

**MINUTES OF MEETING
WENTWORTH ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Wentworth Estates Community Development District's Board of Supervisors was held on Thursday, December 14, 2017, at 8:30 a.m., at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.

Present and constituting a quorum were:

Joe Newcomb	Chairman
James Oliver	Vice Chairman
Paul Zotter	Assistant Secretary
Russell Smith	Assistant Secretary (via telephone)

Board members absent:

David Negip	Assistant Secretary
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Also present were:

James Ward	District Manager
Greg Urbancic	District Attorney
Curt Keyser	District Engineer
Brett Sealy	MBS Capital Markets

1. Call to Order & Roll Call

Mr. Ward called the meeting to order 8:36 a.m., and roll call determined all members of the Board were present with the exception of Supervisor Negip.

2. Consideration of Minutes: November 9, 2017

Mr. Ward asked if there were any additions, corrections or deletions to the minutes, and there were none. He called for a motion for their approval.

Motion was made by Mr. Newcomb and seconded by Mr. Oliver to approve the November 9, 2017 minutes, and with all in favor, the motion was approved.

- 3. Consideration of Resolution 2018-1 of the Board of Supervisors of Wentworth Estates Community Development District Relating to the Refunding of the Wentworth Estates Community Development District Special Assessment Bonds, Series 2006A; 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 Improvements; 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 indicated that the third and fourth item on the agenda were the primary purpose of the meeting and would begin the special assessment process related to the refinancing of the Series 2006 Bonds.

Mr. Ward said to give the Board a global view of the process, a two-step process, in which an intent to levy special assessments would be declared and a public hearing would be held. He said today the Board would declare their intent to levy the special assessments, which was the first resolution, Resolution 2018-1, and the second resolution, Resolution 2018-2, would set the public hearing date and time and authorize the notices necessary in order to levy the assessments. He added at the Public Hearing the Board members would sit as an equalization Board and listen to public comment and testimony related to the special assessments and make the sole decision at that time as to whether or not to levy the special assessments.

A question was raised concerning the consequences of deciding not to levy the special assessments. Mr. Ward commented the issue from the last meeting was fees that would be due to bond counsel. A discussion ensued concerning the number of people from the community who would attend and possible lack of support. Mr. Ward pointed out that the reason the public hearing was required was because the par debt amount,

long term capital assessment, was being increased but the annual assessment was being decreased.

Mr. Ward was asked to explain special assessment. He responded the existing assessments remain the same and new debt would be allocated on existing lots in the same way. It was pointed out that if there was \$100,000 in debt, and it cost \$5,000 for the transaction, the new debt would be \$105,000. However, the interest rate would go down, so the payments would be less, and over time, total payments would be less. It was added that the assessment part that would be increasing were the costs that would be incurred to do the transaction. Mr. Ward clarified the special assessments was a new assessment under the statute, but it was replacing the old assessments.

It was asked if there was a term document that summed up the information before them. Mr. Ward responded there was a mailed notice that would be sent to residents that explained the proceedings, which was seven pages. It was pointed out that there was also a term sheet from the bank.

Mr. Ward continued that 2018-1 was the first resolution which stated that special assessments were being declared, provided for and included the preparation of the special assessment methodology. He said it did not change the way in which the assessments had been levied in the past, but just allocated the existing assessments over the same units with a higher par debt amount. He said what was in the methodology was the senior subordinate structure which was the higher of the two terms that were used to give flexibility. If the Board went past the public hearing date and changed their mind and decided they wanted to go to the senior subordinate deal rather than the private placement deal, they could do so. This resolution would give the maximum that could be assessed for residents at that time. He said it was done this way to give flexibility with the intent to make the deal better than what was in the methodology and in the proceeding itself.

Mr. Ward called for questions on the resolution, and hearing none, called for a motion.

Motion was made by Mr. Oliver and seconded by Mr. Newcomb to adopt Resolution 2018-1, and with all in favor, the motion was approved.

4. Consideration of Resolution 2018-2

Mr. Ward said Resolution 2018-2 did a number of things, but the most important was to set the Public Hearing date, time and location. After discussion, the Public Hearing was scheduled for Monday, January 29, 2018, at 6:00 p.m. at the TPC Tour Club.

Motion was made by Mr. Oliver and seconded by Mr. Newcomb to adopt Resolution 2018-2, and with all in favor, the motion was approved.

5. Consideration of Ranking of Audit Proposals to Service as Auditor for the Fiscal Years ending September 30, 2017 through September 30, 2021.

Mr. Ward stated that audit proposals were not due until the next day. He made a mistake in putting this item on the agenda and so this item would be on the next agenda. Mr. Ward was asked if this had been advertised, and he responded positively and explained the procedure for selecting the auditor. When asked how many responses he had received, he indicated one, but that he expected there would be several more at the last minute, judging from the emails and phone calls he had received. He said the Board would have the final approval in selecting the auditor. He said the Board would be receiving packets from each candidate prior to the next meeting. A discussion ensued on how the audit was conducted and who the current auditor and submitters were.

6. Staff Reports

I. Attorney

Mr. Urbancic reported that a draft of the mailed notice had been done and was circulating.

Mr. Urbancic also reported his staff had been working on collecting all of the information of all properties that had been conveyed or dedicated to the District. He said now it could be coordinated with Mr. Keyser.

Mr. Ward said they would be sending out 1430 notices in the coming 2 weeks, and the Board would possibly get questions from residents. He said if there were questions which they could not answer, they could direct

those individuals to him. He added that his cell phone number and address were on the notices.

Mr. Ward said he would actually prefer that all questions come to him, and the Board agreed. It was suggested and the Board agreed that a policy should be made to direct questions about all important matters to the District Manager. Mr. Ward said that Mr. Urbancic would prepare a resolution to that effect for another meeting.

Mr. Ward stated the second issue brought up by Mr. Urbancic was a map of the District. He said as they had gone into the bond financing, he and Mr. Urbancic realized the issue of what property was owned needed to be more accurate. He said he had asked CGA and Mr. Urbancic and the original engineer to put together all of the necessary legal documents to make sure the District actually owned all of the underlying assets that have been paid for. He stated they would eventually be getting a large booklet of various types of documents, which the Board would need to accept.

When questioned concerning how long the Board needed to keep documents, Mr. Ward responded that they did not have to keep anything as that was his responsibility as a matter of public record according to the statutes.

Mr. Urbancic said a good reason to forward questions to Mr. Ward was that it would become part of the public record.

Mr. Keyser asked what the implications were of public records requests and should he keep those requests. Mr. Ward responded all public record requests come through him, so he was the "custodian" of public records. He said Mr. Keyser, as the engineer, had to respond to a public records request as did Mr. Urbancic. He said Mr. Keyser was required to maintain them, but he could forward them to Mr. Ward. As a matter of law, Mr. Keyser was required by the statute to maintain that public record.

Mr. Zotter verified if he received an email asking a question, he should not respond at all and forward that to Mr. Ward. Mr. Ward suggested he should forward the email to him and copy the individual who had the question. Mr. Ward also responded that generally he would let the Board member, who forwarded the email, know how it had been responded to.

The Board discussed when the next meeting would be as there was some confusion. The response was that the next meeting would be January 29, 2018, and the meeting after would be on February 8, 2018, which would be a Landowner's Meeting. It was suggested that this meeting could also be used for purposes of closing. Mr. Ward said the next meeting after that would be May 10, 2018.

II. Engineer

Mr. Keyser reported that he had been working with Mr. Urbancic to try to put together an inventory and certification of properties.

III. Manager

Mr. Ward was asked to further explain the missing records for purchases in the District. He responded his office was going through the records to see what was and was not there. He said prior to Lennar taking over the District, bills of sale were missing and some easements were not in place, but Lennar had been cooperative and had said they would sign all of the necessary documents.

Mr. Ward was asked if the auditor evaluated the adequacy of records to support purchases, and he responded only the financial side, not the legal side.

Mr. Ward was asked when this missing records project would be completed. He said probably sometime in February.

Mr. Ward was asked what part of the golf course was an asset of the CDD. He responded that all of the water management system inside of the golf course, including the pipes, were the CDD's assets. He added that it was his understanding that there would be a turnover of the golf course, so that will get split apart at some point and an agreement will have to be done between the District and the golf course for the maintenance of the District's assets.

Mr. Ward was asked if the District owned any of the electrical poles. He said essentially what was owned was the roadway coming in to Treviso

Bay, the bridge coming over to the guard house. He said they were checking whether or not the District owned the lighting piece. He said the District had built the turn lane coming into Treviso Bay off of US 41 and had done some improvements to Southwest Boulevard. He said the District owned the water management system, which included all the lakes and the interconnecting pipes between all of the lakes. He said some mitigation work or wetland improvements internal to the project had been done and some mitigation work in the Rookery Bay area.

Mr. Ward was asked if he had looked at the roof tiles on the bridge. He responded he had, and he had advised the Master HOA that they needed repair.

As regards the golf course's Board, after some discussion, Mr. Ward stated that it would probably be a good idea to eventually separate the two agreements and have one agreement with the Master Association and one with the Golf Course Association.

Mr. Ward asked Mr. Sealy to present an update on the refinancing. Mr. Sealy reported there was some volatility in the market currently, but with Hancock Bank, the District had a lock for 90 days which would be until February 15. Mr. Sealy said he wanted to make sure that the Board took a snapshot of where the market was and compared the two scenarios because the term sheet was signed and a commitment letter from the bank was expected and would need to be executed at some point in time. He explained the current situation to the Board using a slide presentation. Mr. Sealy concluded that he wanted to make sure before they continued that he came back to the Board and provided current market conditions. He said they would not meet again until January 29th. At that time, unless any different direction was given, they would be committing to the Hancock scenario which was a private placement.

A comment was made that two advantages of Hancock were rate lock and the overall economics of the deal, which was \$147,000 better on the bottom line. Mr. Sealy said that was correct. It was pointed out that over 20 years, the savings would be \$3.5 million, and the gross would be more like \$5 million 20 years from now.

A question was asked what the savings for homeowners would be, per unit. Mr. Sealy said Page 5 showed the estimated annual reduction per unit.

The Board thanked Mr. Sealy for his work.

Mr. Ward said there were 1434 total units and of those units there had been three partial prepayments and one total prepayment. He said that said residents liked the fact that the debt was there, the lower annual assessment was available, and they did not care what the par debt amount was.

7. Audience Comments and Supervisor's Requests

Mr. Ward called for any supervisor requests. Hearing none and with no audience present, he called for a motion to adjourn the meeting.

8. Adjournment

Motion was made by Mr. Newcomb and seconded by Mr. Zotter to adjourn the meeting, and with all in favor, the motion was approved.

The meeting was ended at 9:28 a.m.



James P. Ward, Secretary



Joseph Newcomb, Chairman