

MINUTES OF MEETING

*Babcock Ranch Community
Independent Special District
Board of Supervisors Meeting
Tuesday, December 1, 2015 at 1:02 p.m.*

Present and constituting a quorum:

Elizabeth Andres	Board Member
Mike Acosta	Board Member
Theresa Jurca	Board Member

Also present were:

Hank Fishkind	Fishkind & Associates	
Alyssa Wilson	Hopping Green & Sams	
Tom Danahy	Kitson & Partners	
Jonathan Johnson	Hopping Green & Sams	(via phone)
John Broderick	Kitson & Partners	(via phone)
Andy Tilton	Johnson Engineering, Inc.	(via phone)
Matt Smith	Lee County Liaison	(via phone)
Jennifer Walden	Fishkind & Associates	(via phone)

FIRST ORDER OF BUSINESS

Call to Order

The meeting was called to order at 1:02 p.m. and Dr. Fishkind proceeded with roll call. Board Members Elizabeth Andres, Mike Acosta, and Theresa Jurca were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Organizational Matters

Public Comment Period

There were no questions or comments from members of the public.

**Consideration of the Minutes of
the October 22, 2015 Board of
Supervisors' Meeting and the
October 29, 2015 Continued Board
of Supervisors' Meeting.**

The Board reviewed the minutes of the October 22, 2015 Board of Supervisors' Meeting.

On MOTION by Ms. Andres, seconded by Mr. Acosta, with all in favor, the Board approved the minutes of the October 22, 2015 Board of Supervisors' Meeting, as amended.

The Board reviewed the minutes of the October 29, 2015 Continued Board of Supervisors' Meeting. Dr. Fishkind has comments from Mr. Acosta. There were no further questions or comments. Dr. Fishkind requested a motion to approve the minutes.

On MOTION by Ms. Andres, seconded by Mr. Acosta, with all in favor, the Board approved the minutes of the October 29, 2015 Continued Board of Supervisors' Meeting, as amended.

THIRD ORDER OF BUSINESS

Business Matters

Public Hearing on the Imposition of Special Assessments, Area #1

- a) Public Comments and Testimony**
- b) Board Comments**
- c) Consideration of Resolution 2016-04, Levying Special Assessments**

Dr. Fishkind stated that the Board will be considering Resolution 2016-04. He noted that District staff properly advertised and have a proof of publication for this meeting. This is the 2nd step in the 2 step process required under Chapter 170 of the Florida Statutes. The Board approved an initial assessment roll, a Methodology and an Engineer's report. Dr. Fishkind noted that District staff then advertised to the general public and the affected landowners to inform them of this District's plan to impose special assessments for the project. The special assessments are in the amount of \$25,000,000. Dr. Fishkind explained the public hearing process and the next step that the Board of Supervisors will sit as a Board of Equalization to equalize and finalize the assessments as the Board deems fit. Dr. Fishkind asked the Board if they had any questions or comments. Ms. Wilson stated the two considerations in order for the special assessments to be valid. First, the land subject to the special assessments must receive a benefit from the improvements and second, the special assessments must be reasonably apportioned among the lands subject to the special assessments. The Engineer's report and the Methodology report will explain this. Dr. Fishkind stated that they went over that at the last meeting in a little bit

of detail and talked about special benefit and how it was estimated based on the improvements and the change in land value and then the apportionment method first by acres and then by land use. There were no further questions from the Board. Dr. Fishkind asked Mr. Danahy if he had any comments or questions about the Methodology or any other matter for consideration by the Board of Equalization. Mr. Danahy did not. Dr. Fishkind asked those on the phone if they had any questions or comments to share with the Board. There were none. Dr. Fishkind closed the public hearing and requested a motion from the Board to consider Resolution 2016-04 which makes the findings, attaches the Engineer's Report and the Assessment Methodology, and approves and finalizes these assessments. That then becomes the security for the Bond issue that the District has out in the marketplace. Ms. Wilson requested that they back up for just a second. Ms. Wilson stated that it is a little redundant from two meetings ago but she wants to have a clear record in the minutes that they went over the Engineer's Report and the Assessment Methodology Report. Ms. Wilson asked Dr. Fishkind to answer some questions for the record. Ms. Wilson asked in his professional opinion if the lands subject to the assessments receive special benefits from the District's Capital Improvement Program. Dr. Fishkind stated that, in his opinion, they certainly do and that is evidenced by the increase in market value that the property will enjoy over and above the cost of the improvements. Ms. Wilson asked if the Special Assessments are reasonably apportioned among the lands subject to the Special Assessments. Dr. Fishkind said yes and that in the Assessment Report they go through a methodology that first puts the assessments on by acre until the platting occurs and then they know which land use is where and then there is a methodology to tailor the costs relative to the benefits that each type of land use receives and the assessment report describes the increase in market value for each of the land uses over and above the assessments that would be imposed upon them by this Board should they enact Resolution 2016-04. Ms. Wilson asked if it was reasonable, proper and just to assess the costs of the Capital Improvement Program against the lands in the District in accordance with Dr. Fishkind's Methodology which results in the special assessments as set forth on the final assessment roll. Dr. Fishkind said yes that would be his opinion. Ms. Wilson asked if the special benefits the lands will receive as set forth in the final assessment roll be equal to or in excess of the maximum special assessments thereon when allocated as set forth in the Methodology. Dr. Fishkind stated that they will be well in excess of the costs on a net basis taking up the value of the raw land. Ms. Wilson asked if it is in the best interest of the District that the maximum special assessments be paid and collected in accordance with the methodology and the District's assessment resolution. Dr. Fishkind said yes absolutely because that is what gives rise to the special benefits. It is the installation of the infrastructure, as per the Engineer's Report, financed at a not to exceed amount of \$25,000,000.00, which is what this Board has approved. There is also in place, which also provides a significant portion of the benefit, the Landowners' contribution. Ms. Wilson asked Mr. Tilton, on the phone, to tell the Board whether the cost estimates in the Engineer's Report are reasonable and proper. Mr. Tilton said that they are. Ms. Wilson asked him if he believes that there is any reason to believe that the project could not be carried out by the District. Mr. Tilton said he believes that it could be carried out by the District. There were no further questions or comments. Dr. Fishkind requested a motion to approve Resolution 2016-04.

On MOTION by Mr. Acosta, seconded by Ms. Andres, with all in favor, the Board approved Resolution 2016-04, Levying Special Assessments.

Consideration of Professional Services Agreement for Mitigation Work at the Solar Array

Dr. Fishkind stated this is a proposal for professional services to do mitigation at the Solar Array. Dr. Fishkind explained that the Solar Array needs to have some mitigation because of the land and the exotics and other things that need to be managed in and around the Solar Array. Dr. Fishkind noted that the cost estimates are not to exceed \$145,000.00. Ms. Wilson confirmed that the contracts are in order, according to the District's standard. She noted that this is a standard agreement and it has all the requirements in the District Contract, including public records requirements and other certain things. The real meat of the agreement, she added, is the scope of work that is attached as Exhibit A. This is an estimated as not to exceed \$145,000.00 and that would provide for 2 years worth of mitigation of that site. Dr. Fishkind asked if the Board had any questions for District staff regarding the Professional Services Agreement that would run to Earth Tech Environmental, LLC. There were none. Dr. Fishkind requested a motion to approve the Professional Services Agreement with Earth Tech Environmental, LLC not to exceed \$145,000.00 for 2 years.

On MOTION by Ms. Andres, seconded by Mr. Acosta, with all in favor, the Board approved the Professional Services Agreement with Earth Tech Environmental, LLC not to exceed \$145,000.00 for 2 years.

Consideration of Professional Services Agreement for 2015 Bond Engineer's Report

Dr. Fishkind explained that this Professional Services Agreement is for Johnson Engineering for the Bond work done by Mr. Tilton. Dr. Fishkind asked the Board if they had any questions for Mr. Tilton. Ms. Wilson requested that the Board approve it in substantial form, subject to final legal review. Dr. Fishkind wanted to make sure for the record that everybody was in agreement on the amount, which they were. Mr. Tilton and Mr. Johnson had a conversation, prior to this Board meeting, about the Supplemental

Agreement tying into the Master Agreement that they will work under for their general services. The Board had no problem with that.

On MOTION by Mr. Acosta, seconded by Ms. Andres, with all in favor, the Board approved Professional Services Agreement for 2015 Bond Engineer's Report in substantial form subject to final legal review.

Consideration of Lerner Reporting Services Engagement Letter

Dr. Fishkind stated this is what is called a Dissemination Agreement. Dr. Fishkind said that they have to have an independent party that will report to the Bond holders and also to the reporting agencies at the MSRB what the progress is of the project and what the status of the Bonds are. Dr. Fishkind noted that the agreement is a very reasonable price and competitive. Dr. Fishkind said the amount is \$3,500.00. Mr. Johnson requested that the Board approve it in form only. Ms. Andres asked about the language in the agreement. Dr. Fishkind and Ms. Wilson both confirmed that is normal language because Lerner does not have all of the information, such as where the land is platted and not platted. Ms. Wilson said it relates to the Continuing Disclosure Agreement which the Board approved at the last meeting, an exhibit to the Bond Delegation Resolution. In the Continuing Disclosure Agreement, both parties, the Developer and the District say that they are going to provide this information by these dates at these times. The Dissemination agent is the person that they send the information to. The Dissemination agent is then responsible for posting the information that was disclosed. Ms. Jurca asked how the \$3,500.00 fee is paid and where it comes from. Dr. Fishkind answered that it comes out of the assessments for Operations and Maintenance because it is not a capital item.

On MOTION by Mr. Acosta, seconded by Ms. Andres, with all in favor, the Board approved Lerner Reporting Services Engagement Letter in the amount of \$3,500.00 subject to final review.

Ratification of Funding Request 94

The Board reviewed Funding Request 94, which had already been approved by the Chair and funded.

On MOTION by Mr. Acosta, seconded by Ms. Andres, with all in favor, the Board ratified Funding Request 94.

Statement of District Financial Position

The financial statements were reviewed by the Board. Dr. Fishkind stated that there have been some updates. The updates reflect some account receivables that were received from the Developer, subsequent to the last financials. It also includes the first month of this fiscal year. There were no questions or comments and there was no action needed at this time.

FOURTH ORDER OF BUSINESS

Other Business

Staff Reports

- Attorney-** Ms. Wilson stated that District Counsel has an update on the boundary amendment process. The notices of intent to seek legislation have been filed. The District Attorney is working with Bill Drafting to get the documents ready to be filed this session. The Session starts in January.
- Engineer-** No Report
- Manager-** Dr. Fishkind stated that the next scheduled Board Meeting is December 17, 2015. He noted that Mr. Johnson and the Bond Team indicated that the District may be ready for a pre-closing on December 15, 2015. If the District is going to do that, they need to make sure that they would have a quorum. This meeting will be continued to December 15, 2015, at 1:00 at the standard location. Dr. Fishkind informed the Board that at the pre-closing they would expect to see all of the documents in close to final form, know exactly what the interest rates are, and what the terms of the bonds are. Dr. Fishkind will also confirm the Assessment Report to the Bonds.

FIFTH ORDER OF BUSINESS

Audience Comments and Supervisors Requests

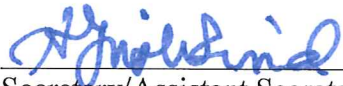
There were no questions or comments from the Board or the audience.

SIXTH ORDER OF BUSINESS

Adjournment

There were no further questions or comments. Dr. Fishkind requested a motion to continue the meeting until December 15, 2015 at 1:00 p.m.

On MOTION by Ms. Andres, seconded by Mr. Acosta, with all in favor, the December 1, 2015 Board of Supervisors Meeting of the Babcock Ranch Community Independent Special District was continued until December 15, 2015 at 1:00 p.m.



Secretary/Assistant Secretary



Chairman