

**MINUTES OF MEETING
REFLECTION BAY
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Reflection Bay Community Development District held a Public Hearing, Regular Meeting and Audit Committee Meeting on April 30, 2024 at 11:00 a.m., at the offices of WGI, 2035 Vista Parkway, West Palm Beach, Florida 33411.

Present were:

Michael Caputo	Chair
Timothy Smith	Vice Chair
Justin Frye	Assistant Secretary
William Fife (via telephone)	Assistant Secretary
Jon Seifel	Assistant Secretary

Also present:

Cindy Cerbone (via telephone)	District Manager
Andrew Kantarzhi	Wrathell, Hunt and Associates, LLC
Jere Earlywine (via telephone)	District Counsel
Travis Douglas	Interim District Engineer
Jared Lybbert (via telephone)	Kolter Land Partners

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Kantarzhi called the meeting to order at 11:02 a.m. He noted that the Oath of Office was administered to Mr. Seifel and Mr. Fife prior to the meeting.

Supervisors Caputo, Smith, Seifel and Frye were present. Supervisor Fife attended via telephone.

SECOND ORDER OF BUSINESS

Public Comments

No members of the public were present.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Supervisors Jon Seifel [Seat 3] and Bill Fife

[Seat 5] (the following will also be provided in a separate package)

This item was addressed during the First Order of Business. As experienced Board Members, Supervisors Seifel and Fife are familiar with the following:

- A. Required Ethics Training and Disclosure Filing**
 - **Sample Form 1 2023/Instructions**Mr. Kantarzhi will discuss the new Form 1 filing instructions following the meeting.
- B. Membership, Obligations and Responsibilities**
- C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers**

FOURTH ORDER OF BUSINESS

Public Hearing Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District's Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date

- A. Affidavit/Proof of Publication**

The proof of publication was included for informational purposes.
- B. Consideration of Resolution 2024-28, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Reflection Bay Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date**

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Public Hearing was closed.

Mr. Kantarzhi presented Resolution 2024-28 and read the title.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, Resolution 2024-28, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Reflection Bay Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Presentation of Engineer’s Report

Mr. Douglas presented the Engineer’s Report dated March 2024 and noted the following:

- The CDD is intended to fund infrastructure improvements, including roadways, stormwater management systems, conservation areas, water and wastewater utilities with partial ownership by the utility provider, perimeter hardscape, landscape, irrigation and streetlights. Services will be provided by the Engineer for the CDD.
- A list of permits and statuses will be provided.
- Costs associated with water & wastewater utilities will solely be borne by the County.

Mr. Earlywine believes the latest version of the Report includes the permit chart.

SIXTH ORDER OF BUSINESS

Presentation of Master Special Assessment Methodology Report

Mr. Kantarzhi presented the Master Special Assessment Methodology Report dated March 20, 2024. He reviewed the pertinent information found in each section and noted the following:

- The CDD consists of approximately 69.87 acres.
- The name of the Development will be Reflection Bay; development is anticipated to be conducted by KL Reflection Bay, LLC, or an affiliated entity.
- 610 residential units are anticipated.

Discussion ensued regarding discrepancies in the number of units listed in the Report.

Mr. Earlywine stated, while the Engineer's Report and the Assessment Methodology Reports were updated in April 2024, the earlier versions of the Reports that are included in the agenda can be approved in substantial form, in order to begin the assessment process.

- The anticipated Capital Improvement Plan (CIP) costs are estimated at \$8,540,325.
- The total par amount of bonds, including the cost of financing, capitalized interest and debt service reserve, would be \$12,025,000.

The Board and Staff discussed the upcoming bond issuance and totals included in the Engineer's Report and the Assessment Methodology Reports updated in April 2024.

Mr. Earlywine stated the bond validation was noticed at \$12,025,000, which will be the cap unless the decision is made to delay the bond issuance. Based on the more updated information, he recommended levying assessments based upon the \$13.1 million estimated CIP, plus an additional \$5 million for financing costs, which would bring the total to approximately \$18.31 million for the lien.

On MOTION by Mr. Frye and seconded by Mr. Smith, with all in favor, the Engineer's Report, with anticipated Capital Improvement Plan costs estimated at \$13.1 million, in substantial form, was approved.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Master Special Assessment Methodology Report, with anticipated Capital Improvement Plan costs estimated at \$13.1 million, plus an additional \$5 million for financing costs, etc., for a total lien of approximately \$18.31 million, in substantial form, was approved.

Mr. Earlywine stated the assessments will start now. The assessment hearing will be held on June 12, 2024. In the meantime, a validation hearing is scheduled for May 20, 2024 based on the original number in the complaint filed in March, which was \$12,025,000. If par will not be issued higher than that amount, the bond issuance can proceed as originally scheduled. If the higher par amount of bonds is needed, the hearing will need to be moved back, which will delay issuance of the bonds.

A Board Member thinks the debt service from DR Horton necessitates validating as originally planned.

Mr. Earlywine stated he will confirm with Mr. Lybbert to be sure.

Mr. Kantarzhi stated that there was a concern about meeting room availability; however, the District Engineer just confirmed that the meeting room across the hall from the current location is available on June 12, 2024.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-26, Declaring Special Assessments; Designating the Nature and Location of the Proposed Improvements; Declaring the Total Estimated Cost of the Improvements, the Portion to Be Paid by Assessments, and the Manner and Timing in Which the Assessments are to Be Paid; Designating the Lands Upon Which the Assessments Shall Be Levied; Providing For An Assessment Plat and a Preliminary Assessment Roll; Addressing the Setting of Public Hearings; Providing for Publication of This Resolution; and Addressing Conflicts, Severability and an Effective Date

Mr. Kantarzhi presented Resolution 2024-26 and read the title. He noted that the amount of assessments to be levied will be \$18.31 million, as discussed.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, Resolution 2024-26, Declaring Special Assessments; Designating the Nature and Location of the Proposed Improvements; Declaring the Total Estimated Cost of the Improvements, the Portion to Be Paid by Assessments, and the Manner and Timing in Which the Assessments are to Be Paid; Designating the Lands Upon Which the Assessments Shall Be Levied; Providing For An Assessment Plat and a Preliminary Assessment Roll; Addressing the Setting of Public Hearings on June 12, 2024 at 11:00 a.m., at the offices of WGI, 2035 Vista Parkway, West Palm Beach, Florida 33411; Providing for Publication of This Resolution; and Addressing Conflicts, Severability and an Effective Date, as stated, in substantial form, was adopted.

EIGHTH ORDER OF BUSINESS

Recess Regular Meeting/Commencement of Audit Selection Committee Meeting

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Regular Meeting recessed and the Audit Selection Committee Meeting commenced.

NINTH ORDER OF BUSINESS

Review of Response to Request for Proposals (RFP) for Annual Audit Services

A. Affidavit of Publication

B. RFP Package

These items were included for informational purposes.

C. Respondents

I. Berger, Toombs, Elam, Gaines & Frank

II. Carr, Riggs & Ingram, LLC

III. Grau & Associates

Mr. Kantarzhi presented his scores and rankings and stated the Audit Selection Committee can accept his scores and rankings or perform its own. He stated that cost is the factor that sets the respondents apart.

D. Auditor Evaluation Matrix/Ranking

The ranking and scores were as follows:

#1	Berger, Toombs, Elam, Gaines & Frank	100 points
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#2	Grau & Associates	99 points
#3	Carr, Riggs & Ingram, LLC	98 points

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, accepting the District Manager’s scores, ranking and recommendation, was approved.

TENTH ORDER OF BUSINESS

Termination of Audit Selection Committee Meeting/Reconvene Regular Meeting

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Audit Selection Committee Meeting terminated and the Regular Meeting reconvened.

ELEVENTH ORDER OF BUSINESS

Consider Recommendation of Audit Selection Committee

- **Award of Contract**

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, accepting the scores, ranking and recommendation of the Audit Selection Committee as the Board’s scores and ranking and awarding the contract for Annual Audit Services to Berger, Toombs, Elam, Gaines & Frank, the #1 ranked respondent to the RFP for Audit Services, was approved.

TWELFTH ORDER OF BUSINESS

Consideration of Response(s) to Request for Qualifications (RFQ) for Engineering Services

- A. Affidavit of Publication**
- B. RFQ Package**
- C. Respondent: WGI, Inc.**

Mr. Kantarzhi stated, since WGI, Inc. (WGI) was the sole respondent to the RFQ for Engineering Services, the Board can forego the evaluation process and award the contract to WGI.

- D. **Competitive Selection Criteria/Ranking**
- E. **Award of Contract**

On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, ranking WGI, Inc., the sole respondent to the RFQ, as the #1 ranked respondent and awarding the Engineering Services contract to WGI, Inc., was approved.

THIRTEENTH ORDER OF BUSINESS**Consideration of Site Work Contract Assignment**

Mr. Earlywine presented the Site Work Contract and noted that assignment will not be accepted at this time. Instead, an Addendum, attached to the Site Work Contract, will authorize the CDD to acquire the project in small progress payments on a monthly basis. Each month, the CDD will purchase the Site Work completed in the prior month.

Mr. Earlywine stated he would like to authorize Staff to prepare the Addendum that accompanies the Contract and authorizes the acquisition of the project on a partial progress basis until its completion. The forms consist of the Addendum to the Contract to be signed by the Contractor acknowledging that the CDD can buy the project in pieces, along the way, and a Certificate form to be signed by the Developer and the Engineer to certify that everything has been paid for the prior month and that the CDD is acquiring the project pieces. A monthly Bill of Sale will be signed as well.

Mr. Jared Lybbert joined the meeting via telephone at 11:28 a.m.

Mr. Earlywine stated that the Bond Validation that began at the March Organizational Meeting was for \$12,025,000, based on an \$8 million CIP, with a somewhat limited scope. At today's meeting, the assessment process is beginning with an updated Engineer's Report that includes \$13.1 million in improvements and an \$18 million bond, so \$12 million will be validated and the master levy will be in the amount of \$18 million. How much debt will actually be taken out needs to be decided in order to determine how to proceed, considering the scheduled hearing dates.

Mr. Lybbert stated the Developer does not want to overissue; the Developer wants to issue the pass-through amount of \$1,500 per unit, which would be a par amount of \$12.5 million at 6%; the net amount was \$10.5 million.

Mr. Earlywine stated the options are:

- The par amount of bonds can be reduced to \$12,025,000, to continue with the validation hearing on May 20, 2024, to issue bonds and receive funds by the end of June or early July 2024.
- Obtain a new date for a bond validation hearing, which would likely be in June 2024, to issue bonds and receive funds in August 2024, at the higher amount.

Mr. Lybbert stated taking longer to receive funds at the higher amount is acceptable.

Mr. Earlywine will advise Ms. Ibarra of the updated dates, with the levy at \$18 million.

Mr. Lybbert left the call at 11:31 a.m.

Mr. Earlywine stated that the other action to be taken in connection with the bonds is to increase the validation amount to match the Assessment Methodology amount of \$18.3 million. The Resolution will amend and restate the prior bond validation Resolution and state the amount of \$18.3 million.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, amending and restating the prior bond validation Resolution with the validation amount of \$18.3 million, was approved.

Mr. Earlywine stated he will inquire about available bond validation hearing dates; if it still makes sense to delay, they will do so; otherwise, the May 20, 2024 hearing will proceed.

On MOTION by Mr. Smith and seconded by Mr. Frye, with all in favor, the Addendum and the Acquisition of the Partial Work on a Monthly Basis, subject to preparation of forms by District Staff, was approved.

Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date

This item was deferred.

FIFTEENTH ORDER OF BUSINESS

Consideration of Resolution 2024-29, Ratifying the Amendment to Resolution 2024-21 to Re-set the Date and Time of the Public Hearing to Consider and Hear Comment on the Adoption of Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date

Mr. Kantarzhi stated that it is no longer necessary to re-set the Public Hearing, as the meeting room across the hall is available.

SIXTEENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of March 31, 2024

On MOTION by Mr. Frye and seconded by Mr. Smith, with all in favor, the Unaudited Financial Statements as of March 31, 2024, were accepted.

SEVENTEENTH ORDER OF BUSINESS

Approval of Minutes

- A. March 20, 2024 Landowners Meeting**
- B. March 20, 2024 Organizational Meeting**

On MOTION by Mr. Frye and seconded by Mr. Smith, with all in favor, the March 20, 2024 Landowners Meeting and Organizational Meeting Minutes, as presented, were approved.

EIGHTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel: Kutak Rock LLP**

Mr. Earlywine stated that Ms. Ibarra will prepare the Amended Resolution that was approved today, with the revised amount, and secure new dates for the validation hearing. The assessment hearing will likely be held at the June meeting, the Delegated Award Resolution will likely be presented at the July meeting and bonds will likely be issued in August. He will schedule a call with Mr. Lybbert to discuss timing, once Ms. Ibarra secures hearing dates.

B. District Engineer (Interim): WGI

There was no report.

C. District Manager: Wrathell, Hunt and Associates, LLC

- **NEXT MEETING DATE: June 12, 2024 at ___:___ AM/PM**

The next meeting will be held on June 12, 2024 at 11:00 a.m., at this location.

Mr. Kantarzhi stated that he emailed updates regarding Form 1 to the Board Members and he created calendar reminders.

Mr. Kantarzhi stated that tablets will be provided, unless any Board Members are opposed; at least one hard copy agenda will always be available.

NINETEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

There were no Board Members' comments or requests.

TWENTIETH ORDER OF BUSINESS

Public Comments

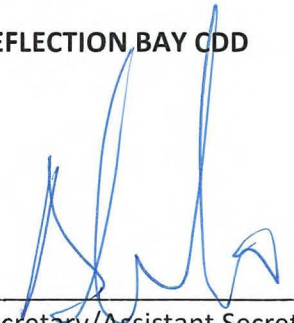
No members of the public spoke.

TWENTY-FIRST ORDER OF BUSINESS


Adjournment

On MOTION by Mr. Frye and seconded by Mr. Smith, with all in favor, the meeting adjourned at 11:36 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair

