

**MINUTES OF MEETING
HICKS DITCH
COMMUNITY DEVELOPMENT DISTRICT**

The Organizational meeting of the Board of Supervisors of the Hicks Ditch Community Development District was held Wednesday, **November 22, 2022**, at 10:30 a.m. at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.

Present and constituting a quorum:

Tony Iorio	Chairman
Doug Beasley	Vice Chairman
Rocky Owen	Assistant Secretary
Tom Franklin	Assistant Secretary

Also present were:

George Flint	District Manager, GMS
Michelle Rigoni <i>via phone</i>	District Counsel, Kutak Rock
Major Stacey <i>via phone</i>	District Engineer, Appian Engineering
Sara Zare <i>via phone</i>	Underwriter, MBS Capital Markets

FIRST ORDER OF BUSINESS

Introduction

A. Roll Call

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

B. Public Comment Period

There were no members of the public present for the meeting.

C. Oath of Office

Mr. Flint swore in all Supervisors: Mr. Tony Iorio, Mr. Doug Beasley, and Mr. Rocky Owen and Mr. Franklin. He reviewed all forms that needed to be completed.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Confirmation of Notice of Meeting

Mr. Flint confirmed that the meeting had been properly noticed as required by the statutes.

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

Mr. Flint stated that since the Supervisors were on other Boards and were familiar with the Sunshine Law and other legalities they would move on to the next item.

C. Election of Officers

1. Resolution 2023-01 Appointing Officers

Mr. Flint stated that election of officers is required. Mr. Flint asked that he serve as Secretary, Ms. Jill Burns as Treasurer, and Katie Costa serve as Assistant Treasurer. Mr. Tony Iorio was nominated as Chair, Mr. Doug Beasley as Vice Chair and the other Board of Supervisors as Assistant Secretaries.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Resolution 2023-01 Appointing Officers with Mr. Tony Iorio as Chair, Mr. Doug Beasley as Vice Chair, the other Board of Supervisors as Assistant Secretaries, and Mr. George Flint as Secretary, Ms. Jill Burns as Treasurer, and Katie Costa as Assistant Treasurer, was approved.

THIRD ORDER OF BUSINESS

Retention of District Staff

A. Consideration of Agreement for District Management Services

i. Resolution 2023-02 Appointing District Manager, Financial Disclosure Coordinator, Assessment Consultant, and Designated Investment Representative

Mr. Flint reported that this resolution would appoint GMS as the District Manager. The agreement is in the agenda packet.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Resolution 2023-02 Appointing GMS as the District Manager, was approved.

B. Consideration of Agreement for District Counsel Services

i. Consideration of Resolution 2023-03 Appointing District Counsel

Mr. Flint stated that this resolution will appoint District Counsel, Sarah Sandy, with Kutak Rock. Mr. Flint stated Michelle Rigoni was on the phone to answer any questions.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2023-03 Appointing Sarah Sandy with Kutak Rock as District Counsel, was approved.

C. Consideration of Resolution 2023-04 Selection of Registered Agent and Office

Mr. Flint stated that it is required by the state to have a registered agent and designate the office of this agent. Mr. Flint noted this would name Sarah Sandy as a registered agent and her office at Kutak Rock in Tallahassee address as the registered office location.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2023-04 Selecting District Counsel, Sarah Sandy, as the Registered Agent and their office as the Registered Office, was approved.

D. Resolution 2023-05 Appointing Interim District Engineer

Mr. Flint noted these could be taken together and stated this would appoint Appian Engineering as the Interim District Engineer.

E. Consideration of Interim District Engineering Agreement

Mr. Flint stated that he was provided the rate sheet that was attached to the Interim Engineering Agreement.

F. Request Authorization to Issue RFQ for Engineering Services

Mr. Flint asked that they authorize them to issue the RFQ for District Engineering Services.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-05 Appointing the Interim District Engineer as Appian Engineering., Approving the District Engineering Agreement, and the Authorization to Allow Staff to Issue RFQ for Engineering Services, was approved.

FOURTH ORDER OF BUSINESS

Designation of Meetings and Hearing Dates

A. Consideration of Resolution 2023-06 Designation of Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2023

Mr. Flint stated the District is required to develop a meeting schedule. He recommended the fourth Wednesday of the month at 9:00 a.m. in the same location.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2023-06 Designation of Regular Monthly Meeting Date, Time, and Location of Fiscal Year 2023 for the 4th Wednesday of Each Month at 9:00 a.m. in the Same Location, was approved.

B. Consideration of Resolution 2023-07 Designation of Landowner’s Meeting Date, Time, and Location

Mr. Flint recommended that the Landowner meeting be held on January 25, 2023 at 9:00 a.m. at the same location.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-07 Designation of Landowner’s Meeting for January 25, 2023 at 9:00 a.m., at same location, was approved.

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

1. Consideration of Resolution 2023-08 Setting a Public Hearing to Consider the Proposed Rules of the District

Mr. Flint noted the Rules of Procedure were included in the agenda package. He suggested the public hearing be January 25, 2023 at 9:00 a.m. at the same location.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-08 Setting the Public Hearing for, January 25, 2023 at 9:00 a.m. at the Same Location, was approved.

D. Designation of Dates of Public Hearing on the Budget for Fiscal Year 2023

1. Consideration of Resolution 2023-09 Setting the Public Hearing and Approving the Proposed Budget for Fiscal Year 2023

Mr. Flint noted this was included in the package. He suggested the meeting be set for January 25, 2023 at 9:00 a.m. at the same location.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-09 Setting the Public Hearing for January 25, 2023 at 9:00 a.m. at the same location and Approving the Proposed Budget for Fiscal Year 2023 Budgets, was approved.

2. Approval of the Fiscal Year 2023 Budget Funding Agreement

Mr. Flint presented the Budget Funding Agreement in the agenda package. He asked if there were any comments. Hearing none,

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Fiscal Year 2023 Developer Funding Agreement, was approved.

E. Resolution 2023-10 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

Mr. Flint noted this outlines the District’s process to collect assessments using the county tax bill when we are ready to do so. He suggested the public hearing for January 25, 2023 at 9:00 a.m. in the same location.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-10 Setting the 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 for January 25, 2023 at 9:00 a.m. in the same location, was approved.

FIFTH ORDER OF BUSINESS

Other Organizational Matters

A. Resolution 2023-11 Designating a Qualified Public Depository

Mr. Flint stated that this would appoint the depository as Truist.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2023-11 Designating Truist Bank as the District Depository, was approved.

B. Resolution 2023-12 Authorization of Bank Account Signatories

Mr. Flint asked that the signatories be the Treasurers and Secretary, Jill Burns, Katie Costa and George Flint.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-12 Authorizing Jill Burns, George Flint and Katie Costa as Bank Account Signatories, was approved.

C. Consideration of Resolution 2023-13 Relating to Defense of Board Members

Ms. Rigoni noted that this resolution outlines legal support to Board members and staff as outlined in the resolution when acting in their capacity as Board members. Ms. Rigoni called the Board's attention to Section 8 stating legal documents must be forwarded to Counsel within 14 calendar days. She asked if there were any questions and a motion to approve.

On MOTION by Mr. Franklin, seconded by Mr. Owen with all in favor, Resolution 2023-13, Relating to Defense of Board Members, was approved.

D. Consideration of Resolution 2023-14 Approving or Ratifying District Counsel's Actions in Recording the Property Records of Lake County, Florida the "Notice of Establishment" in accordance with Chapter 190.0485, Florida Statutes

1. Notice of Establishment

Mr. Flint noted that this is a statutory requirement, and it ratified the District counsel's action and recording the notice of establishment for the District.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-14 Ratifying District Counsel's Actions in Recording the Property Records of Lake County, Florida the Notice of Establishment in Accordance with Chapter 190.0485, Florida Statutes, was ratified.

E. Consideration of Resolution 2023-15 Adopting Investment Guidelines

Mr. Flint stated the District has the ability to create their own investment policies or can adopt the alternative investment guidelines, which limits the districts investments.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-15 Adopting Alternative Investment Guidelines, was approved.

F. Consideration of Resolution 2023-16 Authorizing Execution of Public Depositor Report

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2023-16 Authorizing Execution of Public Depositor Report, was approved.

G. Consideration of Resolution 2023-17 Designating a Policy for Public Comment

Mr. Flint stated Florida Statute requires that members be given a reasonable opportunity to make comment before any action is taken.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-17 Designating a Policy for Public Comment, was approved.

H. Consideration of Resolution 2023-18 Adopting a Travel and Reimbursement Policy

Mr. Flint stated that the Florida statutes establish travel reimbursement rates that would apply to Board Members and direct employees.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-18 Adopting a Travel and Reimbursement Policy, was approved.

I. Consideration of Resolution 2023-19 Adopting Prompt Payment Policy

Ms. Rigoni noted the Florida Statutes require prompt payment to vendors and this policy outlines the terms attached as Exhibit 'A.' The policy also mentions payment dispute procedures. Ms. Rigoni asked for any questions, hearing none.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-19 Adopting Prompt Payment Policy, was approved.

J. Consideration of Resolution 2023-20 Adopting a Records Retention Policy

Mr. Flint stated that Resolution 2023-20 provides two options for retaining records and they recommend option two allowing to keep all the records and then later ask the Board to amend the policy to allow them to destroy records.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor Resolution 2023-20 Adopting a Records Retention Policy of Option 2, was approved.

K. Consideration of Compensation to Board Members

Mr. Flint reviewed the subject of Board compensation of \$200 per meeting. Tony Iorio waived, Rocky Owen accepted, Tom Franklin accepted, and Doug Beasley waived.

L. Consideration of Resolution 2023-21 Designating the Primary Administrative Office and Principal Headquarters of the District

Mr. Flint stated the Primary Administrative Office would be GMS's office in Orlando at 219 East Livingston Street.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, Resolution 2023-21 Designating the Primary Administrative Office and Principal Headquarters of the District as GMS's Office in Orlando at 219 East Livingston Street, was approved.

M. Consideration of Resolution 2023-22 Selecting District Records Office Within Lake County

Mr. Flint stated the Primary Administrative Office would be 17500 Cavallo Drive, Montverde, FL 34756 in Lake County.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-22 Selecting 17500 Cavallo Drive, Montverde, FL 34576 within Lake County as the District Records Office Within Lake County, was approved.

N. Consideration of Website Services Agreement

Mr. Flint stated this agreement would be with ReAlign Web Design and noted the fee for \$1,750 is a one-time fee.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, the Agreement with ReAlign Web Design for \$1,750, 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 Lake County

Mr. Flint stated this will authorize staff to prepare a Public Facilities Report to be filed in Lake County.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Authorization for staff to prepare a Public Facilities Report in Accordance with Chapter 189.08 Florida Statutes to Coincide with Special District Filing in Lake County, was approved.

P. Consideration of Resolution 2023-23 Authorizing Chairperson to Execute Plats, Permits and Conveyances

Mr. Flint stated this will authorize Chairperson to Execute Plats, Permits and Conveyances. This would allow the Chair or Vice Chair or other Board members could execute this.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Resolution 2023-23 Authorizing Chairperson or Vice Chairperson to Execute Plats Permits and Conveyances, was approved.

SIXTH ORDER OF BUSINESS

Capital Improvements

A. Appointment of Financing Team

1. Bond Counsel

Ms. Rigoni stated Cynthia Wilhelm with Nabors, Giblin & Nickerson as Bond Counsel could not make it and she would explain the agreement on her behalf. She stated the fee that would be charged for each bond issuance would be \$45,000 per issue. She explained that the \$45,000 fee would include out of pocket expenses, travel, etc. Ms. Rigoni noted that if it didn't close, no payment would be required.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Appointing Nabors, Giblin & Nickerson, P.A. as Bond Counsel, was approved.

2. Underwriter

Mr. Flint noted MBS Bond Specialist would be the investment banker. Mr. Flint noted Sara Zare from MBS was on the phone for questions, hearing none,

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Appointing MBS Capital Markets, was approved.

3. Assessment Administrator

Mr. Flint noted this would be with GMS and has been previously approved.

4. Trustee

Mr. Flint noted this proposal in the packet is with US Bank, Scott Schuhle.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Appointing the Trustee as US Bank, Scott Schuhle, was approved.

B. Approval of Financing Team Funding Agreement

Mr. Flint explained that under the terms of this agreement any funds provided as part of this agreement would be reimbursed under the future bond issuance, in the event bonds are not issued, funding mechanism to pay would be provided.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, the Financing Team Funding Agreement, was approved.

SEVENTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Master Engineer's Report

Mr. Stacey stated they have jurisdiction's approval and majority of permits in hand; the reports are based on the calculations and construction plans. Mr. Stacey stated he would answer any specific questions about the report. Ms. Rigoni asked if in Mr. Stacey's professional opinion if the cost estimates were reasonable for a project of this size and scope. Mr. Stacey stated the value in the report was correct. Ms. Rigoni asked Mr. Stacey if there were any reason to believe that the district could not carry out this project at this time. Mr. Stacey stated there is no reason.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, the Master Engineer's Report as Presented By Mr. Stacey, was approved.

B. Consideration of Master Assessment Methodology

Mr. Flint explained that Table 1 is the development program described in the Engineers Report. He stated that there are 538 units in Phase 1A/ 1B and Phase 2, it's a mix of townhomes, single family 40-foot and single family 50-foot product types for a total of 461 ERUs. He continued to say that Table 2 is the CIP and cost estimates taken from the Interim District Engineers Report that was just approved totaling \$23,264,649. Table 3 is a conservative bond sizing using the cost estimates for the infrastructure, estimated at a not to exceed aggregate of \$33,150,000. Table 4 is the allocation of benefit based on product type and per unit improvement cost. The next table shows the allocation of benefit based on par debt per unit. Table 6 is if 100 percent of the identified improvements at the conservative parameters of the bond sizing what the per unit assessments would be. Table 7 is the preliminary assessment roll showing the specific parcels and acres and amounts per parcel that would be assessed. Mr. Flint asked if there were any questions? Ms. Rigoni asked Mr. Flint if the assessments are reasonably and fairly allocated to the land specifically benefitted by them. Mr. Flint responded yes. Ms. Rigoni asked if the lands assessed proceed the special benefit that was equal to or in excessive of the special benefits that were levied. Mr. Flint responded yes.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, the Master Assessment Methodology Report, was approved in Substantial Form Subject to Revisions.

C. Consideration of Resolution 2023-24 Declaring Special Assessments

Ms. Rigoni stated that the resolution declares the special assessment based on the Master Assessment Methodology that was just approved. The district will levy a master assessment against the benefit of land. The levying will be done pursuant to a master improvement plan that was just approved with an estimated cost of \$23,264,649 which the master assessment report estimates a maximum level of assessments at \$33,150,000. Ms. Rigoni asked if there were any questions and a motion to approve.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Resolution 2023-24 Declaring Special Assessments, was approved.

D. Consideration of Resolution 2023-25 Setting a Public Hearing for Special Assessments

Ms Rigoni stated that this resolution would set the public hearing to levy the special assessments. She noted that they would recommend them set it for their January 25, 2023 at 9:00 a.m. at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, FL 34711.

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, Resolution 2023-25 Setting a Public Hearing for Special Assessments for January 25, 2023 at 9:00 a.m. at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, FL 34711, was approved.

E. Consideration of Resolution 2023-26 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings

Ms. Rigoni stated this resolution provides approval for the Master Trust Indenture. It approves the Capital Improvement Program as the basis for the issuance of the bonds. It also authorizes Kutak Rock to proceed in validation proceedings, and authorizes Chair, Vice Chair, and any other Board Members to take the action necessary to complete out the transaction related to validations, issuance and delivery of the bonds. Ms. Rigoni asked if there were any questions and a motion to approve the resolution.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Resolution 2023-26 Authorizing the Issuance of Bond and Authorizing the Commencement of Validation Proceedings, was approved.

EIGHTH ORDER OF BUSINESS

Other Business

A. Staff Reports

i. Attorney

Ms. Rigoni reminded the Board and staff that during the establishment stage, the City Commission asked the Board to elect one City of Eustis resident onto the initial Board. Mr. Flint stated that the first Landowner Election on January 25th would be an opportunity to elect this

individual. Mr. Iorio asked Mr. Flint to reach out to a Eustis resident that would be interested in the position.

ii. Manager

Mr. Flint had nothing further to report.

B. Supervisor's Requests

There being none, the next item followed.

C. Approval of Funding Request No. 1

Mr. Flint stated this is an initial startup cost for ads, public hearings, and insurance. This is for \$16,750.

On MOTION by Mr. Beasley, seconded by Mr. Franklin, with all in favor, Funding Request No. 1, was approved.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Beasley, seconded by Mr. Franklin, with all in favor, the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman