

**MINUTES OF MEETING OF THE  
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

Regular Meeting of the Board of Supervisors of Flow Way Community Development District was held **Tuesday, October 18, 2016, at 3:30 p.m.** at the **Offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.**

**Present and constituting a quorum were:**

Dave Truxton	Chairperson
Skip Adams	Assistant Secretary
Chris Nirenberg	Assistant Secretary

**Absent were:**

Anthony Burdett	Assistant Secretary
Steve Reiter	Assistant Secretary

**Also Present were:**

James P. Ward	District Manager
Greg Urbancic	District Counsel

**1. Call to Order & Roll Call**

Mr. Ward called the meeting to order at 3:10 p.m., and roll call determined that all members of the Board were present with the exception of Supervisor Reiter and Supervisor Burdett.

**2. Consideration of Minutes of the August 9, 2016 Meeting**

**Motion was made by Mr. Adams and seconded by Mr. Nirenberg to approve the Minutes of the August 9, 2016 meeting, and, with all in favor, the motion was approved.**

**3. Consideration of Resolution 2017-1 re-designating the officers of the District.**

Mr. Ward explained that with some of the additions they have had to the Board, the new resolution keeps the positions of current members the same and adds Mr. Nirenberg as an Assistant Secretary.

**Motion was made by Mr. Truxton and seconded by Mr. Adams to approve Resolution 2017-1 as described above, and, with all in favor, the motion was approved.**

- 4. Consideration of Work Order – Waldrop Engineering to provide engineering report, attend meetings relative to the Series 2016 Capital Improvement Program.**

Mr. Ward informed the Board that this Work Order is for the engineering report for Phase 5 - 2016 Bonds.

**Motion was made by Mr. Truxton and seconded by Mr. Adams to approve the Work Order as described above, and, with all in favor, the motion was approved.**

- 5. Consideration of the proposal from U.S. Bank for trustee fees to the Series 2016 – Phase 5 Bonds.**

Mr. Ward explained that the document for consideration explained the fee structure for the Series 2016 – Phase 5 Bonds, and it was consistent with what is currently being paid for other bonds. He commented that these fees were slightly less than usual.

**Motion was made by Mr. Truxton and seconded by Mr. Adams to approve the proposal from U.S. Bank as described above, and, with all in favor, the motion was approved.**

- 6. Consideration of Resolution 2017-2 declaring special assessments; indicating the location, nature and estimated cost of those improvements which cost is to be defrayed in whole or in part by the special assessments, providing the portion of the estimated cost of the improvements to be defrayed in whole or in part by the special assessments; providing the manner in which such special assessments shall be made; providing when such special assessments shall be made; designating lands upon which the special assessments shall be levied; providing for an assessment plat; adopting a preliminary assessment roll; providing for a public hearing to consider the advisability and propriety of said assessments and the related improvement; providing for notice of said public hearing; providing for publication of this resolution; providing for conflicts; providing for severability; and providing an effective date.**

Mr. Ward explained that this document shows the location, nature, and the estimated cost of improvements, and it provides for the manner in which those assessments will be paid for by the District.

Mr. Ward indicated that there are essentially two documents attached to the resolution. He stated that the first is the engineers report for Phase 5 which identifies the infrastructure that the District will be either acquiring or constructing as a result of the issuance of the Phase 5 Bonds, the cost of that infrastructure, and the way in which that infrastructure shall be allocated to the different land use elements.

The second report is the special assessment methodology that Mr. Ward prepared for the Board. This is also consistent to what they have seen in the past and simply identifies how the assessment is levied on all of the properties that are affected by the Series 2016 - Phase 5 Bonds. In this particular report and in the engineers report, the only difference is that the District is in the process of annexing a piece of land into the project, so these reports include the funding necessary for the annexation piece. Once the Bonds are issued, a re-assessment of the lands for the portion of the District to which the annexation is related will occur. Mr. Ward reported that, at this point, there is approximately \$4.6 million in project costs, which relate to a bond issue of approximately \$5,570,000. He stated this figure will change based upon the actual interest rates, the reserve account requirement, the amount of the cost of issuance and the capitalized interest that will be needed for this particular project. Mr. Ward noted that specifically with respect to the capitalized interest, this will only happen for one year. The properties in the Phase 5 area will be assessed beginning next November.

Mr. Ward called for questions. None was asked and there was no discussion.

**Motion was made by Mr. Truxton and seconded by Mr. Adams to approve Resolution 2017-2 as described above, and, with all in favor, the motion was approved.**

- 7. Consideration of Resolution 2017-3 setting a public hearing to be held on November 22, 2016, at 3:00 p.m. at the offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103, for the purpose of hearing public comment on imposing special assessments on certain property within the District generally described as the Flow Way Community Development District in accordance with Chapters 170, 190, and 197 Florida Statutes.**

Mr. Ward added that all property owners will be mailed notices 30 days in advance of the public hearing date.

Mr. Ward called for questions. None was asked and there was no discussion.

**Motion was made by Mr. Truxton and seconded by Mr. Adams to approve the Resolution 2017-3 as described above, and, with all in favor, the motion was approved.**

8. **Consideration of Resolution 2017-4 of the Flow Way Community Development District authorizing the issuance, not to exceed \$12,000,000 aggregate principal amount, of its Flow Way Community Development District Special Assessment Bonds, Series 2016 (Phase 5 Project), in one or more series (The “Series 2016 Bonds”); determining certain details of the Series 2016 Bonds; approving the form of and authorizing the execution and delivery of a fourth supplemental trust indenture; authorizing the negotiated sale of the series 2016 bonds; appointing the underwriter; approving the form of and authorizing the execution and delivery of a bond purchase contract with respect to the Series 2016 Bonds and awarding the Series 2016 Bonds to the underwriter named therein, pursuant to the parameters set forth in this resolution; approving the form of and authorizing the distribution of the preliminary limited offering memorandum and its use by the underwriter in connection with the offering for sale of the Series 2016 Bonds and approving the execution and delivery of a final limited offering memorandum; authorizing the execution and delivery of a continuing disclosure agreement and the appointment of a dissemination agent, a true-up agreement, an acquisition agreement, assignment agreement, and a completion agreement; providing for the application of Series 2016 Bonds proceeds; authorizing the proper officials to do all things deemed necessary in connection with the issuance, sale and delivery of the Series 2016 Bonds; making certain declarations; appointing a trustee; providing for the registration of the bonds pursuant to the DTC Book-Entry System; providing an effective date and for other purposes.**

Mr. Ward introduced via telephone the bond counselor, Misty Taylor. Ms. Taylor explained to the Board that this resolution is an authorization/delegation resolution. She informed the Board that it accomplishes two things: authorizes the bonds to be issued and authorizes the sale of those bonds to FMS. Her office will make all of the necessary negotiated sale findings in the resolution, authorize all of the forms of the documents that are needed to move forward for the bond closing, which is a four supplemental trust indenture, a bond purchase contract, a preliminary limited offering memorandum, the continuing disclosure agreement, the true up agreement, the acquisition agreement, the assignment agreement and the completion agreement, and all developer district agreements.

Ms. Taylor reported that they approve the forms of those documents; they believe them to be substantially final. However, she said that in any deal like this, with so many moving parts, there are changes to be made to perfect it. The delegation part of the resolution basically delegates to the Chair or Vice Chair authority to execute these documents and by executing them they approve any future changes. She states that it also authorizes the Chair to enter into that bond purchase contract subject to the parameters that are spelled out in the resolution. She expressed that those parameters are that the bonds will not exceed a par amount of \$12 million, the bonds will not exceed the maximum interest rate allowed by Florida law, and the price parameter of

not less than 97.5, final maturity not later than 2049, final call date of November 1, 2030. If these parameters are met, the Chair is authorized to execute the purchase contract.

Ms. Taylor informed the Board that normally they would deem bonds bank qualified, but in this circumstance, they delegate to the Chair the ability to deem the bonds bank qualified, which gives a preferential rate to certain types of institutions that may purchase and hold the bonds. She stated that they have provided an indenture that they can receive and issue bonds for construction proceeds on the annexed property and certain parameters must be met, including that the land is officially annexed and the assessments have been levied. She said this all must be done by December, 2017.

Ms. Taylor asked for questions from the Board. Mr. Truxton asked at what point would the interest begin to be paid. Ms. Taylor responded that interest would commence being paid on May 1, 2017, and that it would be fund with bond proceeds for the first and second interest payments. She advised that principal payments will not be made until the assessments have been procured and are ready for collection. Mr. Ward added that the simple answer is that they will capitalize interest for May 1<sup>st</sup> and November 1<sup>st</sup> of next year; then November of 2018 is when the assessments will first be paid. Ms. Taylor pointed out that if the annexation does not take place by this date, then those bonds would be taken away, and no interest would be due.

**Motion was made by Mr. Adams and seconded by Mr. Neremberg to approve the Resolution 2017- 4 as described above, and, with all in favor, the motion was approved.**

## 9. Staff Reports

a) District Attorney – Mr. Urbancic reminded the Board that the Boundary Amendment will go before the Board of County Commissioners on November 15. He told the Board that he has been informed that it will be on the Summary Agenda, so if they do not get pulled off by an objecting commissioner, consent should be given. Mr. Urbancic says that he will monitor that, but it looks good.

b) District Engineer – No report

c) District Manager - No report

## 10. Supervisor's Requests and Audience Comments


There were no comments by the Board and no audience present.

## 11. Adjournment

**Motion was made by Mr. Adams and seconded by Mr. Truxton to adjourn the meeting, and, with all in favor, was approved.**

The meeting was adjourned at 3:27 p.m.

  
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James P. Ward Secretary

  
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Dave Truxton, Chairman