lots. Ms. Burns stated that she believes the assessments are fair and equitably allocated and the benefit received by each property owner from the CIP exceeds the cost of the related assessment.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, in substantial form, the Assessment Methodology, was approved.

C. Consideration of Resolution 2018-24 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings

Ms. Burns stated that Bob circulated an updated version an hour prior to the meeting including the not to exceed amount of \$12,000,000. Ms. Burns noted that there were changes to the table that tie with the change to the Engineer's Report.

Mr. Gang stated that this resolution allows the District to start to process and validate its bonds. Mr. Gang noted that it will require a subsequent resolution with details and documents before they can market the bonds. Mr. Gang talked with Mr. Kessler and stated that they came to the number of \$12,000,000 solely for validation purposes. Mr. Gang noted that he inserted the ordinance number for the establishment and the date of July 10th which was not in the initial

draft. Mr. Gang explained that the resolution directs District Counsel to file the validation complaint and commence those proceedings. Mr. Gang stated that this Master Trust Indenture will be the contract with bond holders under which all series of bonds will be issued with the supplemental indenture. Mr. Gang noted that this will be executed at the time of issuance of the first bonds. He stated that the only change to the draft indenture was the Engineer's Cost Report list in the back, he changed it to match the Engineer's Report. Ms. Schwenk asked Mr. Gang what the estimated bond validation date was. Ms. Warren stated that they would not know that until they filed the complaint, which they would attempt to do in the next week.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-24 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings, was approved.

D. Consideration of Resolution 2018-25 Declaring Special Assessments and Approval of Assessment Methodology

Ms. Burns stated that this resolution starts the assessment process for levying the master assessments on District lands and evidences the District's intent to begin the levying and collection process.

On MOTION by Ms. Alexander, seconded by Ms. Schwenk, with all in favor, Resolution 2018-25 Declaring Special Assessments and Approving of Assessment Methodology, was approved.

E. Consideration of Resolution 2018-26 Setting Public Hearing for Special Assessments

Ms. Burns suggested setting the date for September 25th at 1:30 p.m.

On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Resolution 2018-26 Setting the Public Hearing for Special Assessments on September 25th at 1:30 p.m., was approved.

EIGHTH ORDER OF BUSINESS

Other Business

A. Staff Reports

1. Attorney

Ms. Warren stated that she had nothing additional for the Board at this time.

2. Manager

Ms. Burns stated that the Authorization to obtain general reliability insurance was not on the agenda and asked the Board to approve having District staff obtain insurance quotes for the District.

On MOTION by Mr. Alexander, seconded by Ms. Schwenk, with all in favor, Authorization of District Staff to Obtain General reliability insurance quotes, was approved.

B. Supervisors Requests

There being none, the next item followed.

C. Approval of Funding Request No. 1

Ms. Burns stated that these are the funds to make sure they get the insurance paid and to open the check account. Ms. Burns noted that it totaled \$20,475.


On MOTION by Ms. Schwenk, seconded by Mr. Mazuchowski, with all in favor, Funding Request No. 1, was approved.

NINTH ORDER OF BUSINESS

Adjournment

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


Secretary/Assistant Secretary


Chairman/Vice Chairman