

**MINUTES OF MEETING
WIND MEADOWS SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Wind Meadows South Community Development District was held Wednesday, **April 12, 2023** at 1:30 p.m. at 4900 Dundee Road, Winter Haven, Florida.

Present and constituting a quorum:

Brent Elliott	Chairman
Halsey Carson	Vice Chairman
Timothy Todd	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Lauren Gentry	District Counsel, KVW Law
Bryan Hunter	District Engineer, Hunter Engineering
Ashton Bligh <i>by Zoom</i>	Bond Counsel, Greenberg Traurig
Bob Gang <i>by Zoom</i>	Bond Counsel, Greenberg Traurig
Clayton Smith	Field Manager, GMS
Allen Bailey	Field Manager, GMS

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order and called the roll. Three Supervisors were present in person constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

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

THIRD ORDER OF BUSINESS

**Approval of Minutes of the March 8, 2023
Board of Supervisors Meeting**

Ms. Burns presented the minutes of the March 8, 2023 Board of Supervisors meeting and asked if there were any questions, comments, or corrections. The Board had no changes to the minutes.

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On MOTION by Mr. Carson, seconded by Mr. Elliott, with all in favor, the Minutes of the March 28, 2023 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS**Consideration of Resolution 2023-12
Delegation Resolution**

Ms. Gang reviewed the master bond resolution that the CDD adopted back on June 9, 2021 that validated \$35,000,000 and the District on October 15, 2021 issued \$9,335,000 for the Assessment Area One project. He noted that they are now ready to finance the second assessment area. The District has 273.39 acres in it having done one boundary amendment to the boundaries of the District. The Delegation resolution has a number of exhibits related to it; a Second Supplement Indenture, Bond Purchase Contract with FMS, a Preliminary Limited Offering Memorandum which FMS will use in marketing the bonds and a SEC required certificate that has to be signed, and a Continuing Disclosure Agreement which is required by the SEC to provide ongoing information about the development and about the District. Those are all exhibits for the resolution.

Mr. Gang noted that this is for Assessment Area Two which is 419 residential units. The cost of that is less than what it was for phase one which had 416 units because they had already financed offsite improvements which were all done in the first series and also entry features, parks and recreational facilities were entirely financed in the first series so that is why this series will be smaller even though the number of residual units is slightly larger.

Mr. Gang explained that they have to make certain findings as required by statute in section four. Those findings allow them to do a negotiated sell through an underwriter instead of doing a competitive bid where they would just advertise and respective purchasers bid. These bonds are not rated so they can only be sold to institutions and accredited investors and there is no harm to the sale of the bonds if it is not done with a competitive sale. This is a delegation resolution so the Board needs to provide certain parameters to staff and to the underwriter in order to have a sale done without another formal meeting of the Board. Those parameters are set forth in section five. Bonds must be subject to optional redemption. That determination will be made at the time of pricing of the bonds but usually, it is around 10 years. The interest rate on the bonds cannot exceed the statutory maximum in Florida. It is 300 basis points over a 20-bond index published on the last Friday of the month in April. If they were to sell bonds in April, the maximum interest rate would

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be 6.50%. That will change again in May as it is well above what today's market is. The maximum principal amount cannot exceed \$8,500,000. Final maturity cannot have a term greater than the cap interest period plus 30 years of principal amortization. The price at which the bonds would be sold to the underwriter cannot be less than 98%. Mr. Gang noted that he would be happy to answer any questions that they regarding the delegation resolution.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-12 Delegation Resolution, was approved.
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FIFTH ORDER OF BUSINESS

Consideration of Series 2023 Ancillary Documents (AA2 Bonds):

A. True-Up Agreement

Ms. Gentry presented the true- up agreement which provides for a true-up payment that should be lower than the anticipated amount developed on this property.

B. Acquisition Agreement

Ms. Gentry stated that this agreement provides for the District acquiring improvements, work products, and real property and they can make payments out of the bond proceeds for those.

C. Collateral Assignment Agreement

Ms. Gentry stated this provides for collateral assignment of the development rights to complete this project in the event of a default.

D. Completion Agreement

Ms. Gentry stated this provides for completion of the entire Assessment Area Two project above and beyond what is financed by the bonds.

E. Declaration of Consent

Ms. Gentry noted that this is a Declaration of Consent from the landowner that consents to the assessments on this property and the proceedings that levied them.

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F. Notice of Special Assessments

Ms. Gentry stated that this would be recorded after the assessment lien specific to this bond issuance is perfected. She asked for any questions, otherwise she was looking for a motion to approve the financing documents in substantial form.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Series 2023 Ancillary Financing Documents, were approved in substantial form.

G. Consideration of Resolution 2023-17 Supplemental Delegation Assessment Resolution

Ms. Gentry stated that this is the Supplemental Assessment Resolution for the Assessment Area Two bonds and it contains a delegation of authority. This resolution approves the reports that the Board has heard described today and sets forth findings based on the information in those reports. It confirms the maximum assessment lien that was just levied on that property and delegates authority for District staff and the officers of the District to take actions necessary to complete the process of actually levying assessments on this property. She noted it describes the allocation and collection of the assessments and sets forth provisions related to impact fee credits, prepayment of the assessments, etc. Exhibit 'D' would be added once they have the final bond sizing information and final numbers. She asked for any questions, otherwise looking for a motion to adopt this resolution.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-17 Supplemental Delegation Assessment Resolution, was approved in substantial form.

SIXTH ORDER OF BUSINESS

Public Hearing

A. Public Hearing on the Imposition of Special Assessments on Boundary Amendment Parcels

Ms. Burns stated this public hearing has been advertised in the paper and a mailed notice was sent to any landowners within the boundary amendment area. She asked for a motion to open the public hearing.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Opening the Public Hearing, was approved.

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Ms. Burns stated for the record that they have no members of the public present and no members of the public joining the meeting on the Zoom line.

i. Presentation of Amended and Restated Master Engineer's Report of Capital Improvements dated March 31, 2023

Mr. Hunter stated the purpose of the Amended and Restated Engineer's Report is essentially to bring into account the boundary amendments which have been referenced adding Phase 2. He noted the acreage is in the descriptions within the Engineer's Report with Boundary Amendment and additional acreage. The original Engineer's report did account for potential Phase 2 but it was not a realization at the time.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Amended and Restated Master Engineer's Report of Capital Improvements dated March 31, 2023, was approved.
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ii. Presentation of Amended and Restated Master Assessment Methodology dated January 11, 2023

Ms. Burns stated since the adoption of the master report, there has been a boundary amendment that adds additional acreage to the District so this report now reflects Phase 2 which is the area added for the boundary amendment. Table 1 shows that there are 419 single family 50' lots in Phase 2. Table 2 shows the total cost estimate of \$22,246,951 for the entire District, the amount of Phase 2 is listed at \$8,770,285. Table 3 shows the estimated bond sizing for Phase 2 that would be \$11,500,000, and the total for the District was \$29,000,000. Table 4 shows the improvement cost per unit and that is separated out by phase as well. Table 5 shows the par debt per unit for the single family 50' lots in Phase 2 would be \$27,446 and would be the max amount of debt that we could issue on those lots. Table 6 shows the net and gross annual debt assessment per unit. She noted the gross annual debt assessment that would be collected on the Polk County tax bill would be \$2,144. Table 7 is the preliminary assessment roll and Phase 2 is Wind Meadows South 2, LLC and that allocates the debt by acre to the attached legal description for the space. She asked for any questions on this report.

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On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Amended and Restated Master Assessment Methodology dated January 11, 2023, was approved.

iii. Consideration of Resolution 2023-13 Levying Special Assessments

Ms. Gentry stated she had a few questions for Ms. Burns and Mr. Hunter. She noted she would do the Engineer's Report first. Ms. Gentry asked Mr. Hunter if based on his experience and in his professional opinion, are the cost estimates in the Engineer's Report reasonable and proper. Mr. Hunter stated they are. Ms. Gentry asked Mr. Hunter if he had any reason to believe that the capital improvement plan as stated cannot be carried out by the District. Mr. Hunter stated he does not.

Ms. Gentry asked Ms. Burns, in her professional opinion, do the lands subject to the assessments receive special benefits from the District's CIP. Ms. Burns answered yes, they do. Ms. Gentry asked Ms. Burns if the master assessments are reasonably apportioned to the land subject to them. Ms. Burns stated yes, they are. Ms. Gentry asked if it is reasonable, proper and just to assess the cost of the CIP against the lands in the District in accordance with the methodology. Ms. Burns answered yes, it is. Ms. Gentry asked in your opinion are the special benefits the land will receive equal or in excess of the maximal master assessments as allocated. Ms. Burns answered yes. Ms. Gentry asked Ms. Burns in her opinion is it in the best interest of the District to levy and collect the master assessment as set forth in the methodology. Ms. Burns answered yes.

Ms. Gentry stated that Resolution 2023-13 would levy this master assessment lien. She noted as a reminder it does not actually put assessments on this land, that does not happen until the bonds are issued and adopt that Supplemental Assessment Resolution that completes that. She noted that section two makes certain findings. Among the findings, they describe the District's authority to complete the project and levy and impose special assessments and would find it is necessary to the public health safety and welfare and in the best interest in the District to provide the improvements, assess the cost against the benefitted lands, and issue bonds to finance these capital improvements. She noted that you will find that the capital improvements and assessments serve a proper public purpose and it is necessary to issue bonds, describe the adoption declaring resolution and your compliance with all of the procedural requirements and you adopt the Engineer's Report and Assessment Methodology and make findings based on the representation

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to the District. Ms. Gentry stated she would be happy to answer any questions, and otherwise she was just looking for a motion to approve this resolution.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-13 Levying Special Assessments, was approved.

Ms. Burns asked for a motion to close the public hearing.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Closing the Public Hearing, was approved.

SEVENTH ORDER OF BUSINESS

Presentation and Approval of Supplemental Assessments Methodology for Assessment Area Two dated April 12, 2023

Ms. Burns noted that this is based on the estimated bond sizing provided by FMS for what they anticipate issuing. Phase 2 has 419 single family 50’ units. She noted the costs listed in the Engineer’s Report for Phase 2 are listed in Table 2 and that has not changed \$8,770,285. Estimated bond sizing is \$7,405,000 and the improvement cost per unit is listed in Table 4 and the par debt per unit would be \$17,673 for the single family 50’ lots. Table 6 shows the net and gross annual debt assessment per unit, \$1,250 net and the amount collected on the Polk County tax bill that takes into account the early payment discount and collection costs would be \$1,344 for each of those units. Table 7 shows the preliminary assessment roll at 114.14 acres all owned by Wind Meadows South 2, LLC and the debt per acre is \$64,876. She noted there is a legal description of this assessment area attached as well. Ms. Burns offered to answer any questions that anyone might have.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Supplemental Assessments Methodology for Assessment Area Two dated April 12, 2023, was approved.

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EIGHTH ORDER OF BUSINESS

Consideration of Letter from FMS Bonds for Underwriter Services for Series 2023 Bonds

Ms. Burns stated this is just their engagement letter for this series of bonds.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Letter from FMS Bonds for Underwriter Services for Series 2023 Bonds, was approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2023-14 Approving the Proposed Fiscal Year 2023/2024 Budget (Suggested Date: July 12, 2023), Declaring Special Assessments, and Setting the Public Hearings on the Adoption of the Fiscal Year 2023/2024 Budget and the Imposition of Operations and Maintenance Assessments

Ms. Burns stated the budget adoption date is listed for July 12th at the new location of the hotel which they will be considering. She stated there was a proposed increase to the platted lots as well as the first time O&M levy for that Phase 2 area that was just added to the District. She noted there were some minor increases to a couple of the admin items and really main areas where there will be increases would be to the landscape budget. She noted there is also increased water and sewer based on actual amounts that are listed. It is well over what was budgeted for the year so we have increased that line item pretty significantly. She stated the amenity costs listed for the current year were prorated since the amenity was not anticipated to be open this entire fiscal year. For Fiscal Year 2024 the budget anticipates a full year of operation for all of the amenity related costs as well as some increases to pool services and security as well. She noted right now the per unit assessment is \$698.92. The amount per unit proposed in this budget is \$1,229 per unit so it is going up pretty significantly \$531 per unit.

Mr. Elliott asked if everything in Phase 1 was assessed at \$1,229. He stated that will likely come down the following fiscal year as Phase 2 comes on and then that cost gets spread around more evenly. Ms. Burns stated it could come down but really, she would recommend long-term having a larger capital reserve transfer for maintenance for when they have sudden capacity there. They only have \$10,000 set aside right now. She noted that they will maintain all of the roadways, amenity facility long term so they need to account for more so they will have some capacity to

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move around. She noted it may be able to be brought down some but there are also line items that she thinks they will need to increase as we get towards build out as well.

Ms. Burns stated at this point, they have only 416 units that are spreading all of the amenity costs and everything across. Usually when there are Districts with fully operational amenity facility that is open, their assessment is around \$1,000. She noted two years ago they were all around \$750 to \$850 and there is very few that are not at \$1,000. She stated it is really driven by the number of lots. She noted it is likely this District will always be higher than Astonia because you have fewer units to spread it across with very similar infrastructure, maintenance costs, admin costs are fairly fixed. She noted there are few line items that they may be able to cut for the upcoming year if they wanted to.

Ms. Burns stated that security can be reduced and they would not do any security at the pool. She stated generally they have to put it into place eventually because they get so many complaints from residents. Depending on how many residents are there right now, if they decide not to do that for the first year, they could probably take about \$20,000 off the budget there. She noted there is very little fluff in this budget to take out but that is probably one. She suggested that they send this at the higher amount and then see if they have better utility costs for the amenity facility soon and see where it is. She noted it can always be brought down but they can't increase it. She noted that they would leave the security in for now.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-14 Proposed Fiscal Year 2023/2024 Budget and Setting the Public Hearing for July 12, 2023, was approved.

TENTH ORDER OF BUSINESS

**Consideration of Resolution 2023-15
Authorizing Bank Account Signatories**

Ms. Burns stated that this resolution authorizes certain offices of the District to act as signers for the District.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-15 Authorizing Bank Account Signatories, was approved.

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ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2023-16
Amending Fiscal Year 2023 Meeting
Schedule Location for Remaining Dates**

Ms. Burns stated this will move the meetings to the Holiday Inn in Winter Haven.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, Resolution 2023-16 Amending Fiscal Year 2023 Meeting Schedule Location to Holiday Inn in Winter Haven, was approved.

TWELFTH ORDER OF BUSINESS

Ratification of District Assignment Documents

Ms. Gentry noted that these documents change the structure a little bit from what was discussed at the last meeting. This is an assignment of the contract between Wind Meadows South 2, LLC and Center State Development, LLC for Phase 2A and 2B construction mostly related to the stormwater ponds. She noted based on the Board’s prior authority, they went ahead and executed those assignment documents. She noted there are documents from the Wind Meadows South 2, LLC and Center State Development, LLC. There is a copy of the construction agreement and a copy of a demand note agreement that was posted in lieu of bonds. She stated that there is a form 8B that we will want to keep on file for the Board members since some are affiliated with Center State and they are being asked to vote on a contract with that entity.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the District Assignment Documents, were ratified.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Gentry had nothing further to report to the Board.

B. Engineer

Mr. Hunter stated that construction was ongoing. They are working through Phase 2A. Phase 2A is 100% done and the sanitary is about 80% complete. He stated other than the administrative things they are taking care of and they are just waiting on construction.

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C. Field Manager’s Report

Mr. Smith reviewed his field manager’s report for the Board and offered to answer any questions.

D. District Manager’s Report

i. Approval of Check Register

Ms. Burns presented approval of the check register from February 1st through February 28th and is \$158,337.82.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the Check Register, was approved.

ii. Balance Sheet and Income Statement

Ms. Burns stated that the financial statements were in the agenda package for review. There is no action necessary on those but she noted that she was happy to answer any questions.

FOURTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FIFTEENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being none, the next item followed.

SIXTEENTH ORDER OF BUSINESS

Adjournment

Ms. Burns adjourned the meeting.

On MOTION by Mr. Elliott, seconded by Mr. Carson, with all in favor, the meeting was adjourned.

Jill Burns

Secretary/Assistant Secretary

Brent Elliott

Chairman/Vice Chairman