

**MINUTES OF MEETING
ESPLANADE LAKE CLUB
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Esplanade Lake Club Community Development District was held on Thursday, April 10, 2025, at 11:00 A.M. at the offices of Atwell Engineering, 28100 Bonita Grande Drive, Suite 304, Bonita Springs, Florida 34135.

Present and constituting a quorum:

Felipe Gonzalez	Chairperson
Valerie McChesney	Vice Chairperson
Tim Byal	Assistant Secretary
Jeff Lux	Assistant Secretary
Ryan Futch	Assistant Secretary

Also present were:

James P. Ward	District Manager
Wes Haber	District Attorney
Denise Ganz	Bond Counsel

Audience:

All residents' 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.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE
TRANSCRIBED IN *ITALICS*.**

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. James P. Ward called the meeting to order at approximately 11:00 a.m. He conducted roll call, and all Members of the Board were present, with the exception of Supervisor McChesney, constituting a quorum.

SECOND ORDER OF BUSINESS

Discussion of Vacancy

Consideration of Resolution 2025-4, a Resolution Re-Designating the Officers of the Esplanade Lake Club Community Development District

Mr. Ward asked how the Board would like to designate the officers of the Esplanade Lake Club Community Development District.

The Board chose to appoint Felipe Gonzalez as Chairperson, Valerie McChesney as Vice Chair and the remaining Board Members as Assistant Secretaries while Jim Ward would act as Secretary and Treasurer.

On MOTION made by Tim Byal, seconded by Felipe Gonzalez, and with all in favor, Resolution 2025-4 was adopted, and the Chair was authorized to sign.

THIRD ORDER OF BUSINESS

Consideration of Minutes

February 13, 2025 – Regular Meeting Minutes

Mr. Ward asked if there were any corrections or deletions to the Minutes; hearing none, he called for a motion.

On MOTION made by Ryan Futch, seconded by Felipe Gonzalez, and with all in favor, the February 13, 2025 Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2025-5

Consideration of Resolution 2025-5, a Resolution of the Board of Supervisors approving the Proposed Fiscal Year 2026 Budget and setting the Public Hearing on Thursday, June 12, 2025, at 11:00 A.M. at the offices of Atwell Engineering, 28100 Bonita Grande Drive, Suite 304, Bonita Springs, Florida 34135

Mr. Ward explained Resolution 2025-5 started the budget process for Fiscal Year 2026 which ran from October 1, 2025 through September 30, 2026. He indicated this Resolution included a budget for approval and set the public hearing date for Thursday, June 12, 2025, at 11:00 A.M. He explained approval of the budget would not bind the Board to anything within the budget but allowed the Board to move forward with the budget approval process and ultimately set the assessment rate.

Mr. Jeff Lux asked about the budget approval process.

Mr. Ward explained the Board had this meeting to discuss and change the budget, and another meeting could be held in May if the Board chose, but on June 12, the budget had to be adopted and set in place.

Discussion ensued regarding the budget, when it had to be adopted, and whether the Board would be able to make adjustments between line items after adoption.

Mr. Ward: Your assessment rate for next year is \$1,345.80 per unit. It is \$1,145.78 in the current year. The changes are related mostly to growth occurring in this District at this time. I hope this will level out and 2026 will be the last year of leveling out, and then we should be able to get on a more routine basis. There are 819 units in this District for operations, which includes the annexed parcel, the FGCU annexation parcel, and there was a small annexation in what we call the Northeast Annexation Area. We added 5 units up there, so from the original unit count we added 99 with FGCU and then the

Northeast Annexation Area, to reach 819 units. Tim pointed out some math errors in here for me, which I will correct before the next meeting, but it won't affect the assessment rates. I'm definitely going to keep the totals the same. He asked if there were any additional questions; hearing none, he called for a motion.

Mr. Tim Byal stated he would make the motion but was interested in having the optional meeting in May to discuss the budget in more detail.

The other Board Members agreed a May meeting to discuss the budget and why the assessment rate was increasing was important. The Board indicated it would like to have Jackie Laroque present at the next meeting to discuss the District boundaries.

Mr. Ward indicated a May meeting would be organized and he would request Jackie Laroque's presence.

On MOTION made by Tim Byal, seconded by Ryan Futch, and with all in favor, Resolution 2025-5 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS

Consideration of Proposals

Consideration of Proposals to provide Audit Services to the District for the Fiscal Years 2025-2029

Mr. Ward stated Florida State law requires special districts to go through a qualification and price-based process of analysis for audit services. He stated these RFQs were done on a five year basis, so the CDD would retain an auditor for five years, and at the end of five years the CDD would re-advertise and obtain new proposals. He stated the CDD received two proposals, one from Grau and Associates, and the other from Berger Toombs. He indicated over the past 7 to 8 years the prices for these audits decreased dramatically, but along with the price decrease, the number of companies doing these audits also decreased dramatically which was why only two companies submitted proposals. He indicated his team prepared qualification sheet. He stated based on qualifications and pricing, he recommended ranking Grau #1 and Berger Toombs #2 and authorizing the District Manager to enter into an agreement with Grau and Associates for auditing services. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Tim Byal, seconded by Felipe Gonzalez, and with all in favor, Grau was rated #1, Berger Toombs was rated #2, and the District Manager was authorized to move forward with an agreement between Grau and Associates and the CDD for auditing services.

Discussion ensued regarding the changes to the auditing process for CDDs over the years.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2025-6

Consideration of Resolution 2025-6, A Resolution Of The Esplanade Lake Club Community Development District Authorizing The Issuance Of Not Exceeding \$4,500,000 In Aggregate Principal

Amount Of Its Capital Improvement Revenue Bonds, Series 2025 (Assessment Area Two) To Finance All Or A Portion Of The Cost Of A Series Project Consisting Of Certain Infrastructure And Facilities Benefiting Certain District Lands, Paying Capitalized Interest On The Series 2025 Bonds, Funding The Series Reserve Account For The Series 2025 Bonds And Paying Costs Of Issuance Of The Series 2025 Bonds, As More Fully Described Herein; Approving A Third Supplemental Trust Indenture In Connection With The Series 2025 Bonds And Authorizing The Execution Thereof; Ratifying The Appointment Of A Trustee, Paying Agent And Bond Registrar For The Series 2025 Bonds; Providing For Redemption Of The Series 2025 Bonds; Authorizing The Application Of The Proceeds Of The Series 2025 Bonds; Approving The Form, And Authorizing Execution, Of A Bond Purchase Contract Providing For The Negotiated Sale Of The Series 2025 Bonds; Delegating To The Chairperson Or Vice-Chairperson, Or In Their Absence Any Member Of The Board Of Supervisors, The Authority To Award The Series 2025 Bonds Within The Parameters Specified Herein; Approving The Form, And Authorizing The Use, Of A Preliminary Limited Offering Memorandum For The Series 2025 Bonds; Approving The Distribution Of A Final Limited Offering Memorandum For The Series 2025 Bonds And The Execution Thereof; Approving The Form, And Authorizing Execution, Of A Continuing Disclosure Agreement; Authorizing Preparation Of Assessment Methodology Reports And Their Use In The Preliminary Limited Offering Memorandum And Final Limited Offering Memorandum, As Applicable, For The Series 2025 Bonds; Providing For Miscellaneous Matters And Authority; Providing For Severability; And Providing An Effective Date

Mr. Ward: Resolution 2025-6 is an award resolution, and Resolution 2025-7 is a completion resolution. We are getting ready to issue bonds for the last phase of development that we have in this project. They are essentially the FGCU lots plus the Northeast Annexation Area for a total of 99 units. We are going to be authorizing a bond amount not to exceed \$4.5 million dollars. I will ask our bond counsel to go through the details. The underwriter is FMS Bonds, out of Miami. Then once we authorize this, they will go through the process of preparing the preliminary offering memorandum which is in process. We will market the bonds, and then it delegates to the Chair the authority to set the pricing for the bonds, and then we will come back with you at another meeting which just confirms the actions of the Chair at that point. Your bond counsel in this is Denise Ganz with Holland and Knight.

Ms. Denise Ganz: This Resolution replaces a resolution which was adopted in the fall because it basically does exactly the same things as the resolution that was adopted in the fall but redesignates everything for the current year. The purpose of this is to put in place the authorization we need to move forward, to market and close the bond issue. It delegates authority to the Chair within the parameters set forth in Resolution, the ability to sign a bond purchase agreement and it approves the negotiated sale of these bonds to FMS bonds. It also appoints a trustee for the bonds, US Bank. The documents attached to the resolution are approved substantially in the forms that are presented. It is the supplemental trust indenture that will ultimately set forth all of the details of the bonds after the pricing. It's the bond purchase contract pursuant to which the bonds will be sold to FMS subject to the parameters that are in the resolutions. It has the form of the preliminary limited offering memorandum that will be used to market the bonds and ultimately turned into a final limited offering memorandum reflecting the pricing details. It has a form of a continuing disclosure agreement that is a customarily required document that the District has entered into with respect to its previously issued bonds to provide continuing information on an annual basis with respect to operating and financial data that's in the offering statements. The parameters are in the document. The maximum principal amount of the bonds won't exceed \$4.5 million dollars. As we will discuss in the next resolution, the bonds will only pay a portion of the cost of the project that's described in the Engineer's Report that was approved last year, noting again that the Engineer's Report referred to the project as the 2024 project, but we are now referring to it as a 2025

project and before we close the bond issue we will come back to the Board with a supplemental assessment resolution that will set the assessments based on the final pricing details of the bonds. With respect to the bonds, we will not have to do anything more after this resolution is considered and approved to be able to move forward to closing of the bonds.

Mr. Byal asked whether the bonds were for the whole community or just FGCU.

Mr. Ward: It is only for FGCU and the five lots in the Northeast. It will not affect any of the assessments on the existing lots.

Ms. Ganz: The \$31 million dollar number was the amount initially authorized in 2019 that we validated and then within that cap we've issued the 2019 A1 and A2, and then these bonds. These are all inside that \$31 million dollar umbrella.

Discussion ensued regarding the number of lots in the FGCU and Northeast Annexation areas.

Mr. Ward: The Northeast Annexation Area never paid a debt assessment. When we annexed them into the CDD in 2024 they paid the operating assessment.

Mr. Byal: So, whatever the disclosure was regarding fees, are they bound to a certain amount or was the bond sized to make the assessment consistent with the other units? How do you bond after the fact?

Mr. Ganz: When you went through the assessment process to levy an assessment on the annexed area including the five lots, for 99 lots, the Engineer's Report determined that the overall infrastructure described in the Master Engineer's Report approved in 2019 functioned as a system of improvements benefiting all of the properties in the District, including the ones that were brought into the District and this project that we are going to be funding a portion of through bonds, is part of that overall system of improvements. The findings of benefit for the project, notwithstanding where it is located, with respect to it being located where the FGCU parcel is, not where the other five units are, the findings were already put into place by the District using the engineer's determinations that the whole system benefits the whole District. So, now what you're doing is putting into place an assessment using the methodology that was approved last year that supplements the methodology that was approved in 2019 and basically uses the same methodology for allocating benefit. We are just taking the costs of this additional component of the project, which is a system of improvements, and are now allocating the cost of that to these units.

Mr. Ward: The total cost that's in the engineer's Report when we levied the assessments in the FGCU and Northeast Annexation areas would be a high number, whatever it was, and we did levy those assessments. We did the mailed notice. We did everything that we normally would do in an assessment levy. What we are doing here, we are not issuing bonds for a higher amount. It's a number that's lower than that. Once we issue, then it will be on there. I can't tell you what Taylor Morrison has disclosed. I do not have that information but it's not as high as what was actually levied on the FGCU property. It is going to be lower than that, but it's going to be different than what's on the rest of the properties.

Mr. Byal: But the bond issue doesn't affect any of the earlier portions of the property development.

Ms. Ganz: Right. There were two separate assessment areas created during the process called Assessment Area 1 and Assessment Area 2 and so we are now in Assessment Area 2, and it is my

understanding there is no overlap on the debt assessments between Assessment Area 1, which is what's assessed for the 2019 bonds, and Assessment Area 2 which will be what will be assessed for the 2025 bonds.

Mr. Lux: Is there an electronic map showing these areas so I can get a better understanding?

Mr. Ward: I do not have a map.

Ms. Ganz: Let me see if there is one in the Engineer's Report I can share.

Discussion ensued regarding the bonds.

Ms. Ganz found a map and shared the map with the Board. This is in the Engineer's Report. It shows the existing CDD boundary. It shows this expansion parcel, and it shows the northeast expansion parcel. Does that help?

Mr. Ward: This little corner up here is the five lots in what we call the Northeast Annexation.

Discussion ensued regarding the map, what each line indicated, where the annexation parcels were located and what bonds were associated with each area.

Mr. Lux asked if it was effective to issue a bond for an amount as low as \$4.5 million dollars.

Mr. Ward: Yes, it works. And remember the \$4.5 million is a high number for what we are going to do.

Mr. Lux: There wasn't any opportunity to refinance because everything else was lower interest rates than where we are now.

Mr. Ward: And we are still within the 10 year time period. We could not refinance those bonds until 2029 at the earliest. Even then it's still going to be hard. The interest rates are in the 5 percent range at the moment.

On MOTION made by Felipe Gonzalez, seconded by Tim Byal, and with all in favor, Resolution 2025-6 was adopted, and the Chair was authorized to sign.

Mr. Ward: The Resolution I am asking you to add to the Agenda is 2025-7. He asked Mr. Wes Haber to present.

Mr. Wes Haber: This is a project completion resolution. It is a resolution that is commonly adopted after bonds are issued. In this case the project that the CDD is going to fund with the proceeds of these bonds is complete and will be acquired by the CDD when the bonds are issued as set forth in the Engineer's Report and Assessment Methodology. Chapter 170 of Florida Statutes provides that when a project is complete, a CDD is to declare the project complete and then credit the difference between the amount of the assessment that was originally levied and the amount of the assessment that will be levied to pay for the project. What this Resolution does is, for purposes of assessments in Chapter 170, it declares the 2025 project complete and it also credits what we presently have levied on the property that will secure

these bonds is a Master Lien that is set as the prior amount of the 6.5 number, and that's what the Master Lien is. But because we know we are going to be issuing bonds in an amount that's less than that project amount plus related finance charges, we are saying that the assessments are going to be credited such that the assessment is going to be, not the higher master amount, but the amount that actually gets allocated when we finalize and issue the bonds to each of those properties based on the amount of the bonds together with those related financing costs. Cost of issuance, reserve accounts, those types of things. This is just a procedural step to deem it complete in accordance with Florida Statute and will be recognized going forward as part of the process when the CDD acquires that project with the proceeds of these bonds.

Mr. Byal: So, the assessment would drop from the \$6.5 million to the \$4.5 million that's in the bond or it drops again from the \$4.5 million if that all doesn't get spent. How does that work?

Mr. Haber: The \$6.5 million is where the assessment is today. That's the Master Lien that was noticed. The \$4.5 million is not final. That is the not to exceed amount that you just approved with your prior bond delegation resolution. What this resolution provides is that the final assessment amount will be when we actually issue the bonds. The final amount will be somewhere under \$4.5 and when we actually know the amount of the bonds and how the assessments are allocated based on that amount, and the interest rate, and what the payments will be, that's what's going to be the final assessment that gets allocated to the property and all the benefiting properties are credited the difference. In other words, that higher master amount goes away, and the lower amount that will be allocated based on the actual bond issue is what will be allocated to all those properties. Once we get through this resolution, there is an additional resolution we would like to have the Board adopt which is a supplemental assessment resolution, which will provide all the specifics as it relates to the bond issue, the actual par amount of the bonds, the interest rate, what the debt service payments will be for the term of the bonds, but we can discuss that when we complete the discussion of this resolution.

Mr. Futch: Is there a true-up on any of the actual units the residents were assessed under the old assessment methodology.

Mr. Haber: Separate from this resolution, in the actual assessment resolution, and also when the bonds are issued, we will enter into what's called a true-up agreement that essentially says if fewer than the number of units planned actually get platted, the land owner, the developer, will have an obligation to pay off the bond debt on the lots that didn't get platted. That way we are not putting extra debt above what is planned for each unit.

Mr. Ward: True, but everything is platted, so it doesn't matter. There won't be a true-up.

Mr. Byal: So, none of those units that were within the expansion area will receive a CDD assessment relative to the financing?

Mr. Ward: They did. They have a larger lien on them. They didn't receive anything on their tax bills, however. They received a notice.

Mr. Byal: They didn't pay any debt financing as a part of their tax bill because there wasn't any at that point. So that will be an adjustment for those people.

Mr. Ward: Right.

On MOTION made by Felipe Gonzalez, seconded by Jeff Lux, and with all in favor, Resolution 2025-7 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS**Staff Reports****I. District Attorney**

Mr. Haber: The only other thing is the supplemental assessment resolution that I mentioned. I know we talked about having another meeting in May. I don't know exactly when we will have the final numbers on these bonds, but sometime between having the final numbers and actually closing on the bonds we will want to come back and do that supplemental assessment resolution. It would be great if we could line it up with that May meeting.

Mr. Ward: We are going to have a May meeting for purposes of the budget. If the bond issue gets done ten days before the meeting, we can put this on the Agenda. If not, it would be in June.

Ms. Ganz: I don't know if it will be done before the May meeting. I think we are waiting for some diligence items and other things, so we don't really have a schedule yet.

Mr. Ward: My guess is we won't make it, so it will just have to be done in June.

Ms. Ganz: Or we can do it post-closing.

Mr. Haber: Yeah, we can do it post-closing as well.

II. District Engineer

No report.

III. District Asset Manager

No report.

IV. District Manager

- a) Important Board Meeting Dates for Balance of Fiscal Year 2025**
 - 1. Public hearings – Proposed Budget Fiscal Year 2026 – June 12, 2025**
- b) Financial Statements for period ending February 28, 2025 (unaudited)**
- c) Financial Statements for period ending March 28, 2025 (unaudited)**

No report.

EIGHTH ORDER OF BUSINESS**Public Comments**

Public Comments: - Public comment period is for items NOT listed on the agenda, and comments are limited to three (3) minutes per person and assignment of speaking time is not permitted; however, the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes

Mr. Ward asked if there were any public comments; there were none.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Ward asked if there were any questions or comments from the Board; there were none.

TENTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 11:40 a.m.

On MOTION made by Felipe Gonzalez, seconded by Tim Byal, and with all in favor, the Meeting was adjourned.

Esplanade Lake Club Community Development District


James P. Ward, Secretary


Felipe Gonzalez, Chairperson