

MINUTES OF MEETING
CAPITAL REGION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Capital Region Community Development District was held Thursday, February 8, 2018 at 6:30 p.m. at the Southwood Community Center, 4675 Grove Park Drive, Tallahassee, Florida.

Present and constituting a quorum were:

Brian Kelley	Chairman
Eli Nortelus	Vice Chairman
Glenda Herrera-Gray	Supervisor
John Ray	Supervisor

Also present were:

Jim Oliver	District Manager
Sarah Sandy	Hopping Green & Sams
Robert Berlin	Operations Manager - GMS
Keith Dantin	Engineering Consultant
Alex Buss	Bulldog Strategy Group
Jim Perry	GMS, LLC
Rhonda Mossing	MBS Capital Markets by telephone
George Smith	Bryant Miller Oliver
Danny Tyler	Nabors Giblin & Nickerson by telephone
Cynthia Wilhelm	Nabors Giblin & Nickerson by telephone
Robin Barber	All Pro Landscape Maintenance
Tom Asbury	Premier Homes
11 residents	

The following is a summary of the actions taken at the February 8, 2018 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Kelley called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

Supervisor Ray led the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

FOURTH ORDER OF BUSINESS

Approval of Consent Agenda

- A. Approval of the Minutes of the January 11, 2018 Meeting**
- B. Balance Sheet as of December 31, 2017 and Statement of Revenues & Expenditures for the Period Ending December 31, 2017**
- C. Treasury Report – December 31, 2017**
- D. Allocation of Assessments**
- E. Check Register**

On MOTION by Ms. Herrera-Gray seconded by Mr. Ray with all in favor the consent agenda items were approved.

FIFTH ORDER OF BUSINESS

Update Regarding Series 2008 Bond Refunding

A. Process Overview

Ms. Sandy stated we discussed refinancing the 2008A Bonds and 2011 A-2 Bonds that would generate a cost savings on the annual debt service, the 2008A would be about a 20% reduction and the 2011 A-2 would be about an 8% reduction, the assessments would not increase and the principal amount of the bonds would stay the same or decrease. Staff was given direction to prepare the documents to start the refunding process and that is what we have come back with today.

B. Presentation of Series 2018 Assessment Methodology Reports

Mr. Perry stated there are two bonds we are looking at refinancing, the first is 2008A Bonds and those would be refunded and called the 2018 A-1 Bonds. There is currently approximately \$17,735,000 of debt outstanding and the refunding would reduce that to \$16,960,000. For the 2018 A-1 Bonds, we provided a draft of the assessment methodology report. Table 3 shows you what the current outstanding debt per unit for each of the product types, the current assessments and, based upon the refunding, what we expect to see the bond balance that will be reallocated plus the assessments. Table 4 is a detailed assessment roll of all the property owners that will be affected by this bond issue.

The other report is the 2018 A-2 and those are refunding the 2011 A-2 Bonds, the savings is approximately 8% and that does not extend the life of the bonds. Most of this is related to commercial lands. Table 3 will show the product types and Table 4 has more detail by property owners and the reductions in the annual assessment. The only difference on this one is we anticipate a par for par exchange and there is no decrease in the debt that is allocated to each parcel but a reduction in the annual assessment. These reports reflect the cost of issuance and the numbers I have given you are net of that.

Ms. Sandy stated the underwriters discount is provided in the resolution at a minimum of 1.5% and I also passed out a detailed schedule of the other fees as well and by approving the draft report of the assessment methodology included in that is approval of the cost of issuance.

On MOTION by Mr. Ray seconded by Ms. Herrera-Gray with all in favor the Series 2018 A-1 and A-2 assessment methodology reports were approved.

C. Consideration of Delegated Award Resolution 2018-02

Ms. Wilhelm reviewed the terms of the resolution that delegates to the chairman or vice chairman the authority to execute and deliver a bond purchase agreement within the parameters that are attached to the resolution, and it approves the form of certain documents necessary in order for the underwriter to market the bonds.

The parameters within which the chairman may execute a bond purchase agreement are: for the 2018 A-1 Bonds, which are the bonds that will refund the 2008 Bonds the not to exceed principal amount is \$17,200,000, a minimum annual debt service reduction is 10%, not to exceed maturity date May 1, 2039, the maximum underwriters discount of 1.5% and reduction provisions are as they are provided in the form of the bond that are attached to the 11th supplemental indenture. For the 2018 A-2 bonds, which are refinancing the 2011 A-2 Bonds the not to exceed principal amount is \$2,800,000, the minimum annual debt service reduction is 5%, the not to exceed maturity date is May 1, 2031, the maximum underwriters discount is 1.5% and reduction provisions are as they are provided in the form of the bond that are attached to the 12th supplemental indenture.

We will need to revise this resolution in order to accurately describe the reports so any approval of the resolution will be made on future modifications as set out in section 6.

Ms. Mossing stated we look for a minimum reduction of 3% as the floor before we believe a refunding makes economic sense and in this case we are well above that at 10% on the larger bond issue and 5% on the smaller bond issue. Those are conservative numbers because the market has been moving around so much lately but we feel comfortable that would be the minimum savings on both issues and we are hoping it will be better than that when we actually price them.

Ms. Sandy stated Resolution 2018-02 approves all these documents in form and MBS will market the bonds and once they price those bonds the forms will be able to be finalized and after the bonds are closed we would come back and bring those final forms before the board to have them ratified.

On MOTION by Ms. Herrera-Gray seconded by Mr. Ray with all in favor Resolution 2018-02 was approved.

Mr. Nortelus joined the meeting during this item.

On MOTION by Mr. Ray seconded by Mr. Nortelus with all in favor the chairman was authorized to deem final the PLOM for the sale of the bonds within the parameters approved by the board and to execute documents as necessary to issue the bond.

SIXTH ORDER OF BUSINESS

Update on Park and Recreational Facilities

Chairman Kelley updated the board on the discussions with the city commissioners and staff and reported that the city may fund and develop the park and recreational facilities on a portion of the 62-acre parcel near FSUS.

SEVENTH ORDER OF BUSINESS

Discussion of LDR-5 Plat

Ms. Sandy gave an overview of the dedication and acceptance agreement on LDR-5 and stated Mr. Brown sent to the board his proposed letter to Premier identifying the various issues.

After an in-depth discussion, the board took the following action.

On MOTION by Mr. Ray seconded by Ms. Herrera-Gray with all in favor staff was directed to update the comment letter with the trail

being removed from the plat, no irrigation, green space changed to common area, drainage easements to be private drainage easements and the chairman was authorized to review and finalize the comment letter, staff was directed to work the Premier and the city to finalize a solution for adding on-street parking on Orange Avenue.

On MOTION by Mr. Ray seconded by Mr. Nortelus with all in favor the chairman was authorized to finalize the letter.

Mr. Asbury stated we have been at this a year, it has been platted and you are now changing the plat.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer – Consideration of Atkins Work Authorization No. 12

On MOTION by Ms. Herrera-Gray seconded by Mr. Nortelus with all in favor work authorization no. 12 was approved.

C. Dantin Consulting

There being none, the next item followed.

D. Communications Consulting

There being none, the next item followed.

E. Property Management Report

1. All Pro Reports

A copy of the All Pro reports was included in the agenda package.

2. Operations Memorandum

A copy of the operations memorandum was included in the agenda package.

3. Proposal from All Pro Maintenance for Central Park Trail Repairs

On MOTION by Mr. Ray seconded by Ms. Herrera-Gray with all in favor the proposal from All Pro for Central Park trail repairs in the amount of \$16,676.75 was approved.

4. Variance Report

A copy of the variance report was included in the agenda package.

F. Manager

Mr. Oliver stated the capital reserve fund for repairs and replacement balance is \$49,000 and additional unassigned revenues are psoted to the balance sheet. As requested by the Chairman, I will review the unassigned balance and make a recommendation of available funds to transfer to the capital reserve fund for future repairs and repalcments of capital assets. I also solicit proposals for preparation of a capital reserve study that will detail all CDD-owned capitalized assets, date each asset went into service, the projected remaining useful life and projected replacement date and projected replacement cost. The report will project replacement costs by year and category and will help you determine appropriate funding levels to assign to those projects and to track projects.

NINTH ORDER OF BUSINESS

Supervisor’s Requests

There not being any, the next item followed.

TENTH ORDER OF BUSINESS

Audience Comments

A resident stated the city has an adopt-a-tree program and you may want to contact them and see if you can save some money.

Mr. Berlin stated we can try.

ELEVENTH ORDER OF BUSINESS

Next Scheduled Meeting – March 8, 2018 at 6:30 p.m. at the Southwood Community Center

Mr. Kelley stated the next meeting is March 8, 2018 at 6:30 p.m. at the same location.

The meeting adjourned at 9:03 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman