

**MINUTES OF MEETING
ARTISAN LAKES EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of Artisan Lakes East Community Development District was held on Thursday, September 6, 2018, at 4:30 p.m. at the Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221.

Present and constituting a quorum:

Michael Bachman	Chairman
Tracy Briones	Vice Chairperson
Scott Himelhoch	Assistant Secretary
JD Humpherys	Assistant Secretary
Travis Stagnita	Assistant Secretary

Also present were:

James P. Ward	District Manager
Jere Earlywine	District Counsel
Jeremy Fireline	District Engineer
Brett Sealy	MBS Capital Markets
Denise Ganz	Greenspoon Marder, LLC (telephonic)

Audience:

Jeff Deason	Taylor Morrison
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FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 4:49 p.m., and all members who were elected at the Landowner's meeting held prior to this meeting were present in person.

ORGANIZATIONAL MATTERS FOR THE DISTRICT

SECOND ORDER OF BUSINESS

Oath of Office Administration

Mr. Ward administered the Oath of Office to each Supervisor. He provided each individual with the Guide to the Sunshine Amendment and Code of Ethics and Form 1 and explained these documents.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2018-1

Mr. Ward explained Resolution 2018-1 which canvassed and certified the results of the landowners election of Supervisors held pursuant to Section 190.006(2) held just before today's meeting.

Mr. Ward stated in Seat 1 would be Tracy Briones with 430 votes, Seat 2 would be J.D. Humpherys with 430 votes, Seat 3 would be Michael Bachman with 430 votes, Seat 4 would be Scott Himelhoch with 434 votes, and Seat 5 would be Travis Stagnita with 434 votes.

Mr. Ward called for a motion to approve Resolution 2018-1

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-1 as described above was approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-2

Mr. Ward explained this Resolution would designate the officers of the District. He said the Board had the ability to select them as it deemed appropriate.

The Board designated the officers as follows:

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| Michael Bachman | Chairman |
| Tracy Briones | Vice Chair |
| J.D. Humpherys | Assistant Secretary |
| Scott Himelhoch | Assistant Secretary |
| Travis Stagnita | Assistant Secretary |

Mr. Ward stated he would serve as the Treasurer and Secretary. He called for a motion to approve Resolution 2018-2.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-2 was approved.

RETENTION OF PROFESSIONAL STAFF FOR THE DISTRICT

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2018-3

Mr. Ward explained this next section of the agenda was the retention of the District’s professional staff to serve with the Board. He said there were a number of people present to assist the Board.

Mr. Ward said Resolution 2018-3 called for consideration of designating JP Ward and Associates, LLC as the District Manager. He said he had enclosed a copy of the agreement and would answer any questions. He called for a motion to approve Resolution 2018-3.

On MOTION made by Ms. Himelhoch, seconded by Mr. Bachman, and with all in favor, Resolution 2018-3 was approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2018-4

Mr. Ward explained this Resolution would appoint Jere Earlywine with Hopping Green & Sams as District Counsel. He said the agreement was consistent with the Artisan Lakes agreement.

Mr. Earlywine said he appreciated the Board’s consideration and would be happy to answer any questions.

Mr. Ward called for a motion to approve Resolution 2018-4.

On MOTION made by Ms. Bachman, seconded by Mr. Stagnita, and with all in favor, Resolution 2018-4 was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2018-5

Mr. Ward explained this resolution appointed MBS Capital Markets as the District Underwriter. He said a copy of the agreement was enclosed in the agenda, and Mr. Sealy was present. Mr. Ward stated he and Mr. Earlywine had had the opportunity to work with him on many financings and they highly recommended him. He called for a motion to approve Resolution 2018-5.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch and with all in favor, Resolution 2018-5 was approved.

EIGHTH ORDER OF BUSINESS**Consideration of Resolution 2018-6**

Mr. Ward said this Resolution appointed Greenspoon Marder, LLP with Denise Ganz as Bond Counsel. He said the proposal was attached and had an agreement and a conflict waiver since the firm also represent Taylor Morrison on some other matters. He said Ms. Ganz was highly qualified and he would recommend her. He called for a motion if there were no questions.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-6 was approved.

NINTH ORDER OF BUSINESS**Consideration of Resolution 2018-7**

Mr. Ward stated this resolution designated the firm of Waldrop Engineering as interim District Engineer and authorized the preparation of the District's Engineer's Report for the Capital Improvement Program for the District. He explained this meant the Board must hire an interim engineer, and it could be for a fee less than \$25,000 in order to provide certain services. He said then the Board would go through a process called a Request for Proposals (RFP) where proposals from various engineers were requested, evaluated and ranked, and enter into an agreement with the #1 ranked firm. He said in the interim period, an interim engineer can be hired. He stated Waldrop Engineering had prepared the Special Assessment Report, which would be considered later in the process. He added Waldrop Engineering could act as the Interim Engineer during the time period the District will go through the statutory process of the Chapter 287. He said he recommended approval of this firm and Resolution 2018-7.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-7 hiring the firm of Waldrop Engineering as Interim Engineers was approved.

ADMINISTRATIVE MATTERS OF THE DISTRICT**TENTH ORDER OF BUSINESS****Consideration of Resolution 2018-8**

Mr. Ward explained this resolution set a Registered Agent, designated the Office of Location of the Registered Agent, and designated the offices or location as the office of record for the Artisan Lakes East Community Development District. He said the registered agent and office was J.P. Ward, and his office was located on Oakland Park Boulevard. He said the statute required a local office of record which was set for the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221. He added, generally speaking, there were no records here as

they were electronic; and if someone went to the address, he would be called and would provide records electronically.

Mr. Ward called for questions or comments from the Board.

It was pointed out the third paragraph stated Flow Way CDD, and Mr. Ward replied he would correct that.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-8 as described above was approved.

ELEVENTH ORDER OF BUSINESS

Consideration of Resolution 2018-9

Mr. Ward explained this resolution set forth the policy with regard to the support and legal defense of the Board of Supervisors and District officers. He stated just as a matter of law, he had insurance put in place as Directors and Officers liability and general liability for the Board; and in addition, in the event that the District was sued or any of the Board members or any of the staff were individually sued, the attorney would be permitted to handle that litigation in advance of a Board meeting. He said this was designed to protect the Board and the staff.

Mr. Earlywine commented that was a good summary. He said common law provided some protection, and this resolution expanded that to cover more types of actions. He said there were procedural requirements, in Section 8, where within a certain period of time (30 days) of receiving the claim or action, the Board members needed to inform Mr. Ward.

Mr. Ward called for a motion to approve Resolution 2018-9.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-9 was approved.

TWELFTH ORDER OF BUSINESS

Consideration of Resolution 2018-10

Mr. Ward stated this resolution adopted an electronics records policy and the policy regarding the use of electronic signatures for the District itself. He said his office was completely electronic, and he did not hold any paper records, minutes, or agreements. He said this resolution codified that. He added it was also included in the record management statutes that electronic records were permitted. He called for a motion to approve this resolution.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-10 was approved.

THIRTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-11

Mr. Ward explained this resolution designated a qualified public depository pursuant to Chapter 280 Florida Statutes, authorizing signatories on the account, and authorizing the number of the signatories on the qualified depository account. He said the difference between a qualified bank depository and a regular bank depository was the additional reserve requirements to hold governmental accounts than to hold a personal account. He said he had included Sun Trust Bank as the depository to simplify his job, so he would not have to deal with a number of banks. He said Sun Trust was a qualified public depository and authorizes the Chairman, Vice Chairman, and Treasurer to sign any and all checks for disbursement of the District's General Funds.

Mr. Ward called for a motion of approval or to change to a different bank. The Board approved the Resolution without changes.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-11 was approved.

FOURTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-12

Mr. Ward explained this resolution authorized the District Manager to advertise pursuant to Chapter 287, which is the Consultants Competitive Negotiations Act. He explained the process for this requirement. He called for a motion to approve Resolution 2018-12.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-12 was approved.

FIFTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-13

Mr. Ward stated this resolution provided for the Public's opportunity to be heard, designating a public comment period, designating a procedure to identify individuals seeking to be heard, addressing a public decorum, and addressing exceptions.

Mr. Earlywine further explained historically there was no right to be heard in Florida at most government meetings, and recently the government changed that and also created a safe

haven, which said if a policy was adopted that put parameters on what those speaking opportunities were, the organization was protected. He said this resolution was designed to serve as that policy under the statute. He said it provided for a comment period at the end of each meeting and during each agenda item on that item; and it provided for a designated speaker if there was a large group, and it set up public decorum

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-13 was approved.

SIXTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-14

Mr. Ward stated this resolution designated the Regular Meeting dates, time and location for Fiscal Year 2019. He said it would be the first Tuesday of each month at 4:00 p.m. at Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221. He said the meetings would most likely be in October, November, December, April and August, plus the Public Hearing dates.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-14 was approved.

SEVENTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-15

Mr. Ward explained this resolution granted authority to the Chairperson and Vice Chairperson to execute real and personal property conveyances and dedications documents, and plats and other document related to the development of the District’s improvements, subject to the approval of the District Manager, District Engineer and District Counsel is legal, consistent with the District’s improvement plan and necessary for the development of the improvements. He said generally in a District where there was new construction, there were primarily water and sewer facilities that needed to get transferred to the District and then on to a County. He said Board meeting dates are not necessarily consistent with the dates that has to occur, so this resolution provided the opportunity for the Chairperson and Vice Chairperson to execute those documents. He said after that had occurred it could be ratified at a future Board meeting. He called for a motion to approve Resolution 2018-15.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-15 was approved.

EIGHTEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-16

Mr. Ward explained this resolution designated the date, time and location regarding the use of a public hearing regarding the District’s intent to use the uniform method for the levy, collection, and enforcement of non-ad valorem special assessments as authorized by Section 197.3632, Florida Statutes. He said in Florida there was a statute called Chapter 197 with a particular provision which was a uniform method of collection that allowed the District to put the special assessments on the tax rolls of the county in which the District was located. He said the statute changed a number of years ago where if there is a public hearing, four consecutive notices to be placed in the newspapers announcing the public hearing. He said Public Hearing was scheduled for November 1, 2018 at 4:00 p.m. with an opportunity for the public to appear. He said notice had to be provided to the Department of Revenue, the Manatee County Property Appraiser, and the Manatee County Tax Collector. He said hopefully this would trigger an agreement between those two agencies and the District to allow putting those assessments on the tax rolls. He said if they go through the process this year, the earliest this would happen was November of 2019, or Fiscal Year 2020.

Mr. Ward called for a motion to approve Resolution 2018-6.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-16 was approved.

FISCAL YEAR 2018 AND FISCAL YEAR 2019 BUDGET MATTERS

NINETEENTH ORDER OF BUSINESS

Consideration of Resolution 2018-17

Mr. Ward said this resolution approved the proposed Budget for Fiscal Years 2018 and 2019. He indicated it set the Public Hearing for December 6, 2018 at 4:00 p.m. at the Artisan Lakes Clubhouse, located at 4725 Los Robles Court, Palmetto, Florida 34221. He said the Funding Agreement went with that as a companion item after the Budget was approved.

Mr. Ward called for a motion to approve Resolution 2018-17.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-17 was approved.

TWENTIETH ORDER OF BUSINESS

Consideration of Taylor Woodrow of Artisan Lakes, LLC

Mr. Ward stated this agreement with Taylor Woodrow of Artisan Lakes, LLC funded the Operating Budget for Fiscal Years 2018 and 2019. He said this agreement was a standard form that had been used before. He called for a motion to approve the agreement.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, the Agreement with Taylor Woodrow of Artisan Lakes, LLC was approved.

CAPTIAL IMPROVEMENT PROGRAM

TWENTY-FIRST ORDER OF BUSINESS Consideration of Resolution 2018-18

Mr. Ward stated this resolution set the Public Hearing, adopted the engineers' report, and adopted the methodology.

Mr. Earlywine stated this resolution would "kick-start" the assessment process and set a hearing for October 10, 2018 at 4:00 p.m.

Mr. Ward called for a motion to approve Resolution 2018-18.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-18 was approved.

TWENTY-SECOND ORDER OF BUSINESS Consideration of Resolution 2018-19

Mr. Ward explained this resolution authorized the issuance of an amount not to exceed \$29.88 million in capital improvement bonds and authorized the District to validate those bonds in court and appoint the Trustee. Mr. Ward said generally the Bond Counsel would do this, but Mr. Earlywine would give the explanation.

Mr. Earlywine said the resolution would authorize the issuance, not to exceed \$29.88 million, authorize counsel to file a validation complaint and serve it at court, which would be filed tomorrow. He said he would let them know the date. The balance of the resolution appointed the Trustee as US Bank and approved the form of the Master Trust Indenture.

Mr. Ward called for a motion to approve Resolution 2018-19.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-19 was approved.

TWENTY-THIRD ORDER OF BUSINESS

Consideration of Resolution 2018-20

Mr. Ward explained this resolution approved the District’s post-issuance compliance guide for tax-exempt bonds. He said this was exactly the same as Artisan Lakes District, and called for a motion to approve.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, Resolution 2018-20 was approved.

TWENTY-FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-21

Mr. Ward said this resolution approved an inter-local agreement with the Artisan Lakes Community Development District regarding the funding of the Artisan Lakes Parkway. Mr. Ward called for a motion to approve Resolution 2018-21.

On MOTION made by Mr. Bachman, seconded by Ms. Briones, and with all in favor, Resolution 2018-21 was approved.

TWENTY-FIFTH ORDER OF BUSINESS

Consideration of Bond Financing Team Fund Agreement

Mr. Ward said this agreement was with the developer and was basically the same as on the Operating Budget, but this was for the Bond financing. He said his staff worked on a basis that if bonds are issued, they would get paid, and if the Board chose not to issue bonds, they did not get paid. He called for a motion to approve this agreement.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, the Bond Financing Team Fund Agreement was approved.

TWENTY-SIXTH ORDER OF BUSINESS

Staff Reports

a) District Attorney

Mr. Earlywine reported that originally it had been contemplated Artisan Lakes would be acquiring some infrastructure, but the utilities were never ready to be finished and turned over. He said he would like the Board to consider two things. One was to put in place an acquisition agreement that would be between the developer and Taylor

Woodrow, a standard form agreement which basically governed how the District acquired infrastructure from the developer. The acquisition agreement was an as-is basis, so the only remedy was going against the contractor, and the rights against the contractor were assigned in every District. It also recognized as part of the acquisition agreement that anything acquired, the District would make a best effort to try to fund with bond proceeds. He said the reason this needed approval today was because the District wanted to, at the same time, acquire the utilities for Phases E, H, and I. He said the amount was approximately \$701,000 today with more acquisitions at the next meeting.

Mr. Earlywine called for a motion to approve staff to enter into an acquisition agreement on the District’s behalf, and subject to the Chair’s sign off with the developer, and further to authorize the acquisition of the Phase E, H, I utilities.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, an Acquisition Agreement for Utilities, as described above, was approved.

- b) District Engineer – No report given.
- c) District Manager – No report given.

TWENTY-SEVENTH ORDER OF BUSINESS Supervisors’ Requests and Audience Comments

Mr. Ward called for comments from the Supervisors and audience, and there were none.

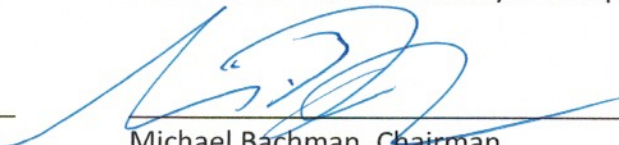
TWENTY-EIGHTH ORDER OF BUSINESS Adjournment

Mr. Ward adjourned the meeting at 5:28 p.m.

On MOTION made by Mr. Bachman, seconded by Mr. Himelhoch, and with all in favor, the meeting was adjourned.

Artisan Lakes East Community Development District


James P. Ward, Secretary


Michael Bachman, Chairman