

**MINUTES OF MEETING
WINDSOR CAY
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Windsor Cay Community Development District was held Wednesday, **March 27, 2024** at 11:30 a.m. at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.

Present and constituting a quorum:

Eric Baker
Bernard Sullivan
Jeff Farhood

Vice Chairman
Assistant Secretary
Assistant Secretary

Also present were:

George Flint
Bill Whitegon *by phone*
Ryan Dugan
Alan Scheerer
Andy Hatton
Steve Sanford *by phone*

District Manager, GMS
District Engineer
District Counsel
Field Manager
Field Manager
Greenberg Traurig

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present other than Board and staff.

THIRD ORDER OF BUSINESS

Approval of Minutes of the January 24, 2024 Board of Supervisors Meeting and Acceptance of January 24, 2024 Audit Committee Meeting Minutes

Mr. Flint presented the minutes of the January 24, 2024 Board of Supervisors meeting and Acceptance of the January 24, 2024 Audit Committee meeting minutes and asked for any comments, corrections, or changes. The Board had no changes to the minutes.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, the Minutes of the January 24, 2024 Board of Supervisors Meeting and Acceptance of the January 24, 2024 Audit Committee Meeting Minutes, were approved.

FOURTH ORDER OF BUSINESS

Organizational Matters:

A. Acceptance of Resignation of Quinten Payne

Mr. Flint stated a resignation was received from Quinten yesterday. Anytime there is a vacancy created during the term of office, the remaining Board members appoint a replacement. He asked for a motion to accept Quinten's resignation.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, the Acceptance of Resignation of Quinten Payne, was approved.

B. Appointment of Individual to Fill Board Vacancy

Mr. Flint asked for any nominations to fill the vacancy. Mr. Baker noted they are nominating Chris Cleary.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, the Appointment of Chris Cleary to Fill Board Vacancy, was approved.

C. Administration of Oath to Newly Appointed Board Member

Mr. Flint stated Chris is not present at the meeting but the oath will be administered prior to his participation in future meetings.

D. Consideration of Resolution 2024-04 Appointing an Assistant Secretary

Mr. Flint stated Quinten was an Assistant Secretary and asked if the Board wanted to make Chris an Assistant Secretary.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, Resolution 2024-04 Appointing Chris Cleary an Assistant Secretary, was approved.

FIFTH ORDER OF BUSINESS

Financing Matters

A. Presentation of Amended and Restated Engineers Report

Mr. Whitegon stated the Engineer’s Report was amended and restated and the revisions were primarily limited to Table 1 which was the opinion of probable cost. It was revised to reflect a breakout of the cost estimates for Phases 2 and 3 where they were previously combined. They have now been split up to itemize cost for Phase 2 and Phase 3. Mr. Flint asked if they want the Engineer’s Report approved. Mr. Whitegon noted it is not part of the declaring resolution so they did not need to.

B. Presentation of Amended and Restated Master Assessment Methodology Report for Assessment Area One

Mr. Flint stated the Master Assessment Methodology for Assessment Area One was previously prepared and originally Assessment Area One only included Phase 1. The purpose of this report is to amend and restate that methodology to include Phase 2 but maintain the validity of the original assessment process for Phase 1. This report has been structured to break out Phase 1 and Phase 2 and the detail in the tables. Today, you will be initiating an assessment process for Phase 2 even though it is a part of Assessment Area One. The Phase 1 part of Assessment Area One has already been leaned. Phase 2 has been broken out to be able to place a lean on it. The Phase 1 development plan includes 375 units with a mix of townhomes, 40 and 50 ft. single family lots and Phase 2 is 165 units. A total of 540 units and 394 ERU’s. Table 2 is the infrastructure costs taken from the Engineer’s Report broken out by phase. Phase 2 is estimated at \$5,982,000. Total Assessment Area One is \$19,575,000. Table 3 is a bond sizing for the new Assessment Area One which is comprised of Phase 1 and 2. It results in a par amount of \$25,640,000 with \$7,900,000 of that is Phase 2. Table 4 demonstrates allocation of benefit based on improvement costs. Two tables – Phase 1 which is the same as original Master Methodology and Phase 2

showing improvement cost per unit. Table 5 is allocation of benefit based on par debt broken out by phases. Phase 2 totals \$7,900,000 par debt from the bond sizing for Phase 2. Table 6 is the net annual assessment and gross annual assessment by unit by phase. Table 7 is the preliminary assessment roll. All of the lots are platted in Phase 1. Phase 2 is about 22.38 acres. He noted comments from counsel were somewhat minor and the Board can approve this in substantial form subject to incorporation of those.

C. Consideration of Resolution 2024-02 Declaring Special Assessments for Assessment Area One

Mr. Dugan noted last year there was a process referred to as the 170 Assessment Process to establish a master lean on Phase 1 property. Now that the developer has closed and owns Phase 2 lands, they are going through the process to impose a master lean on the Phase 2 property. The resolutions in the agenda are based off of the Engineer’s Report and the methodology that George just went through. They are declaring the intent to impose assessments and have a master lean on Phase 2 land and will be setting a public hearing for a later date. This resolution sets out the Districts intent to levy the assessments on Phase 2 as described in the Methodology Report. Section 4 & 5 would be filled in with the cost estimates and improvement amounts in the Assessment Methodology Report. Sections 7 & 12 describe the public hearing.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, Resolution 2024-02 Declaring Special Assessments for Assessment Area One, was approved.

D. Consideration of Resolution 2024-03 Setting a Public Hearing for Special Assessments

Mr. Dugan stated this resolution sets the date for the public hearing on the assessments or master lean for Phase 2 properties. Florida law requires this hearing to be held 30 days after a mailed notice is sent to the property owners in Phase 2. May 1st at 11:30 is the proposed date for the public hearing in this same location. Mr. Flint noted the regular April meeting will likely be cancelled.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, Resolution 2024-03 Setting a Public Hearing for May 1st at 11:30 a.m. for Special Assessments, was approved.

E. Presentation of Preliminary Supplemental Assessment Methodology Report for Assessment Area One

Mr. Flint stated this is intended to be a prepricing supplemental assessment methodology and is used as part of the offering document when the underwriter markets the bonds. This includes Phase 1 and Phase 2 the entire new Assessment Area One assuming the public hearing is held and the lean is placed on Phase 2. This supplemental report once the bonds are actually priced would be revised to reflect the actual terms. Table 1 is the same as on the amended and restated master. Table 2 is the same estimated improvement cost. Table 3 the assumptions on the bond sizing are a little closer to where the underwriter believes the market is if they priced these. The interest rate is at 5.5% and capitalized interest at six months to basically get to November 1st will be adjusted. The debt service reserve is reduced to 50% max annual debt results in an estimated construction fund of about \$8.7M. These are subject to actual marketing and pricing of the bonds. Table 4 is allocation of benefit based on improvement costs. Table 5 is based on par debt. Some developer contributions have been recognized to match up the target assessments to where Pulte would like them to be from a sales and marketing perspective. Table 6 shows target assessment levels. Table 7 is the preliminary assessment roll. Phase 1 is fully platted and Phase 2 is not yet platted. He asked for any questions, otherwise asked for a motion to approve the preliminary Supplemental Assessment Methodology.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, the Preliminary Supplemental Assessment Methodology Report for Assessment Area One, was approved.

F. Consideration of Resolution 2024-01 Delegation Resolution

- i. Exhibit A: Form of Bond Purchase Contract**
- ii. Exhibit B: Draft Copy of Preliminary Limited Offering Memorandum**
- iii. Exhibit C: Form of Continuing Disclosure Agreement**
- iv. Exhibit D: Form of First Supplemental Trust Indenture**

Mr. Sanford presented Resolution 2024-01 Delegation Resolution. The Board sets certain parameters and when it comes time to market the bonds within the parameters set by the Board, the Chair or Vice Chair is authorized to sign a Bond Purchase Contract without calling a special meeting. The parameters are that the principal amount of bonds to finance Phase 1 & Phase 2 improvements should not exceed \$12M. The interest rate can't exceed the maximum rate. The

term of the bonds can't exceed 30 years not counting any capitalized interest variant and the compensation to the underwrite is 98% meaning they buy the bonds at a discount and turn around and sell the bonds at par to the investors and that differential is the compensation to be paid to the underwriter. He noted they are within those parameters and set to move forward with the pricing and closing on the bonds. The closing would not occur until after the final assessments have been done for Phase 1.

Mr. Sanford stated that this resolution asks the Board to approve certain documents in substantial final form. The Bond Purchase Contract is between FMS and the underwriter. Once the bonds are sold that get executed and would have the final terms of the bonds. A draft copy of the Preliminary Limited Offering Memorandum is the marketing tool used by the underwrite to market the bonds. Once the bonds are sold the Preliminary Offering Memorandum gets finalized with the final terms of the bonds and the redemption provisions and will be delivered to the investor. The Continuing Disclosure Agreement is required under SEC rules for both the District and developer as an obligated party to provide certain annual information regarding the bonds and development and requirement to disclose certain material. The rationale on having this agreement is if somebody wanted to buy the bonds in the secondary market, they would have the most current information because after a while the Limited Offering Memorandum which was used to sell the bonds becomes outdated so it creates a leveled playing field. The First Supplemental Trust Indenture was approved when the Board first adopted the authorizing resolution but the structure has changed a bit so would like to get the Board to reapprove that document. That document is between the District and US Bank Trust as your trustee. Once the bonds are sold that document gets finalized with the interest rate, redemption provisions and sources and uses. The resolution does two other things. If there is any need to amend the Engineer's Report or Georges report in connection with the marketing of the bonds, there is authorization do so in this resolution without a special meeting.

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, Resolution 2024-01 Delegation Resolution, was approved.

SIXTH ORDER OF BUSINESS

**Ratification of Lake County Uniform
Collection Agreement**

Mr. Flint stated Statute requires the District to enter into an agreement with the property appraiser. This has been executed so just asking the Board to ratify.

appraisal will be compared to the actual cost paid for that land and the CDD will be limited to paying the lesser of the two. Once that information is received, they will go forward with preparing acquisition documents.

C. District Manager's Report

i. Balance Sheet and Income Statement

Mr. Flint presented the unaudited financials through the end of February. There is no action required.

ii. Check Register

Mr. Flint presented the check register from December 1, 2023 through February 29, 2024 for \$16,188.82. He asked for any questions, otherwise asking for a motion to approve.

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

D. Field Manager's Report

Mr. Scheerer stated at the last meeting Eric had requested pricing from Exclusive for landscape services. The install contractor is Cherrylake. The coversheet lays out the pricing and different basic scopes of services within Cherrylake in the Exclusive contract. Eric mentioned tilling the ponds and not mowing them which was originally contemplated in the budget. He reached out to Toole's who does this same tractor service at other properties. They are looking at every other month for tilling is a six-time fee for \$7,800. The Toole's proposal was included and then the actual document from Cherrylake. Toole's did lower the cost of mulch. He noted he can get a formal proposal for Phase 1 for which ever direction the Board decides to go. Phase 2 just has a pond.

TENTH ORDER OF BUSINESS

Other Business

Mr. Baker asked about Gatehouse turn over and a water meter for the common area, boulevard and roundabout onto 27. Mr. Farhood noted there is a combination of two sources of reclaimed water. Turnover of that reclaim has been signed off to South Lake Utilities and needs to be turned over to the CDD. It will serve the CDD in the front of the gates. Past the gates is all HOA. There is a jumper, potable water comes in and is jumped to a reclaim system and there is

also a supplemental well that will provide irrigation water through the entire community and common areas. Mr. Flint noted systems must be a backflow or are separated. Mr. Farhood noted there is a valve that doesn't allow the reclaim to go into the well. There is a meter at the jumper location. Mr. Flint noted there will be a road and he thinks the CDD is supposed to maintain that. Mr. Farhood stated landscape plans omit that area. Mr. Flint suggested looking into that and asked about an easement agreement. Mr. Farhood noted there is an easement agreement for the road and right of way for maintenance for landscaping more for access.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests

There being no comments, the next item followed.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Baker, seconded by Mr. Farhood, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman