

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

The Regular Meeting of the Board of Directors of the Flow Way Community Development District was held on Thursday, July 25, 2019 at 1:00 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:

Drew Miller	Chairperson
John Wollard	Vice Chairperson
Tim Martin	Assistant Secretary
Ronald Miller (phone)	Assistant Secretary
Tom Kleck	Assistant Secretary

Also present were:

James P. Ward	District Manager
Charles Thomson	District Attorney
Jeremy Arnold	District Engineer
Jeremy Fireline	District Engineer
Monique Spotts	Bryant, Miller, Olive
George Smith	BMD

Audience:

Ed Stahley (phone)
Dave Boguslawski (phone)
Tom Coffee (phone)

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

FIRST ORDER OF BUSINESS

Call to Order

District Manager James P. Ward called the meeting to order at approximately 1:00 p.m. and all members of the Board were present at roll call.

Mr. Ward stated the purpose of today's meeting was to conduct a Public Hearing related to the assessments of the remaining units in the Phase 7 and Phase 8 Bonds, as well as to consider a resolution to conform the issuance of the bonds.

SECOND ORDER OF BUSINESS

Public Hearing

Capital Improvement Program – Phase 7 and Phase 8

I. Public Comment and Testimony

Mr. Ward called for a motion to open the Public Hearing.

On MOTION made by Mr. John Wollard, seconded by Mr. Tom Kleck, and with all in favor, the Public Hearing was opened.

Mr. Ward noted he had not received any public comments, written or verbal, with respect to the Public Hearing. He asked if there were any public comments; hearing none he called for a motion to close the Public Hearing.

On MOTION made by Mr. John Wollard, seconded by Mr. Tom Kleck, and with all in favor, the Public Hearing was closed.

II. Board of Supervisor’s Comments

There were no Board Comments.

III. Consideration of Resolution 2019-19 of the Board of Supervisors of Flow Way Community Development District authorizing District projects for construction and/or acquisition of infrastructure improvement; equalizing, approving, confirming, and levying special assessments on property specially benefitted by such projects to pay the cost thereof; providing for the payment and the collection of such special assessments by the methods provided for by Chapters 170, 190, and 197 Florida Statutes; confirming the District’s intention to issue special assessment bonds; providing for true-up payments; making provisions relating to the transfer of real property to governmental bodies; providing for the recording of an assessment notice; providing for severability, conflicts and an effective date.

Mr. Ward briefly explained Resolution 2019-19 and asked if there were any questions; hearing none, he called for a motion to adopt the Resolution.

On MOTION made by Mr. John Wollard, seconded by Mr. Tim Martin, and with all in favor, Resolution 2019-19 was adopted and the Chair was authorized to sign.

IV. Consideration of Resolution 2019-20 a resolution of the board of supervisors of Flow Way Community Development District supplementing resolution 2018-4 and resolution 2019-19 which resolutions previously equalized, approved, confirmed, imposed and levied special assessments on and peculiar to property specially benefitted (apportioned fairly and reasonably) by the district’s projects; approving and adopting the flow way community development district supplemental special assessment report for series 2019 phase 7 (esplanade) and phase 8 bonds prepared by JPWard & Associates, LLC and dated July 16, 2019, which sets forth the specific terms of the Flow ay Community Development District special assessment bonds, series 2019 (phase 7 and phase 8 projects); providing for the supplementation of the special assessments as set forth in the improvement lien book; and providing for severability, conflicts, and an effective date.

Mr. Ward briefly explained Resolution 2019-20 and asked if there were any questions; hearing none, he called for a motion to adopt the Resolution.

On MOTION made by Mr. John Wollard, seconded by Mr. Drew Miller, and with all in favor, Resolution 2019-20 was adopted and the Chair was authorized to sign.

Mr. Ron Miller recommended refinancing the Bonds as soon as possible (in 2023) in an effort to reduce assessment costs for residents. Mr. Ward agreed.

THIRD ORDER OF BUSINESS

Resolution 2019-21

Consideration of Resolution 2019-21 designating the dates, time and location for meetings of the Board of Supervisors.

Mr. Ward noted State Statute required the Board set a regular time, date and location for meetings. He explained if the Board chose not to set meeting dates, posted notice (through a public newspaper) announcing meeting time, location and date would be required. He noted the Board traditionally set a date, time and location, typically on the third Thursday of the month at the Offices of Coleman, Yovanovich & Koester. He explained the Community Center could not guarantee date, time and location availability on a recurring basis; therefore, he felt it was best to continue to hold meetings at Coleman, Yovanovich & Koester. He noted approval of Resolution 2019-21 did not prevent the Board from holding additional meetings or from canceling meetings.

Mr. Ron Miller stated he was disappointed the meetings could not be moved to the Community Center as this would encourage resident participation. Mr. Drew Miller explained the Community Center was new and there was a lot of interest and activity in the facility. He explained when the Culinary Building opened a room would be available for meetings. Mr. Ron Miller stated if meetings were held at a Community facility, residents would find it easier to attend.

Mr. Ed Stahley suggested Mr. Ward and Mr. Kleck sit down with the Community Center Manager and make an attempt to create an acceptable meeting schedule. Mr. Kleck asked who declined the CDD's request to hold meetings at the Community Center. Mr. Drew Miller responded the Community Center Manager did not refuse to permit the CDD to hold meetings at the Community Center; however, the Manager explained the Community Center was a very busy environment at the moment, many resident events were being held at the facility, and the CDD did not wish to force others out of the facility. Discussion ensued regarding the CDD being of higher priority than others, whether the CDD could or should be forceful regarding meetings at the Community Center, not wishing to push out residents to make room for CDD meetings, and who to speak with at the Community Center regarding CDD meetings.

Mr. Ward stated approval of the Resolution did not preclude the Board from holding meetings at a different location. He noted he would reach out to the manager at the Community Center in an effort to procure the facility for CDD meetings; if he was successful he would propose another Resolution to the Board.

Mr. Dave Boguslawski (ph) agreed with Mr. Stahley. He stated he felt it was important to hold meetings at the Community Center and he encouraged Mr. Ward to meet with the Manager at the Community Center.

On MOTION made by Mr. John Wollard, seconded by Mr. Tom Kleck, and with all in favor, Resolution 2019-21 was adopted and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Staff Reports

Staff Reports

a) District Attorney

There was no Report from the District Attorney.

b) District Engineer

There was no Report from the District Engineer.

c) District Manager

There was no Report from the District Manager.

FIFTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ron Miller indicated he had three separate motions to present to the Board. He gave a brief history regarding why he joined the CDD Board, as well as a brief history regarding his research into the preserves area. He stated he believed Taylor Morrison was not fulfilling its obligations. He noted he was not upset with the Taylor Morrison Board Members as the Taylor Morrison Board Members were not responsible for the situation. He explained he read the court case which ultimately stipulated the Army Corps permit was to be followed. He noted the Department of Fish and Wildlife permit, as well as the South Florida Water Management District permit, contained similar language to the Army Corps permit. He explained after reading the various permits he discovered the preserves had been conveyed to the CDD prematurely and the preserves required funding. He indicated he had been in contact with the South Florida Water Management District who agreed and was researching the premature conveyance of the preserves. He indicated he had been in contact with the Army Corps who agreed, and noted the outside Legal Opinion from Cheffy Passidomo agreed as well. He discussed Mr. Tim Hall's presentation regarding the preserves and indicated he did not agree with Mr. Hall's opinions. He reviewed the contract between the HOA and the CDD which indicated all maintenance activities would be conducted by the HOA (to include preserve maintenance). He stated if the CDD wished to maintain the preserves, rather than the HOA, then the contract should be amended. He indicated he wished for Mr. Ward to do a full accounting of all expenses the CDD incurred to date with respect to the external preserves by year and the internal preserves by year. He noted Taylor Morrison was attempting to amend the permits to reflect Taylor Morrison would not be responsible for the preserves financially if the CDD took ownership; however, he believed litigation,

as well as input and permission of the CDD, would be required to amend the language retroactively. He stated he believed Taylor Morrison representatives could serve on the CDD Board without conflict of interest; however, Florida Law indicated once an individual accepted the position of Board Member, said Board Member had a fiduciary responsibility to act in the best interests of the Board, regardless of personal employment. He asked if there were comments or questions. There were none.

MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, for the Board to take whatever action necessary to reconvey the preserves back to Taylor Morrison, the motion failed to pass by a vote of 2 aye to 3 nay Mr. Miller and Mr. Kleck voted in favor and Mr. Drew Miller, Mr. Martin and Mr. Wollard voted against the motion.

Mr. Ron Miller, moved for the Board to take whatever action is necessary to obtain reimbursement of CDD expenses related to the preserves, both external and internal. Mr. Drew Miller noted if the landscaping (internal preserves) had not been conveyed to the CDD, it would have been conveyed to the HOA; therefore, the home owners were paying for the landscaping regardless.

MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, for the Board to take whatever action necessary to obtain reimbursement of CDD expenses related to the preserves, both external and internal, failed to pass by a vote of 1 aye to 4 nay. Mr. Ron Miller voted in favor of the motion, and Mr. Kleck, Mr. Martin Mr. Wollard, and Mr. Drew Miller voted against the motion.

Mr. Ron Miller stated he believed even if the internal preserves had been transferred to the HOA, said preserves would have still been transferred prematurely and the HOA would be in a position to request reimbursement of expenses. He indicated he felt the residents of Esplanade should not be required to pay the expenses and should be reimbursed. He stated, however, the reserves were transferred to the CDD, not the HOA, and therefore the CDD was incurring expenses. He made a motion for the Board to take whatever action necessary to obtain reimbursement of CDD expenses related to the preserves, both external and internal. There was no second; the motion died.

Mr. Ron Miller moved for the CDD to immediately discontinue all funding of any maintenance or mitigation expenses until the situation was resolved. There was no second; the motion died.

Mr. Tom Coffee (ph) stated he agreed with Mr. Ron Miller. He noted he recently reviewed the CDD's audited financial statements and indicated he would send an email to Mr. Ward with a list of detailed questions regarding the financial statements. He asked who was responsible for fiscal management of the CDD. He asked about landscaping maintenance costs and hurricane related costs. Mr. Ward responded he would be happy to answer Mr. Coffee's questions via email. He explained on a global perspective the Board had fiduciary responsibility to the CDD while CDD Staff collectively worked to ensure the law was met for infrastructure cost expenditures.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 1:42 p.m.

On MOTION made by Mr. Tom Kleck, seconded by Mr. Tim Martin, and with all in favor, the Meeting was adjourned.

Flow Way Community Development District



James P. Ward, Secretary



Drew Miller, Chairperson