

**MINUTES OF MEETING  
BABCOCK RANCH  
COMMUNITY INDEPENDENT SPECIAL DISTRICT**

The Board of Supervisors of the Babcock Ranch Community Independent Special District held a Public Hearing and Regular Meeting on Thursday, January 25, 2018 at 1:00 p.m., at 14750 SR 31, Punta Gorda, Florida 33982.

**Present at the meeting were:**

Gary Nelson	Chair
Bill Vander May	Vice Chair
Gail Maltese	Assistant Secretary
Elizabeth Andres	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Jonathan Johnson	District Counsel
Alyssa Willson ( <i>via telephone</i> )	Hopping, Green & Sams
Amy Wicks	District Engineer
Jerry Evans	Field Operations – Babcock Ranch
Jon Meyer	TCU Utilities Director – Kitson & Partners
John Broderick	Ops Construction – Kitson & Partners
Justin Guerra ( <i>via telephone</i> )	Developer/Kitson & Partners
Terry Holihen ( <i>via telephone</i> )	Kitson & Partners
Terry Boveri ( <i>via telephone</i> )	PRMG Inc.
Phil Gilden ( <i>via telephone</i> )	Greenburg Traurig – Ecologic Counsel

**FIRST ORDER OF BUSINESS**

**Call to Order**

Mr. Wrathell called the meeting to order at 1:09 p.m.

**SECOND ORDER OF BUSINESS**

**Roll Call**

Mr. Wrathell stated that Supervisors Nelson, Vander May, Maltese and Andres were present, in person. Supervisor Valentine was not present.

**THIRD ORDER OF BUSINESS**

**Public Comments [*any members of the public desiring to speak on a specific agenda item may address the Board*]**

There being no public comments, the next item followed.

**FOURTH ORDER OF BUSINESS**

**Public Hearing to Consider Public Interest of Asset Acquisition**

**A. Affidavits/Proof of Publication**

Mr. Wrathell presented the affidavit of publication for today's Public Hearing.

**B. Consideration of Lease/Option to Purchase Agreement**

Mr. Wrathell presented the Lease/Option Purchase Agreement by and between Babcock Ranch Community Independent Special District and Ecologic Waste Management, LLC.

**C. Presentation of Public Interest Report**

To be provided by Mr. Terry Boveri of PRMG.

**D. Public Comments and Testimony**

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the Public Hearing was opened.**

Mr. Wrathell asked if any members of the public wished to provide testimony or express any comments or concerns regarding the District's intent to enter into the Lease/Option Purchase Agreement. Mr. Johnson provided an overview of the transaction and introduced Mr. Terry Boveri, of Public Resources Management Group (PRMG).

Mr. Boveri presented the Consultant's Report for the Solid Waste Disposal System, along with an accompanying Technical Memorandum. PRMG was established in 1994 and specialized in utility rate and financial management and consulting. In the Statement of Public Interest, in Appendix A, Mr. Boveri discussed Firm Experience and Reasonableness of the Purchase Price and Terms. He concluded that entering into the proposed lease was in the public interest, that Ecologic Waste Management, LLC (Ecologic) possessed the experience and the financial capability to provide the services and that the PRMG forecast was reasonable and attainable, in terms of the growth, connection rates and the estimated cost of operating expenses.

No other members of the public spoke.

**\*\*\*Mr. Boveri left the meeting.\*\*\***

**On MOTION by Ms. Maltese and seconded by Ms. Andres, with all in favor, the PRMG Statement of Public Interest and Technical Report, as presented, were approved.**

**On MOTION by Ms. Maltese and seconded by Ms. Andres, with all in favor, the Public Hearing was closed.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-08, Pursuant to Chapter 2007-306, Section 6 Subsections 6 and 7, Laws of Florida, as Amended, Determining that Entering Into a Lease/Option to Purchase Agreement for the Acquisition, Construction, Operation and Maintenance of a solid Waste Disposal System and Ancillary Facilities Related Thereto (The “Solid Waste Disposal System”) Currently Operated By Ecologic Waste Management, LLC is in the Public Interest; Providing an Effective Date**

Mr. Wrathell presented Resolution 2018-08. He introduced Mr. Phil Gilden, Counsel for Ecologic, who provided a brief overview for each Resolution related to the Lease/Option Purchase Agreement. Mr. Gilden stated that the Resolution stipulated that a public hearing was held, information was presented, the item was considered and the Board agreed that it was in the public interest to enter into the Lease/Option Purchase Agreement with Ecologic.

**On MOTION by Mr. Vander May and seconded by Ms. Andres, with all in favor, Resolution 2018-08, Pursuant to Chapter 2007-306, Section 6 Subsections 6 and 7, Laws of Florida, as Amended, Determining that Entering Into a Lease/Option to Purchase Agreement for the Acquisition, Construction, Operation and Maintenance of a solid Waste Disposal System and Ancillary Facilities Related Thereto (The “Solid Waste Disposal System”) Currently Operated By Ecologic Waste Management, LLC is in the Public Interest; Providing an Effective Date, was adopted.**

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-09, Approving and Authorizing Execution of the Solid Waste Disposal System Lease/Option to Purchase Agreement and Providing an Effective Date**

Mr. Gilden presented Resolution 2018-09 stating that it authorized execution of the lease/purchase agreement. Mr. Johnson recommended approving the Resolution, in substantial form. In response to Ms. Andres' question, Mr. Johnson stated that the reason for his recommendation was so that Staff could re-examine the document and ensure that the insurance requirements were correct and consistent with other elements taking place throughout the community.

**On MOTION by Mr. Vander May and seconded by Ms. Andres, with all in favor, Resolution 2018-09, Approving and Authorizing Execution of the Solid Waste Disposal System Lease/Option to Purchase Agreement, in substantial form, and Providing an Effective Date, was adopted.**

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-10, Authorizing and Establishing the Babcock Ranch Solid Waste Disposal Utility; Providing an Effective Date**

Mr. Gilden presented Resolution 2018-10.

**On MOTION by Ms. Andres and seconded by Ms. Maltese, with all in favor, Resolution 2018-10, Authorizing and Establishing the Babcock Ranch Solid Waste Disposal Utility; Providing an Effective Date, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-11, Authorizing and Establishing the Babcock Ranch Solid Waste Disposal Utility Proprietary Fund, Establishing Utility Receipts Depository, Authorizing Other Administrative Actions Necessary to Commence Operation of the Babcock**

**Ranch Solid Waste Disposal Utility, and  
Providing an Effective Date**

Mr. Gilden presented Resolution 2018-11.

**On MOTION by Ms. Andres and seconded by Ms. Maltese, with all in favor, Resolution 2018-11, Authorizing and Establishing the Babcock Ranch Solid Waste Disposal Utility Proprietary Fund, Establishing Utility Receipts Depository, Authorizing Other Administrative Actions Necessary to Commence Operation of the Babcock Ranch Solid Waste Disposal Utility, and Providing an Effective Date, was adopted.**

**NINTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-12, Adopting The Annual Budget Of Revenue And Expense For The Babcock Ranch Solid Waste Disposal Utility Proprietary Fund For The Fiscal Year Commencing October 1, 2017, And Ending September 30, 2018, Appropriating The Use Of Funds Shown Therein As May Be Needed Or Deemed Necessary To Defray All Expenses And Liabilities Of The Babcock Ranch Solid Waste Disposal Utility For Such Fiscal Year, And Providing An Effective Date**

Mr. Gilden presented Resolution 2018-12. Mr. Wrathell stated that a copy of the budget was attached to the Resolution.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, Resolution 2018-12, Adopting The Annual Budget Of Revenue And Expense For The Babcock Ranch Solid Waste Disposal Utility Proprietary Fund For The Fiscal Year Commencing October 1, 2017, And Ending September 30, 2018, Appropriating The Use Of Funds Shown Therein As May Be Needed Or Deemed Necessary To Defray All Expenses And Liabilities Of The Babcock Ranch Solid Waste Disposal Utility For Such Fiscal Year, And Providing An Effective Date, was adopted.**

**TENTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-13, Authorizing Procurement of Insurance Coverage for Babcock Ranch Solid Waste Disposal Utility, And Providing an Effective Date**

Mr. Gilden presented Resolution 2018-13. Mr. Johnson stated that the insurance adjustments mentioned in Item six were recognized in the Resolution. Mr. Wrathell stated that the District was insured and Management should receive the endorsements shortly.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, Resolution 2018-13, Authorizing Procurement of Insurance Coverage for Babcock Ranch Solid Waste Disposal Utility, And Providing an Effective Date, was adopted.**

**ELEVENTH ORDER OF BUSINESS**

**Consideration of Rate Tariff and Service Policy for Purposes of Setting Public Hearing and Actions Related to Publication of Required Notices**

- A. Rates**
- B. Policy**
- C. Notices**
  - i. Notice of Rule Development**
  - ii. Notice of Rule Making**

Mr. Johnson stated that the Board must authorize Staff to set a public hearing to adopt the proposed rate tariff and schedule of rates, fees and charges and noted that the agenda affirmed that the hearing would be held on March 22, 2018. The Board was asked to reschedule the public hearing to Thursday, March 29, 2018, as additional time was needed to publish the notices. The Board consented to the date change.

Mr. Wrathell asked if the \$20 “Monthly standard charge for household trash and recycling” could be added to the County tax bill as part of the annual assessment. Mr. Johnson would check for any special requirements. Discussion ensued regarding when unit owners would be assessed, fee collection, tax rolls and estoppels. Ms. Andres asked if the fee schedule

included picking up homeowner paint cans and assorted chemicals. Mr. \_\_\_\_\_ stated that there was no curbside pickup for paint cans and most counties categorized them as hazardous waste drop-off items.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, Resolution 2018-13, Authorizing Staff to advertise the Notices of Rule Making and Rule Development, allowing for modifications to the Rules, as needed, placing the \$20 standard monthly recycling charge on the tax bill and changing the public hearing date from Thursday, March 22, 2018 to Thursday, March 29, 2018, at 1:00 p.m., at this location, was approved.**

**TWELFTH ORDER OF BUSINESS**

**Consideration of Use/License Agreement between T&C and Ecologic Waste Management**

Mr. Wrathell presented the Use/License Agreement between Ecologic Waste Management LLC and MSKP Town and Country Utility, LLC (TCU). Mr. Johnson pointed out that there would be a \$200 monthly fee and the District was joining in the Agreement with Ecologic, as expressed in the Joinder and Consent document, on Page 5. Mr. Holihen stated that the Agreement documented the relationship between the two entities and would guard against double-billing for idle equipment.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the Use/License Agreement between MSKP Town and Country Utility, LLC and Ecologic Waste Management, was approved.**

**THIRTEENTH ORDER OF BUSINESS**

**Termination of Vendor Agreement with Ecologic, dated November 16, 2017**

Mr. Wrathell stated that, in light of the new arrangement with Ecologic, the previously-approved agreement was rendered null and void. Mr. Johnson stated that the termination date should coincide with the execution of the Lease Purchase Agreement.

**On MOTION by Ms. Maltese and seconded by Mr. Vander May, with all in favor, terminating the Vendor Agreement with Ecologic, as of the date of the execution of the Lease Purchase Agreement, was approved.**

**FOURTEENTH ORDER OF BUSINESS**

**Consideration of PRMG Inc., Proposal for Additional Services to Provide Solid Waste Consulting Services**

Mr. Wrathell presented the PRMG Inc., Proposal for Additional Services to Provide Solid Waste Consulting Services. He noted the additional amount of \$10,900 for additional services, increasing the total budget to \$47,400.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the PRMG Inc., Proposal for Additional Services to Provide Solid Waste Consulting Services, for an additional amount of \$10,900, subject to District Counsel’s amendment to the Agreement, was approved.**

**FIFTEENTH ORDER OF BUSINESS**

**Consideration of Bond Validation Funding Agreement**

Mr. Wrathell presented the Bond Validation Funding Agreement between the District and Babcock Property Holdings, LLC.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the Bond Validation Funding Agreement between the Babcock Ranch Community Independent Special District and Babcock Property Holdings, LLC, was approved.**

**SIXTEENTH ORDER OF BUSINESS**

**Continued Discussion: Obtaining a Credit/Debit Card for the District’s Field Operations Manager**



Mr. Wrathell recalled that the Board previously discussed acquiring a credit/debit card for the Field Operations Manager and provided an update. Generally, banks were wary of issuing debit cards to Districts. Mr. Wrathell offered the following three options:

1. Valley National Bank, \$2,000 limit per day.
2. Wells Fargo, \$10,000 limit, pending their approval process.
3. Finemark, \$10,000, pending their approval process.

Mr. Wrathell would contact Wells Fargo and Finemark to determine which of the two had better terms and apprise the Board at the next meeting.

**SEVENTEENTH ORDER OF BUSINESS                      Ratification of Construction and Maintenance Access Agreement**

Mr. Wrathell presented the Construction and Maintenance Access Agreement between the District and the Homeowner’s Association. The Agreement facilitated landscape and hardscape improvements within the District. The Agreement was previously executed by the Chair and currently required ratification.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the Construction and Maintenance Access Agreement, executed on December 13, 2017, was ratified.**

**EIGHTEENTH ORDER OF BUSINESS                      Consideration of Kimley-Horn PSA for ARC Line and Grade Review Fees for Phase 2A**

Mr. Wrathell presented the Kimley-Horn Professional Services Agreement (PSA) for ARC Line and Grade Review Fees for Phase 2A. He noted the \$376 per lot initial review fee and the total fee of \$84,976, which equaled the number of lots multiplied by \$376. Mr. Vander May asked for an explanation, in laymen’s terms. Ms. Wicks stated that, during final inspections, all curbs, gutters and asphalt in front of homes were surveyed to ensure that the lots were restored and the sidewalks complied with the Americans with Disabilities (ADA)-accessible requirements after construction. If an accessibility problem existed, the builders were asked to make the necessary repairs. The District Engineer also surveyed the drainage around

the homes and anything that would cause erosion to District property or an adverse drainage impasse to adjacent properties and ensured that the as-builts met all permit requirements. Discussion ensued regarding County inspections versus District inspections, inspection fees, and Certificates of Occupancies (CO's). Mr. Wrathell stated that an online application process that streamlined the final inspection process and allowed builders' payments to be processed via credits cards was being developed and would greatly benefit the District. Ms. Andres stated that checks from builders were made out to the Independent Special District (ISD) and were forwarded to Management for processing. In response to Ms. Andres' inquiry regarding whether the Board should continue to address ISD issues neighborhood-by-neighborhood, Mr. Johnson stated that, legally, the Board could set Rules and adopt and apply them throughout the community; the District was under no obligation to address issues on a neighborhood by neighborhood basis.

**On MOTION by Mr. Vander May and seconded by Ms. Maltese, with all in favor, the Kimley-Horn PSA for ARC Line and Grade Review Fees for Phase 2A, was approved.**

**NINETEENTH ORDER OF BUSINESS**

**Consideration of AIS Financial, LLC Street Lighting Service Contract**

Mr. Wrathell presented the Street Lighting Service Contract with AIS Financial, LLC (AIS). The Agreement was, essentially, a 20-year lease between AIS and the District for street lighting for a specific segment of the property. Exhibit 3, on Page 10, showed the original unit price at \$3,645.45 and the transfer fee of \$500. Each year, there would be an annual deduction of \$191.87 and, ultimately, at year 20, the buyout would amount to \$500 per streetlight. The District could opt to purchase the streetlights without having to wait until year 20 but it was more advantageous to wait. Ms. Andres asked if AIS was the same company that installed the District's other lighting. Mr. Broderick replied affirmatively.

**On MOTION by Mr. Vander May and seconded by Ms. Andres, with all in favor, the AIS Financial, LLC Street Lighting Service Contract, was approved.**

**TWENTIETH ORDER OF BUSINESS**

**Approval of Unaudited Financial Statements as of December 31, 2017**

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2017. Mr. Vander May stated that there was a purchase in process with funds from the Capital Projects Fund balance and Management would soon receive a requisition.

**On MOTION by Mr. Vander May and seconded by Ms. Andres, with all in favor, the Unaudited Financial Statements as of December 31, 2017, were approved.**

**TWENTY-FIRST ORDER OF BUSINESS**

**Consideration of December 13, 2017 Public Hearings and Regular Meeting Minutes**

Mr. Wrathell presented the December 13, 2017 Public Hearings and Regular Meeting Minutes and asked for any additions, deletions or corrections.

**On MOTION by Ms. Andres and seconded by Ms. Maltese, with all in favor, the December 13, 2017 Public Hearings and Regular Meeting Minutes, as presented, were approved.**

**TWENTY-SECOND ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel: *Hopping Green & Sam, P.A***

Mr. Johnson reported the following:

- There was a delay in finalizing the previously-approved Waste Haulers Agreement, as the contractor was having trouble meeting the insurance requirements. He would continue to coordinate with them to produce an acceptable arrangement and requested authorization to approve any changes to the insurance package required in the agreement
- The Board must adopt a course of action for re-inspection fees and a work schedule for any other community-related fees. This would be included on an upcoming agenda
- Staff was coordinating with TCU to ensure that the additional facilities that were being added were in accordance with the requirements of the lease.

- The Constitution Revision Commission would meet later today and a proposal that would have been detrimental to ISDs was withdrawn by the sponsor
- Staff would keep the Board informed on all legislative filings via the newsletter

**B. District Engineer: *Kimley-Horn & Associates***

Ms. Wicks would continue to review several plot plans from Lennar, which were being submitted at a quick pace out of 2A, and the Certificates of Occupancy (COs), with regard to the lot and grade reviews were being submitted as well. Staff was considering instituting a re-review fee for builders who called for inspection but were not ready and trying to push projects through. In response to a question, Ms. Wicks stated that she previously completed 20 to 25 lot and grade inspections. Discussion ensued regarding re-inspection fees and builders and the municipalities. Staff would create a proposed rate schedule for re-inspections for Board approval.

**C. Field Operations Manager**

Mr. Evans recalled that, at the previous Board meeting, there was a discussion about the school using ISD land for activities and District Counsel decided that it was in the best interest of the ISD for the school to execute a statement of indemnification, adding the District as an additional insured. The agreement was drafted, delivered, executed the school officials and would be finalized and presented for Board approval at the next meeting. Secondly, Management recently forwarded an email regarding providing QuickBooks access and Mr. Evans stated that he was very appreciative and would be following up with them shortly.

**D. Construction Manager**

Mr. Broderick stated that area 1B1 contained approximately 300 homes and approximately 30 to 50 were being replatted and redesigned; currently some 70' lots were being changed to 50' and 60' lots. The replatting process would be completed in four to five months. Mr. Wrathell requested an email including what was originally planned and what was being replatted, for the assessment rolls. Mr. Broderick would forward the early conceptual documents to Management and additional data would be provided as they become finalized. Mr. Broderick was coordinating with TCU on an ongoing basis regarding ISD/TCU proposed specifications and will present them at the next meeting.

**E. District Manager: *Wrathell, Hunt and Associates, LLC.***

**i. NEXT MEETING DATE: February 22, 2018 at 1:00 p.m.**

The next meeting will be on Thursday, February 22, 2018 at 1:00 p.m., at this location.

**TWENTY-THIRD ORDER OF BUSINESS      Board Members' Comments/Requests**

In response to Ms. Andres' question, Mr. Wrathell confirmed that the minutes were approved.

**TWENTY-FOURTH ORDER OF BUSINESS      Public Comments**

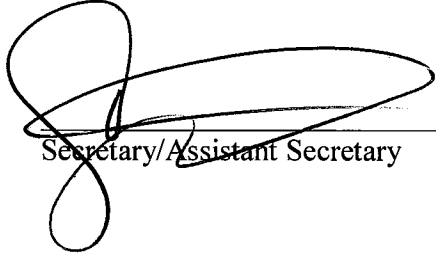
There being no public comments, the next item followed.

**TWENTY-FIFTH ORDER OF BUSINESS      Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Vander May and seconded by Ms. Valentine, with all in favor, the meeting adjourned at 2:20 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair