

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT



REGULAR MEETING AGENDA

January 21, 2021

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

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FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

January 14, 2020

Board of Supervisors

Flow Way Community Development District

Dear Board Members:

This Regular Meeting of the Board of Supervisors of the Flow Way Community Development District will be held on **Thursday, January 21, 2021 at 1:00 P.M.** in Conference room of the offices of **Woods, Weidenmiller, Michetti, & Rudnick, 9045 Strada Stell Court, 4th floor, Naples, Florida 34109.**

The venue for this meeting is the offices of Woods, Weidenmiller, Michetti, & Rudnick and was specifically chosen such that the District will be able to meet the social distance guidelines for this meeting for Board Members/ and Staff only for the meeting. With the limitation for people in the meeting room the District encourages members of the public to join by video or audio using the link below.

Please ensure that all in attendance bring and wear masks during the meeting.

The following WebEx link and telephone number are provided to join/watch the meeting.

Weblink:

<https://districts.webex.com/districts/onstage/g.php?MTID=e895999ece4d941354b020153c25ae545>

Access Code: **179 319 5639**

Event password: **Jpward**

Call in information if you choose not to use the web link:

Phone: **408-418-9388** and enter the access code **179 319 5639** to join the meeting.

The link to the meeting will also be posted on the District's web site: www.Flowwaycdd.org.

Agenda

1. Call to Order & Roll Call.
2. Public Comments for NON-Agenda items. (limited to Three (3) minutes) Individuals are permitted to speak on items on the Agenda during that item and will be announced by the Chairperson.

New Business

3. Consideration of Minutes:
 - I. December 17, 2020 – Regular Meeting
4. Authorization to Advertise for District Engineer in accordance with the Consultants Competitive Negotiations Act (Chapter 287 Florida Statutes).
 - I. Letter of resignation of Waldrop Engineering as District Engineer for the Flow Way Community Development District, dated December 21, 2020 and effective March 21, 2021.
5. Consideration of **Resolution 2021-2**, a Resolution of the Board of Supervisors of the Flow Way Community Development District 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.
6. Consideration of **Resolution 2021-3**, a Resolution of the Board of Supervisors of the Flow Way Community Development District setting a Public Hearing to be held on March 18, 2021 at 1:00 P.M. and held at a Location to be determined during this meeting, 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.
7. Consideration of **Resolution 2021-4**, a Resolution of the Board of Supervisors of the Flow Way Community Development District designating new location for the remaining Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021.
8. Staff Items
 - I. District Attorney – Woods, Weidenmiller, Michetti, & Rudnick
 - a. Code of Ethics Complaint process
 - II. District Engineer - None
 - III. District Manager – JPWard & Associates, LLC
 - a. Financial Statements for period ending December 31, 2020 (unaudited)

Old Business

9. Agreement with Master Homeowner’s Association and District. **(Continuing Item until Final Decision)**
10. Discussion of Future Funding of Preserve Mitigation and Maintenance **(Continuing Item until Final Decision)**
11. Staff Items
 - I. District Attorney
 - a. Ethics Complaint
 - b. Petition for Administrative Hearing SFWMD Permit Modification transferring operations to the Flow Way CDD.
 - c. Memorandum/Complaint regarding Ownership and Maintenance responsibilities for the Main Preserve. Document Link: <http://jimwardcdd.com/Files/FW - Taylor Morrison - Filing 12 30 2020.pdf>
 - II. District Manager
 - a. Audit of Preserves Expenditures – In Process, Preliminary schedule - for February 18, 2021 Agenda
12. Board Items
 - I. Board Member – Martinn Winters
 - a. Preserves
 - i. Calvin, Giordano & Associates
 - ii. Ecological Services Associates

Final Board Items

13. Audience Comments
14. Announcement of Next Meeting - February 18, 2021
15. Adjournment

Meetings for Fiscal Year 2021 are as follows:

October 15, 2020	November 19, 2020
December 17, 2020	January 21, 2021
February 18, 2021	March 18, 2021
April 15, 2021	May 20, 2021
June 17, 2021	July 15, 2021
August 19, 2021	September 16, 2021

Staff Review of New Items

The Third Order of Business is the consideration of the December 17, 2020 Regular Meeting Minutes.

The Fourth Order of Business is the Acceptance of a Letter of resignation of Waldrop Engineering as district Engineer which will go into effect March 21, 2021, ninety (90) days after it was submitted to the District.

With the resignation of Waldrop Engineering, the District must retain an engineer in accordance with the Consultants Competitive Negotiations Act which is Chapter 287 Florida Statutes.

This is the process that governs the selection process for certain professional consultants, primarily engineers, as such, in order to retain an engineer, we must advertise a Request for Qualifications for engineering firms to provide this service, in which the District will advertise for Engineering Services that only identify the qualifications of the Engineer's and are not permitted to include fees. Once the District receives proposals, the item will be scheduled for the February 18, 2021 meeting, at which time, the Board must rank the top three firms (if at least three proposals are received) based on their qualifications, and once ranked by the Board, then authorize the Manager with assistance as needed from the Attorney to negotiate an agreement with the top ranked firm.

If the Manager is unable to negotiate an agreement with the 1st ranked firm, then the Manager will go to the 2nd ranked firm and so on, until there is an agreement between the parties, at which time that Agreement will be brought back to the Board for approval.

The Fifth and Sixth Orders of Business, deal with Resolutions 2021-2 and 2021-3 and is a continued item. The Board previously authorized the annexation of certain land into the District, more commonly known as the "Hatcher" land and which is owned by Taylor Morrison and will be a part of the Esplanade Community. That County Commission has adopted the requisite Ordinance (2020-30), copy attached, which annexed this land into the District. In anticipation of this annexation the District had issued its Series 2019 Phase 7, 8 and Hatcher Bonds, which included \$1.037M for infrastructure for the Hatcher Land. The funds are in a retainage account of that particular bond issue and can only be released for construction of Hatcher Infrastructure once the District now completes the Assessment process for only the Hatcher land which must be completed by March 31, 2021 otherwise the funds will automatically be used to prepay bonds in a like amount on May 1, 2021. As such the next two items on the Agenda deal with the process to begin the assessment process which culminate in a public hearing scheduled for March 18, 2021.

THIS IS THE LAST MEETING THAT THIS ITEM CAN BE CONSIDERED DUE TO THE BOND REQUIREMENTS THAT WE MUST COMPLETE THIS PROCESS BY MARCH 15, 2021.

The Seventh Order of Business is a ministerial item which will set the balance of the Board Meetings through September 30, 2021 at the agreed upon location of **Woods, Weidenmiller, Michetti, & Rudnick, 9045 Strada Stell Court, 4th floor, Naples, Florida 34109**. **The time and date of each meeting is not changing, the meetings will be at 1:00 P.M. on the Third Thursday of each month.**

The Eighth Order of Business addresses Staff Items – Staff will discuss any items noted on the agenda or other matters deemed appropriate by Staff at the meeting.

Old Business – Item Summary

The Ninth order of Business deals with the Agreement that the District has with the Master Homeowner’s Association. The agreement permits the Association to maintain the District’s assets (except the preserves), and which include lakes, littorals, irrigation system and certain landscaping along the entranceway to the Community. The agreement permits the District to terminate the agreement on thirty (30) day notice to the Association, and this item is a continuation of that discussion.

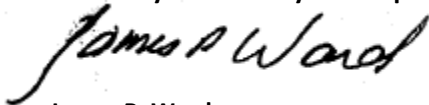
The Tenth Order of Business is a continued discussion of future funding of the preserve maintenance. This item is a continuation item.

Item Eleven (11) – Staff Items – Staff will discuss any items noted on the agenda or other matters deemed appropriate by Staff at the meeting. Documents pertaining to this Item are available on the District’s website utilizing the following Link: <http://jimwardcdd.com/Files/FW - Taylor Morrison - Filing 12 30 2020.pdf>

Item Twelve (12) - Board Items - This item deals with the vendor to replace Turrell, Hall & Associates, who will oversee the maintenance vendor for the preserves. There are two proposals, Calvin Giordano & Associates (CGA), and Ecological Services Associates (ESA). The CGA proposal is in the in the agenda material and the proposal from ESA will be provided under separate cover. Both consultants have been asked to attend the meeting and provide to the Board a brief summary of their services and to answer questions from the Board.

If you have any questions and/or comments before the meeting, please do not hesitate to contact me directly at (954) 658-4900.

Flow Way Community Development District



**James P. Ward
District Manager**

Flow Way Community Development District
Opportunity to be Heard for Board Meetings

PUBLIC COMMENT PERIODS. The Chair, his or her designee, or such other person conducting a District Meeting ("Presiding Officer"), shall ensure that there is at least one period of time ("Public Comment Period") in the meeting agenda whereby the public has an opportunity to be heard on propositions before the Board, as follows:

a. The Public Comment Period shall be provided at the start of each District Meeting before consideration of items scheduled on the Agenda for consideration. In the event there is an item that comes before the Board that is not listed on the agenda, the Presiding Officer shall announce a Public Comment Period on such item prior to voting on the proposition.

b. Speakers shall be permitted to address any agenda item or non-agenda matter(s) of concern to the District, during the Public Comment Period.

c. To the extent the agenda for the District Meeting includes a specific public hearing that is required by Florida law, all public comments on the agenda item that is the subject to the public hearing will be taken following the opening of the public hearing for said agenda item.

d. Individuals wishing to make a public comment are limited to three (3) minutes per person. A potential speaker may not assign his/her three (3) minutes to extend another speaker's time.

e. The Presiding Officer may extend or reduce the time periods set forth herein in order to facilitate orderly and efficient District business; provided, however, that a reasonable opportunity for public comment shall be provided consistent with the requirements of Section 286.0114, Florida Statutes. The Presiding Officer may also elect to set and announce additional Public Comment Periods if he or she deems it appropriate.

DESIGNATING A PROCEDURE TO IDENTIFY INDIVIDUALS SEEKING TO BE HEARD. Unless otherwise directed and declared by the Presiding Officer, individuals seeking to be heard on propositions before the Board at a District Meeting shall identify themselves at the beginning of each Public Comment Period in the manner announced by the Presiding Officer. In the event that public attendance is high and/or if otherwise deemed necessary in order to facilitate efficient and orderly District business, the Presiding Officer may require individuals to complete speaker cards which will request the following information: (a) the individual's name, address and telephone number; (b) the proposition on which the person desires to be heard; (c) the individual's position on the proposition (i.e., "for," "against," or "undecided"); and (d) if appropriate, to indicate the designation of a representative to speak for the individual or the individual's group. In the event large groups of individuals desire to speak, the Presiding Officer may require each group to designate a representative to speak on behalf of such group.

PUBLIC DECORUM. The following policies govern public decorum at District Meetings:

a. Each person addressing the Board shall proceed to the place designated assigned for speaking, if any, and should state his or her name and address in an audible tone of voice for the public record.

b. All remarks shall be addressed to the Board as a body and not to any member thereof or to any staff member. No person other than a member of the Board or a District staff member shall be

Flow Way Community Development District
Opportunity to be Heard for Board Meetings

permitted to enter into any discussion with an individual speaker while he or she has the floor, without the permission of the Presiding Officer.

c. Nothing herein shall be construed to prohibit the Presiding Officer from maintaining orderly conduct and proper decorum in a public meeting. Speakers shall refrain from disruptive behavior, and from making vulgar or threatening remarks. Speakers shall refrain from launching personal attacks against any member of the Board, District staff member, or member of the public. The Presiding Officer shall have the discretion to remove any speaker who disregards these policies from the meeting.

d. In the case that any person is declared out of order by the Presiding Officer and ordered expelled, and does not immediately leave the meeting facilities, the following steps may be taken:

1. The Presiding Officer may declare a recess.
2. The Presiding Officer may contact the local law enforcement authority.
3. In the event a person does not remove himself or herself from the meeting, the Presiding Officer may request that he or she be placed under arrest by local law enforcement authorities for violation of Section 871.01, Florida Statutes, or other applicable law.

EXCEPTIONS.

a. The Board recognizes, and the Board or may apply, all applicable exceptions to Section 286.0114, including those set forth in Section 286.0114(3), Florida Statutes and other applicable law. Additionally, the Presiding Officer may alter the procedures set forth in this Public Comment Policy for public hearings and other special proceedings that may require a different procedure under Florida law.

b. This Resolution is being adopted in accordance with Section 286.0114, Florida Statutes existing as of the date of this Resolution. After this Resolution becomes effective, it may be repealed or amended only by subsequent resolution of the Board. Notwithstanding the foregoing, the District may immediately suspend the application of this Resolution, in whole or in part, if the District determines that the Resolution conflicts with Florida law. In the event that the Resolution conflicts with Florida law and its application has not been suspended by the District, this Resolution should be interpreted in the manner that best effectuates the intent of the Resolution while also complying with Florida law. If the intent of the Resolution absolutely cannot be effectuated while complying with Florida law, the Resolution shall be automatically suspended.

**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, December 17, 2020 at 1:00 P.M. in the conference room of the offices of Woods, Weidenmiller, Michetti, & Rudnick, 9045 Strada Stell Court, 4th floor, Naples, Florida 34109.

Present and constituting a quorum:

Zack Stamp	Chairperson
Ron Miller	Vice Chairperson
Tom Kleck	Assistant Secretary
Andrew Miller	Assistant Secretary
Martinn Winters	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Woods	District Counsel
Jessica Tolin	

Audience:

Charles Cook
Ed Staley
Joe Reis
Tom Conricose (ph)
Diane (no last name given)

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.

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

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Chairperson Zack Stamp called the meeting to order at approximately 1:00 p.m. Roll call was conducted and all Members of the Board were present constituting a quorum. He noted new technology was being utilized. He asked speakers to clearly identify themselves prior to speaking and to refrain from talking over others.

SECOND ORDER OF BUSINESS

Public Comments for NON-Agenda items

Individuals are permitted to speak on items on the Agenda during that item and will be announced by the Chairperson; comments limited to three minutes

Chairperson Stamp indicated there would be a time for public comments at the end of the meeting; however, he would be happy to recognize speakers for brief comments during regular Agenda Items.

District Manager Jim Ward asked if there were any members of the public/audience present who had a question for the Board; there were none. He indicated he saw no individuals participating via telephone.

THIRD ORDER OF BUSINESS

Consideration of Minutes

October 15, 2020 Regular Meeting Minutes

Chairperson Stamp asked if there were any additions or corrections to the Minutes; hearing none, he called for a motion to approve the November 19, 2020 Regular Meeting Minutes as presented.

On MOTION made by Mr. Tom Kleck, seconded by Mr. Martinn Winters, and with all in favor, the November 19, 2020 Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2021-2

Consideration of Resolution 2021-2, a Resolution of the Board of Supervisors of the Flow Way Community Development District 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

Chairperson Stamp asked if there were a motion for Resolution 2021-2. Mr. Drew Miller moved to approve Resolution 2021-2; there was no second.

Mr. Ron Miller: Speaking for myself, I have no intention of ever approving this Resolution until such time as Taylor Morrison steps up to the plate and do their legal and moral obligation regarding the preserves. Having said that, I would like to comment on the legal and moral aspects of this. The Board has no legal obligation to approve this. Is there any disagreement?

Mr. Andrew Miller: This is a good question. We should ask and know the answer to prior to making a decision because not only did the Board decide to accept the property into the CDD – I'm definitely interested in understanding what the implications are to the CDD with the potential for negative

outcomes are if we don't follow through with the rest of what may be an obligation. If we don't understand that, I don't think we are making a decision with all knowledge.

Mr. Ron Miller: I will make the same comment as before. I don't think the Board has a legal obligation to approve this.

Mr. Greg Woods: I need to take this under advisement. I would be happy to give the Board my opinion after I take a good hard look at it.

Mr. Ron Miller: The second aspect of this is the moral aspect. I think we should reflect back on the entire history of Esplanade to this moment. When Taylor Morrison started this development, they put together a CDD and the CDD had existing boundaries and an existing number of units and a plan. As a part of that plan the CDD was the financier of infrastructure and has done so. The CDD concept is well known in the State of Florida. At a later point in time Taylor Morrison came in and added the Dillillo property. At the time, they still had a five-member board of control, and they expanded the CDD boundaries and passed the funding so they could take advantage of that. The residents have had a nonresident Board throughout. Taylor Morrison took advantage of the opportunity and I would say they had the legal right to take advantage of the opportunity. I don't think they had the moral right, but they had the legal right. Now we come up to the Hatcher property, which is similar, but a different situation, because we have a non-Taylor Board representation, but Taylor Morrison has once again added more property to the development. I believe that property has been approved by Collier County, so those houses are going to be built. The question comes in with respect to the CDD and the CDD has previously expanded its boundaries to include that property and so forth with funding. I don't think the CDD Board Members have any moral duty or any moral sense of obligation to cooperate with Taylor Morrison whatsoever. This is all about Taylor Morrison. It is not about the residents or about our community. It's actually adding more people to the resident's amenities. What it amounts to – think about the big picture – is that Taylor Morrison, and this is just business, Taylor Morrison is going to charge the market price they can get for those houses with or without this funding. They will charge every dollar that they can, so if this funding comes across, this is simply going to go to Taylor Morrison's bottom line. It's as simple as that. Taylor Morrison is wanting us to once again be their bottom line play toy in giving them \$1 million dollars and bringing this into our community and at the same time they simultaneously they are disgracefully dishonoring their permits and the funding of the preserves. The final aspect from a moral perspective, stand in the shoes of the 34 people who are eventually going to buy those homes. Are they harmed? I don't think so. They've been helped because they are going to pay the market price with or without this funding and they are going to step into a situation where they do not have the CDD payment. They are going to be in a better position than all of us, the rest of the residents, so we would actually be doing them a favor and not harming them whatsoever. I just wanted to share those thoughts with the Board.

Mr. Drew Miller: Greg, would you please give us the context to what we would be able to vote as a CDD Board Member? Obviously, there are personal agendas here as well and I just want to understand, not only do we have a legal obligation, but as a sitting Board Member, what is the decision that we have to make as a Board Member, not necessarily as a resident?

Chairperson Stamp: Drew, you mentioned at the last meeting that there was an agreement between Taylor Morrison and the CDD on this property. Jim, do we have a copy of that agreement?

Mr. Ward: I could not find in the District's records that there is a specific agreement between the District and Taylor Morrison to annex the property. This property was contemplated to be annexed within the constraints of the last series of bonds that were done. There are provisions in those bond documents essentially indicating if and when the land is annexed to the District, it was contemplated they would be subject to assessment if the District went through that legal process that Ron just asked the question about of whether or not the Board has the legal obligation to do that.

Chairperson Stamp: But the CDD Board, then controlled by Taylor Morrison, did not enter into any kind of an agreement with Taylor Morrison saying if you do this, we will do that?

Mr. Ward: I could not find any specific agreement to that.

Discussion continued regarding CDD and Taylor Morrison not entering into an agreement regarding annexing the Hatcher property.

Mr. Drew Miller: My concern, or question, is not necessarily a written agreement, but what we've asked Greg to look at through the bond sale and through bringing them into the CDD, if there was any kind of legal action that we might be opening ourselves up to, because I do believe there is an implicit agreement, that when we brought in the – as a CDD Board Member who voted to bring it in, I would have expected, the following thing to happen would be to levy assessments and follow through with the original intent of the bond sale.

Chairperson Stamp: My other question is, you also implied with, because Martinn and I have taken an Oath of Office. I don't see where it says in there that I have to vote for Taylor Morrison's resolutions.

Mr. Greg Woods: If there is no agreement you don't have to vote for it.

Chairperson Stamp: As there is still no second, I will move on to Resolution 2021-3.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-3

Consideration of Resolution 2021-3, a Resolution of the Board of Supervisors of the Flow Way Community Development District setting a Public Hearing to be held on January 21, 2021 at 1:00 P.M. and held at a Location to be determined during this meeting, 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 explained Resolution 2021-3 could not be considered as Resolution 2021-2 was not approved.

SIXTH ORDER OF BUSINESS

Staff Reports

Staff Reports

I. District Attorney – Woods, Weidenmiller, Michetti, & Rudnick

Mr. Woods: We filed the petition with the South Florida Water Management District per the Board's instructions. They said we were overly broad, so we went back and narrowed it to the specific things that were modified by Taylor Morrison in the last 9 months or so, so we have now filed a modified petition with the South Florida Water Management District. It is my personal opinion, I think we have a shot with the South Florida Water Management District, but we are kind of late to the game. I think our stronger position is probably with the Army Corp of Engineers, but I think we have a decent shot with the South Florida Water Management District. With regard to the draft complaint against Taylor Morrison, you will note that the HOA is listed as a defendant. The HOA is a nominal defendant. They are just in there because they currently own some of the internal preserves and lakes and since their rights can be tangentially affected, they have to be listed. The CDD is not suing the HOA. If and when litigation commences, it is important that you watch your communications with me. Emails to me are potentially discoverable, so be cognizant of that fact. We are a public body, so that kind of information becomes potentially available to the public.

Chairperson Stamp: If anyone has questions, we will come back to this during Old Business.

II. District Engineer

Chairperson Stamp asked Mr. Ward to explain why this Item was included in the Agenda.

Mr. Ward: In a broad sense, the Board has three consultants, the attorney, engineer and myself as District Manager. Generally speaking, these items are on the Agenda if we have a matter that needs to appear before you that will be actioned on, or alternatively we know is going to be a pending action in the near future. Often the Engineer doesn't have anything to report, especially in a District that doesn't have much in operations. I rarely do anything under my report because I make sure it gets on the Agenda as an item. The only time I will say something to you under my report is if it ends up on my radar between the time of publication of the Agenda and the Board meeting date. So, unless I ask the Engineer to be here, or we have some sort of report, we generally do not have an Engineer with us.

III. District Manager – JPWard & Associates, LLC

a) Financial Statements ending November 30, 2020 (Unaudited)

Mr. Ward: I do keep your financials on the Agenda on a monthly basis in case you have any questions. In the interim, you are always welcome to ask me questions on financials outside of an open public board meeting. I have nothing for you today.

Chairperson Stamp: The front page of the CDD web page is nothing more than an advertisement for Taylor Morrison. That's been taken down. In preparing for this meeting and interacting with community members it would be handy if we could develop some quick links of some kind on the front page where you could just go on and click the Agenda, the minutes of the last meeting, or now the litigation. Those are the things people are wading through the 190 or so pages and having trouble finding.

Mr. Ward: We will try to work through the technical and financial impacts of that to get it on the website as you want it put there.

SEVENTH ORDER OF BUSINESS**Old Business**

- I. Agreement with Master Homeowner's Association and District**
- II. Discussion of Future Funding of Preserve Mitigation and Maintenance**
- III. Discussion of Audit of Preserves Expenditures**

Chairperson Stamp: We have had some discussion back and forth about whether we ought to continue this (Agreement with Master HOA) or terminate it. Is there any discussion?

Mr. Ron Miller: We have seen emails going around about some requirements Taylor Morrison were still attending to in order to get Collier County to sign off on the lakes and whatever. I am generalizing here. That's going on in the background. From a layman's perspective, when I play golf and go around the lakes and ponds, I see a lot of stuff about 3 feet high, growing out of 2 or 3 feet of water. I am assuming these are called littorals. (Mr. Ward confirmed these were called littorals.) And with what's going on with getting the counties permission as remedy, what is really happening? Are we trying to remove those littorals? Are we trying to add some where it is deficient?

Mr. Martinn Winters: Generally, Taylor Morrison is required to plant the banks with materials that survive in high water and in low water so that the banks do not erode, and because so many of the banks are naked and don't have any plantings at all, Taylor Morrison is required to go back and plant in order to get the inspections done to get their performance bonds released. By and large the plan is to go back and plant them effectively to have something that will hold the banks from eroding. Now we have a new pond with the Hatcher property that they have to take care of, so we are some months away I think from the point of signing with Taylor Morrison as the littorals are properly planted.

Discussion ensued regarding Taylor Morrison's plantings of the littorals.

Mr. Drew Miller indicated littorals had more to do with water quality than bank erosion. It's not necessarily if you don't see one it means that spot needs one, there is just a threshold of a certain percentage of littoral shelves need to be planted.

Mr. Ron Miller: Considering what's going on I have reread the HOA contract and it specifically says the HOA is to provide all services. It seems to me that the HOA contract includes mitigation and maintenance of the preserves. That has never happened. The mitigation and maintenance that has occurred prior to transmitting this into the CDD, Taylor Morrison paid some of those expenses in the past, but the lion share of it has been paid for by the CDD. I find it odd that the CDD has been paying for those expenses whereas the contract requires the HOA to pay for these expenses. This may seem circular, but it seems to me the CDD would have some cause of action with the HOA and say we want our money back. That's a bit circular because it's the same residents whether it's the CDD or the HOA. But then I would raise the question, is it really the same? The way the budget comes together through the HOA is subsidized or funded by Taylor Morrison as it should be. You can't go back and redo a five-year-old budget, so if the CDD were to ask for it's money back where would that money come from? It couldn't come out of the current year's budget, so that then falls back on Taylor Morrison to reimburse the HOA who then can reimburse the CDD for all those past expenses. I think that's something we have got to get on the table. I think Taylor Morrison can very well be held accountable for those expenses through that medium.

Mr. Drew Miller: The internal preserves and a lot of the preserves that have the initial mitigation done were being paid and maintained through the HOA prior to the final mitigation efforts on the external preserves. Once the initial mitigation was complete for the external preserves and we went into maintaining and the property was accepted by the CDD, we started maintaining all of the preserves including the internal and the external, so there was a point in time when some of the cost was inside of the HOA budget. I think the differences between the CDD budget and the HOA budget, at least in context of what you are saying, are very similar, because the HOA budget is deficit funded, but if you put the dollar value into the budget it raises fees, similar to the CDD. If the cost is \$200,000 dollars to maintain the preserves, and it's in the HOA, it is spread across the number of units and Taylor Morrison deficit funds it. Similarly, in the CDD, it is spread across all the landowners and Taylor Morrison funds its proportionate share as well. I don't know about back history or what that would mean, but if either entity was maintaining it, for each resident it is very similar.

Chairperson Stamp: You said mitigation was completed. Is that your opinion, that mitigation has been completed on the external preserves?

Mr. Drew Miller: Yes. It went into maintenance. You may be trying to catch me on whether it's a permit or it has to be maintained. There was an initial mitigation that was done. Remove all of the nuisance exotics. Complete. Prior to the CDD accepting it, millions of dollars were spent to mitigate. Similarly speaking, on the wood storks and those kinds of things, yes, there was a lot of money spent to create the area, mitigate the area, and then there is an ongoing perpetual maintenance scenario that has to be done. So, the time frame, and whether you are talking did we get signoff for that maintenance during that time period – I don't want to split hairs – it was being maintained or is being maintained right now in a maintenance state.

Chairperson Stamp: My recollection is Tim Hall stating we are still mitigating some of this property. We are not okay to go to the next step. There could be some overlap, but there is mitigation and there is maintenance.

Mr. Drew Miller: I don't know if that matters that much or if I'm misspeaking a little bit. But it's in a maintenance contract, what I would consider the initial mitigation orders to be.

Mr. Ron Miller: I hear what you are saying. I understand what you are saying, but factually speaking, the CDD has spent a considerable amount of money every year on whatever you want to call it, mitigation, or maintenance or both. Factually speaking there has been a budget spent every year by the CDD on the external preserves. There has been money spent and the HOA contract specifically says that the HOA has to pay for that. The HOA did not pay for it, the CDD did. So, why shouldn't the CDD explore the option of going to the HOA and saying we want our money back. You didn't fulfill your contract.

Mr. Winters: At the last meeting we asked for the accounting firm to go backwards and look at all those expenses and accumulate up through this year of what those expenses are, so maybe Jim, you can tell us what you think the timeframe is for having those expenses on the table, so we will know the magnitude of dollars we are talking about that we would need to roll into the claim or bill back to the HOA or however we want to handle that.

Mr. Ward: I am in the process of gathering the information the auditor needs. I have some questions for the engineer, but I would say within six weeks we will have this.

Mr. Winters: At that point in time, we will have something to put on the table and the Board can decide what we want to do about what that number is. I have another point, disassembling the HOA contract from the CDD, and that is, we have turnover coming in the HOA soon. My understanding is December is when they hit 90% in closing, which means 90 days later turnover occurs, which would be March 31st. If that's the case, we have to come to terms with what the CDD is maintaining, do we cancel that contract, what is the HOA maintaining, and what is left for Taylor Morrison to mitigate that doesn't become the expense of either the CDD or the HOA. I think we need a schedule of duties as to who is responsible for what and take the next 60 days to try to figure out how we disassemble that contract and assign the duties to the respective departments.

Mr. Drew Miller: I agree. If you look at the Waldrop Landscape Maintenance exhibit, there is actually property, the front entrance, and the road. I think that should be a consideration when you guys are looking. You are probably going to want some form of agreement between the CDD and the HOA, and so I think getting the duties ironed out, including who maintains this green and pink area, is something you probably want to do before you wholesale get rid of the agreement.

Chairperson Stamp: Martinn do you have any more about the audits? Have you put a team together?

Mr. Winter: I have not put a team together. I have been waiting to hear what the timeframe is for our existing accounting firm to come up with what the past expenses are, so we have an initial set of numbers to look at. I will be interviewing some people to assist with overlooking that, and at our next meeting I will have some names to recommend.

Mr. Ward: If you want to bring people together to do whatever it is you want, that is not a problem, but if the Board goes through some process of looking at that and saying yes to it, then it becomes a committee subject to the Sunshine Law. Maybe you just want to do your thing and be done with it.

Chairperson Stamp: Informally ad hoc committee.

IV. Litigation Matters

a) Petition for Administrative Hearing SFWMD Permit Modification transferring operations to the Flow Way CDD.

Chairperson Stamp: Anything else to add on the South Florida Water Management District? Just to be clear, I would accept a motion giving me the authority if we have to file any motions, additions, corrections, etc. that I might have to file.

On MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, and with four in favor and one opposed, Chairperson Zack Stamp was given the authority to file any motions, additions, corrections, etc., regarding the SFWMD permit modification as needed.

Mr. Drew Miller was opposed; the remaining Board Members were in favor; the motion passed.

b) Memorandum/Complaint regarding Ownership and Maintenance responsibilities for the Main Preserve located within the boundaries of Flow Way CDD.

Chairperson Stamp: The litigation with Taylor Morrison is in your packet. You have had a chance to look at it. Hopefully, there is a memorandum to accompany that. We have counsel here to answer any questions.

Mr. Ron Miller: There has been discussion in the past about what is the amount of money which would be the proper amount of money for the permanent escrow funding of the external preserves. There has never been a come together on that subject. Lots of people have lots of opinions, but it seems to be something we ultimately have to come together on. I think we have had some discussion on hiring a Tim Hall type replacement to give us their view on what that would be. At this point I would like to bring our attention to the fact that Taylor Morrison has their opinion on this matter already. We all recently received an email from Taylor Morrison where they specifically told us it is \$242 dollar per resident. I have no idea how they computed that number, but Greg I'm sure can get that in discovery. That's \$286,528 dollars a year and at the Corp of Engineer's 2% cap rate, that's \$14,326,400 dollars. I would suggest the Board would consider that as an offer from Taylor Morrison. With whatever actions Greg is taking, going forward, I think Greg, at least as a number that we can discuss, that Taylor Morrison has given to us.

Chairperson Stamp: Under Florida law there is a way that has to be handled.

Mr. Ward: Actually, the number is the District's number. I was actually asked that question and I took the budget, divided it by the number of units, and gave it to – actually it was Mr. Cook who asked me the question, so that's where the number came from.

Chairperson Stamp: If there is a settlement offer, they have to come and tell me that they want to offer us something. Putting it in a newsletter is not a settlement offer. I wish it were that easy.

Mr. Ron Miller: I understand that, but I think counsel now has something to look at.

Mr. Woods: It's a number obviously. It's a number used by the District and perhaps Taylor Morrison, which is a good starting ground, but obviously in a lawsuit we would have to prove the number and it's not an offer until they send us something in writing offering it to us, which I have not seen.

Mr. Ron Miller: As I read through there, I think I picked up the named defendants are five Taylor Morrison Board Members from the past. Are they named defendants?

Mr. Woods: If the Board approves the filing, they would be named defendants. They were on the Board at the time that we contend the CDD prematurely agreed to take the property.

Mr. Ron Miller: Is there some reason why subsequent Taylor Morrison Board Members such as John Wollard, Drew Miller, and the first one who resigned that I can't remember, why have they been excluded from that?

Mr. Woods: Drew Miller was not on the Board at the time that the properties were accepted, and that's the biggest, in our opinion, biggest breach of fiduciary duties when they prematurely took those properties, so he would not be responsible for that.

Mr. Ron Miller: I agree with that. I think that is factually correct, but subsequent to that, and this came up at a majority of the Board Meetings since I have been sitting on the Board, we've talked about fiduciary obligations each and every time, and Taylor Morrison's representatives continue to vote against the Board on every motion that had to do with our pocketbook, the CDD's pocketbook with the mitigation and maintenance subsequent to that transfer. While I understand and concur with what you are saying, what about the subsequent violations.

Mr. Woods: Just to clarify, under the CDD statutes, the developer is allowed to have it's appointed Board Members on the Board. That's not a conflict of interest. It is a matter of degree and a matter of level, agreeing to the property was potentially problematic. The approving of budgets and things favorable to Taylor Morrison could be. There is an argument that yes, that could potentially be a breach. It's a finer line, and it's up to the Board, but as your litigation counsel I would like to go forward with what I believe to be the strongest arguments. That's how we have targeted this as have. That's just my opinion. If you want me to look at the potentiality of the other Board Members, I can look at it. I just think it detracts from some of our stronger stuff.

Mr. Ron Miller: I would also point out, and this was mentioned in a Board Meeting to Taylor Morrison Directors at that time. We talked frequently about the fiduciary obligation, but it was also pointed out that Florida has a Code of Ethics Statute, and I am going to site Section 112.3143 which specifically says that they are to abstain from voting any time any benefit would inure to their employer, and they voted each and every time on those motions against the CDD. I don't see any reason to exclude them from this.

Chairperson Stamp: As someone who used to play being a lawyer, it's my opinion that it might be good to do that for a lot of reasons, but any damages recovered for say Drew voting for the budgets, are going to get some subset of the larger picture. We are not going to get a recovery for every member that voted. If the damages are \$14 million plus whatever past they should have paid, we are not going to get it doubled or tripled by four or five Board Members. I guess I am agreeing with counsel that it's not worth the candle for the wax. As far as the ethics violation, that would not be included in the lawsuit anyway. I don't think that would be actionable. You would have to file an ethics complaint ([indecipherable 43:07](#)).

Mr. Winters: What would be involved with filing an ethics complaint?

Mr. Woods: There is a form online for the DBPR. I believe the agency DBPR has a form that you can actually fill out online and get the process rolling. Any member of the public is free to do this. With the conflict of interest, you are going to have to show – they are going to want specifics. You have to look at the specific vote and the specific action.

Mr. Ron Miller: But unless action were brought more forcefully, let's just theorize. Let's say that Florida would agree that they violated that Code of Ethics Statute. End of story?

Mr. Woods: There's fines. There's criminal penalties. There can be a third-degree felony. Certainly, a misdemeanor, and there are monetary penalties.

Mr. Ron Miller: I think it's a shame that Taylor Morrison put its employees in this very awkward position. Nevertheless, they were in that position and they voted for Taylor Morrison each and every time. They broke fiduciary responsibilities, they broke the Statute on voting when they should abstain from voting and I think actions have consequences. I'm not going to do anything here today or make a motion to do that.

Chairperson Stamp: Would you want to ask counsel to look into that before the next Board Meeting with the form and what we need to have.

Mr. Ron Miller: And ask counsel to think about putting them as named defendants in the lawsuit.

Chairperson Stamp: I can certainly ask that. If you give me permission to sign off, I will probably sign off without them in there and they can always be added later, because I truly believe there is no – because you are not going to get any more – if we find all the subsequent directors to them to be guilty, unless you tell me different, it is not going to increase the amount of the award. You are still going to get a finite sum of money. It's not like it gets us anything.

Mr. Ron Miller: I agree but that gets people's attention.

Chairperson Stamp: Well, that it does. I mean these eight Taylor Morrison Board Members collectively, hopefully they've got \$14 million dollars.

Mr. Winters: Could we approve this litigation as it is currently crafted with a request for you to come back to us at a second meeting with some suggestions about filing an ethics complaint at the next Board meeting?

Chairperson Stamp: Yeah. Why don't we finish the discussion on the litigation, and I will take a motion on that?

Mr. Drew Miller: I have a couple questions if I could. I guess on the ethics, if you are going to bring anything on that, if you wouldn't mind articulating what would be different for a Taylor Morrison employee voting on the Board versus a resident voting on the Board. It seems to me there would be similar conflicts of interest potentially.

Mr. Woods: Could an individual resident have a conflict of interest? They could, but the thing about Taylor Morrison is because you are the developer there is an inherent conflict of interest.

Mr. Drew Miller: But permitted.

Mr. Woods: Permitted to a certain level on certain items.

Mr. Drew Miller: So, there is no conflict of interest because – I think I understand.

Mr. Ron Miller: We are not employed by the resident. We do not receive any paychecks.

Mr. Drew Miller: No, but you have obviously benefit from it. How long do you think this litigation would take?

Mr. Woods: There is no telling. Average litigation in Collier County is anywhere from 18 months to 24 months. Now, most cases settle somewhere along the way.

Mr. Drew Miller: How much is that potentially going to cost the CDD to litigate?

Mr. Woods: That absolutely depends on Taylor Morrison and how much they fight. Best guess initially would be about \$200,000 dollars to \$250,000 dollars.

Mr. Drew Miller: What do you think the likelihood of success is?

Mr. Woods: I think pretty good. There are no guarantees with litigation.

Mr. Drew Miller: Are the past and present CDD Board Members covered by the DNO liability insurance that the CDD pays for?

Mr. Woods: They should be.

Mr. Jim Ward: No, they are not. If an entity pursues either an existing or past board members it is considered to be suing itself and there is no DNO protection for any member who is sued in that individual capacity.

Mr. Drew Miller: If you are sued by yourself you don't have coverage.

Chairperson Stamp: I think for the record, if it did become a criminal case it might – there is no DNO no so a criminal wouldn't negate that.

*Mr. Ron Miller: If I go back in time, a year, or 18 months ago, just out of my own Board Member curiosity, I contacted a number of agencies, like land conservation agencies (*indecipherable 50:17*) because Taylor Morrison was supposed to pass the preserves on to a conservation agency and had not done that. I went out and talked to some agencies to see if there would be any interest in them having them. Not that I or the Board had the authority to do anything at the time, but just testing the appetite of the agencies. I found a couple. (He named a couple of agencies and indicated he lost touch with said agencies.) Recently the executive director of the Audubon has come back to ask about the status. They continue to have interest in these external preserves. I took into consideration where we are and told them yes, the Board might have some interest in donating the land to the Audubon, but frankly we do not have any funding to give them. I will go back and talk to them again, just on my own, but they have interest. I just wanted to make the Board aware that there are possibilities out there. I would like Taylor Morrison's ears to hear that there are possibilities out there, that perhaps there is a possibility with the Audubon or others where this thing could all come together. I don't think the Audubon is going to take it without any money, nor would anyone else take it without any money. Maybe there is something out there for Taylor Morrison to explore and come back to us with.*

Mr. Drew Miller: On that note, are we even able to move the property or give the property away? Right now, it is collateral for bonds potentially? It may be something to look into if you are asking that question. I don't know if we are even able to, as a CDD Board, to transfer the property.

Mr. Ward: That doesn't matter. It is like transferring a utility. Transferring the preserves would be like transferring a utility.

Chairperson Stamp: If there is no further discussion, I will take a motion authorizing Woods to finalize this litigation and authorize it's filing, the target being before the end of the year.

Mr. Drew Miller: I think there is very little chance that this is a success and I think we are wasting the District's money and I cannot in good conscious vote yes, so no.

On MOTION made by Mr. Martinn Winters, seconded by Mr. Tom Kleck, and with four in favor and one against, Woods, Weidenmiller, Michetti, & Rudnick was authorized to move forward with litigation against Taylor Morrison as presently styled and Chairperson Zack Stamp was given the authority to make modifications as deemed necessary.

Mr. Drew Miller voted against; the remaining Board Members voted in favor; the motion passed.

Chairperson Stamp: I will take a motion regarding counsel exploring ethics violations and come back to us next month with more detail on how, why, and when.

Mr. Drew Miller: Am I conflicted here? How do I vote legally? Am I permitted to abstain?

Mr. Woods: It is just investigating, so I think you can vote.

Mr. Drew Miller: If I vote no am I in conflict of interest?

Mr. Woods: No, you are fine.

On MOTION made by Mr. Martinn Winters, seconded by Mr. Ron Miller, and with four in favor and one against, Woods, Weidenmiller, Michetti, & Rudnick was asked to look into the mechanics of filing ethics violations against the Taylor Morrison Directors and report to CDD Board at the next meeting.

Mr. Drew Miller voted against; the remaining Board Members voted in favor; the motion passed.

- V. Environmental Consultant Services – Preserves**
- VI. Civil Engineer for Evaluation of Water Management System**
 - a) Consideration of Forge Engineering Proposal**

Mr. Winters: We have a proposal for Forge Engineering to do an evaluation of the lakes and littorals, the internal waterways, all the water management systems within Esplanade and he has made a proposal which is contained within the Agenda for today. It is probably best to let Tom speak for himself as to what the scope of services is and how he views this assignment. The idea behind this is to evaluate these assets before all the performance bonds are released to make sure all the water control systems were designed, built, and operating functionally correct before Taylor

Morrison is relieved of any responsibility for it and that we get a time where we report back to the Board in a manner that allows us to interact with the County with regard to those permits and the inspections and so forth. I believe the fee for doing so is somewhere in the ballpark of \$10,000 dollars.

Mr. Tom Conricose (ph): I am with Forge Engineering. We originally were asked to respond to an RP which was put out by the Master Association. Later that work was split into two pieces, one for the CDD and one for the Master Association. This scope of work is focused on the littoral zones and the water management system across the entirety of the District and it is in response to the District, not to the association. The scope of work is to go back and look at the history of the permitting of the entire development, with the Water Management District and the Army Corp of Engineers and find out what all the obligations were of that permitting process and what the requirements were and then do an evaluation on site of how it was constructed and we would provide a report back to the CDD Board and make recommendations for work related to Flow Way and anything else related to the Water Management District.

Mr. Winters: Forge was asked to make this presentation because the resident advisory group is contemplating hiring Forge to do the buildings, roads, bridges and so forth so that one firm would be able to handle the entire assignment for all of the infrastructure, but we bifurcated the proposal so that part of it goes to the CDD and the other part goes to the HOA and I don't believe your firm has been engaged yet on the HOA side. Is that right?

Mr. Conricose: We have not been engaged, but we have conducted multiple interviews with the transition team on the HOA side.

Mr. Tom Kleck: I have had several questions from homeowners. I understand the responsibility of taking care of the lakes and the ponds now falls on Taylor Morrison. Is that correct?

Mr. Ward: Yes.

Mr. Kleck: When are they going to start taking care of it? A lot of the neighbors think that the littorals are turning into a swamp and we have our lakes that are almost overtaken in a lot of cases by these weeds (I call them weeds). Littorals to me are a flowering plant usually put on the banks of the lakes and ponds. So right now, it doesn't seem we are getting any kind of cleanup or maintenance if you will on these lakes or ponds. I've noticed that Collier County has a guy in a boat out front on the Flow Way, or whatever that's called, killing off the lily pads and the weeds and the tall grasses that are growing inside the water and I think the neighbors need to have somebody taking care of it before it's turned over.

Mr. Conricose: Our scope of work, which we have not started yet would be to take a look at what was permitted, the amount of area, the littorals, the types of littorals, all of that would be part of the permit review. Then, we would go out and actually take measurements in the field to determine how they are performing and whether they have died off.

Mr. Kleck: My questions may be for Taylor Morrison. Why isn't that being done now?

Mr. Drew Miller: It is being done.

Mr. Charles Cook (Taylor Morrison): Taylor Morrison is monitoring the lakes and maintaining them.

Mr. Kleck: Are they doing anything about it? Monitoring is one thing but taking the product and taking care of it is another.

Mr. Cook: Sure. Part of the review with Collier County is reviewing the littoral shelves, the slopes, the ground cover, and we are in the process of going through all of those and giving basically an audit of the storm water system.

Mr. Kleck: Who is responsible for the swamps, the lakes, that are filling up with lily pads and grasses?

Mr. Cook: I haven't seen lily pads. The grasses are native grasses. I've seen some pictures, but I would be happy to take a look at whatever you might have as far as specifics I might not be aware of.

Mr. Kleck: I have photos of most of the lakes and waterways that are being encroached by a lot of grasses and weeds and lily pads. I just took the pictures this last week. It appears it is not being maintained as we expect.

Mr. Ron Miller: Tom, help me with this, because I continue to be confused. We have this stuff that is growing in the lakes. I would call them weeds. Those are littorals?

Mr. Kleck: No. I beg to disagree with people who call that littorals. I was on the CDD in Bonita Springs for 3 years and we had the same issues up there, and we as a CDD organization had to physically pay for it. We spent a lot of money, thousands of dollars to keep those lakes cleaned up. We never had to send somebody in with a boat to regulate. Either cut them out, as low as they could get. We had people go in and manually cut this stuff out, so it didn't encroach on the rest of the lake and we also spent a lot of money on littorals that were strictly to keep the banks from eroding, which by the way, were not effective at all. We'd plant them and they would float after the waters came up.

Chairperson Stamp: We are having a debate here. We are talking about engaging an expert who can come back and settle this debate, so let's go back to that.

Mr. Ron Miller: What we are seeing out there at the moment is not what we want?

Mr. Kleck: No, absolutely not. It wasn't there when we moved here.

Mr. Martin: I would like to clarify if certain items are within your proposed services. We have some existing known issues in the community. Namely the golf courses don't drain properly. There are several of the greens that are just soggy and wet. The drain lines are full, they don't drain. Will you, as part of your assignment be able to look at where those drainpipes go into the lakes and ponds and give us at least a preliminary assessment as to what you think is going on with those drainage systems?

Mr. Conricose: In a limited way because our scope was modeled to be fairly limited and then identify problems that we could explore further if we needed to. There are a lot of technologies

available to go in and explore those pipes further. If there is sedimentation of catch basins in the pipes, broken reinforced concrete pipes, or any of those types of issues, we aren't going to define those. We may define a problem, but then require further investigation. We would report to you that we think you have catch basins that are full; we can do that fairly easily, but if there is failure of a pipe between one catch basin and another, we aren't going to be able to do that unless we bring in somebody to video the pipes and identify where we have root intrusions, failed pipes, any of those sorts of errors in the stormwater management system.

Mr. Ward: Within the context of the drainage system, these pipes going from the golf course to a lake, or from the street to a lake, or things of that nature, are generally not in CDD ownership. I do not think they are in the ownership of the CDD in this particular District. I do need to check that. So, that portion of the scope, if we are going to do that, I need to check that for you and see if that is really within the CDD scope of services, or if that should be in the HOA scope of services, or whoever owns those pipes at this point.

Mr. Winters: But he is looking at the lakes and the lake is the recipient of one of these pipes. Can he not at least look into the pipe to see if it's –

Mr. Ward: That piece of it is fine, but they do usually stick a camera in the pipe to see if there is any buildup of material in it, and over a period of time that does happen. I do not know whether that pipe length is in CDD ownership, or Taylor Morrison, or the HOA. I do not think they are CDD owned at this point.

Mr. Winters: What if the water levels, when the lakes are full, are too high versus where the bottom of the pipe is? What if it was engineered improperly and built improperly?

Mr. Conricose: We would be able to see that by comparing permit documents with site conditions when we are out there investigating.

Mr. Winters: Second item is groundwater monitoring wells. Will you be looking at those?

Mr. Conricose: We did not include that in the scope because that is not something we would normally scope as far as the turnover, but we could look at that, particularly once we get into the permit documents, and find out how they were permitted.

Mr. Winters: Is that considered CDD property?

Mr. Ward: I don't think so, but I can look at it. I don't think it's a bad idea to do it, so I think we will try to figure out how to solve that problem.

Mr. Winters: What about the lift station? We are getting complaints about the odors coming from the lift station. People can smell sewage.

Mr. Conricose: Currently, the proposal we have before the CDD does not include anything on the water or wastewater system. As part of the proposals to the association, we would normally include a look at water and sewer infrastructure throughout the development and in that we would identify this problem and look further into it and see if it's an upsizing issue, if it's in need of a biocide or some other treatment and then make a recommendation back to the association.

Mr. Winters: So, are water systems and sewage systems not part of the CDD?

Mr. Ward: The water and sewer system were originally acquired by the CDD, but they have all been turned over to Collier County for ownership, operation, and maintenance at this point. They are not owned by either the HOA or the CDD. They are owned by Collier County.

Mr. Winters: Is it outside the authority of the CDD to evaluate what the problem is?

Mr. Ward: I would agree with taking a look at it for whatever the design perspectives are but doing something about it after the fact would fall to the County.

Mr. Winters: If they were improperly designed, would that go back to the developer?

Mr. Ward: I'm not going to answer the legal question. I can only tell you they are owned by Collier County to take care of.

Mr. Winters: I'm trying to expedite taking a look at this because it is a hot button in the community and if we wait until the HOA executes their engineering agreement, we may be several months down the road before they actually –

Mr. Ward: I clearly would not have a problem. It's a governmental asset, so I don't have a problem with the CDD putting it into its scope if that's what you want to do, but other than being in the scope and identifying it, we would then have to kick it over to the County to deal with.

Mr. Winters: I understand, but at least take a look at the lift station to give us some preliminary assessment without solving the problem, at least giving us your opinion as to what you think the issue is with the lift stations. I think it would be very helpful. You may decide to hand this off to the other side of the evaluation once they get engaged, but at least start a preliminary look at the lift station.

Mr. Conricose: What we would do is take a look at the County Utility Ordinance which would describe the proper design of that lift station. We would compare that to the plans, and if the plans coincide with what's called for in the County Utility Ordinance, and we talk to the County Utility and say would you come out and evaluate this because of issue A, B and C.

Mr. Winters: My understanding is that Collier County is unhappy about this also. Hopefully, we will get good partnership with them. What about the mainline irrigation system?

Mr. Conricose: We do not have the mainline irrigation system in that proposal either. We could certainly take a look at the design related to what's constructed and give you an opinion of anything we find.

Mr. Winters: Can you include that in your proposal?

Mr. Conricose: We can.

Mr. Winters: And the entrance landscaping? That is a CDD asset.

Mr. Conricose: When we bifurcated the proposal, we left all the landscaping in the HOA piece of the proposal.

Mr. Ward: It is a CDD asset, so I think Forge should go ahead and do the work as it relates to CDD assets which includes landscaping, irrigation, all of that stuff, and if there is any hardscape out there.

Mr. Winters: Okay. Include that also then. You may need to modify your proposal to include these additional scope items.

Mr. Ron Miller asked if the weeds, which he previously thought were littorals, would need to be eradicated.

Mr. Kleck: If people bought lakefront property to look at that, I think they are getting something they didn't pay for. I guess in every other community I have been involved with, there are crews that go in with a boat, with rakes and saws and weed killer to eliminate this eyesore, because it is not littorals in my eyes. Somebody has got to be responsible for taking care of them.

Mr. Ron Miller: I remember seeing, in other communities, people in boats, people in hip waders going out and manually pulling these weeds.

Chairperson Stamp: It sounds like we are getting where we need to go. Since he is going to be modifying his proposal, do we need a motion to allow you to finalize it?

Mr. Ward: Yes. It would just be a motion to accept the Forge proposal subject to modifications as deemed appropriate by the Manager.

Mr. (Greg Woods)1:14:11: Tom, when you are doing your work, you will be documenting what you see and taking photos of what you see and that sort of thing?

Mr. Conricose: Yes, sir.

On MOTION made by Mr. Martinn Winters, seconded by Mr. Tom Kleck, and with all in favor, Forge Engineering was retained to do an evaluation of the lakes, littorals, ponds, waterways, and water systems identified in this Meeting subject to Jim Ward's ability to modify the agreement.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

Chairperson Stamp: Are there any other comments?

Mr. Winters: At next month's meeting we will have three proposals from environmental engineers to do the maintenance of the external preserves. I am in the process of getting those proposals in. They have all agreed to come answer questions and make presentations.

Chairperson Stamp asked how long each presentation would be. Mr. Winters responded he expected each presentation to take approximately 10 minutes.

Mr. Winters: We have just gotten our second propaganda piece from Taylor Morrison on what an amenity the external preserves are. The first said we can have equestrian events out there. We had our prior counsel look into it and Jim Ward looked into it and could not find any legal authority for having equestrian events out in the external preserves. Now we have this propaganda piece which proports to treat this as it is a fait accompli that the preserves have been transferred to the CDD and just be happy with this wonderful amenity you have. I'm wondering if there is something we can put out to rebut this propaganda that Taylor Morrison is putting out to the community? In light of the litigation that we are going to engage in, does that speak for itself or is it advisable for us as a Board or a resident advisory group to put out a counter PR piece to the community saying don't believe a word of this.

Mr. Woods: When we are a public body, I think that would come better from a homeowner group personally.

Mr. Winters: Is there any conflict with what you are doing that we should be careful about what we say and how we say it?

Mr. Woods: No. Just be aware you guys are under the Sunshine Laws and all emails and such come into play. You can become involved in something like that, particularly individually it's fine, but anything we have discussed so far is public record. I would just say keep it in generalities. Once we file the lawsuit, you can reference things in the lawsuit because it is of record, but generally we don't want things of strategy or where we are headed to necessarily go out to the public.

Mr. Winters: Since we can't talk offline here, do I have any guidance from the Chair?

Chairperson Stamp: My thought was is that we can get a quick link established on the web page with the lawsuit and we can start referencing. I would like to see our committee back in Esplanade come back with some kind of rebuttal saying this is not a done deal and they are not doing us a favor. I would be in favor of that. It has to be fact heavy, factual and not confrontational. I would encourage them to do that.

NINTH ORDER OF BUSINESS

Audience Comments

Chairperson Stamp asked if there were any public comments.

Mr. Ward asked if there were any members of the public on audio or video who had questions for the Board; there were none. He asked if there were any questions from the audience members who were present.

Mr. Ed Staley: When we were discussing the litigation, it was mentioned that the HOA was a nominal defendant. Did I understand correctly that one of the reasons for pulling them in had to do with the internal preserves and that the HOA owned the internal preserves? I wasn't aware that the HOA owned the internal preserves. It was my understanding that all of the preserves, internal and external, were owned by the CDD.

Mr. Woods: I may have meant the lakes. You are correct.

TENTH ORDER OF BUSINESS

Adjournment

Chairperson Stamp adjourned the meeting at approximately 2:21 p.m.

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

Flow Way Community Development District

James P. Ward, Secretary

Zack Stamp, Chairperson

Draft

December 21, 2020

Flow Way Community Development District
c/o James P. Ward
JPWard & Associates LLC
2900 Northeast 12th Terrace
Suite 1
Oakland Park, FL 33334

**Subject: Flow Way Community Development District
Letter of Resignation for District Engineer**

Dear Mr. Ward:

Please be advised that Waldrop Engineering, P.A., is resigning as District Engineer for the Flow Way Community Development District (CDD).

Per Article 18 of the Engineering Services Agreement between Flow Way CDD and Waldrop Engineering, dated June 11, 2013, this resignation will be effective beginning March 21, 2021, ninety (90) days after the date of this formal written notice.

If you have questions or require further information, please contact me at (239) 405-7777 or jeremy.arnold@waldropengineering.com.

Sincerely,

WALDROP ENGINEERING, P.A.



Jeremy H. Arnold, P.E.
Senior Vice President

RESOLUTION NO. 2021- 2

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT 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.

WHEREAS, Flow Way Community Development District (the "District") is a local unit of special-purpose government organized and existing under and pursuant to Chapter 190, Florida Statutes (the "Act"); and

WHEREAS, the District is authorized by Chapter 190, Florida Statutes, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, sewer and water distribution systems, stormwater management/earthwork improvements, landscape, irrigation and entry features, conservation and mitigation, street lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within, the District; and

WHEREAS, the Board of Supervisors of the District (the "Board") has previously levied special assessments against certain property within the boundaries of the District encompassing approximately 38.8 acres of land ("Existing Phase 8 Assessment Area") pursuant to Resolutions 2019-10, 2019-11, 2019-19 and 2019-20 ("Prior Assessment Resolutions") based upon an engineer's report and a special assessment methodology report referenced in the Prior Assessment Resolutions; and

WHEREAS, the external boundaries of the District have been modified through the adoption of Ordinance 2020-30 by the Board of County Commissioners of Collier County, Florida to include a parcel of land, the area of which parcel is approximately 10.01 acres and which is legally described on **Exhibit "A"** attached hereto and made a part hereof (the "Expansion Parcel"). The Expansion Parcel is intended to be part of Phase 8 as described in the Supplemental Engineer's Report (as defined below); and

WHEREAS, as a result of the expansion of the District, the Board intends by this Resolution to commence the assessment process required pursuant to Florida law as to the land comprising the Expansion Parcel. Further, in connection with the levying of the special assessments against the Expansion Parcel, the Board intends to modify the special assessments levied against the Existing Phase 8 Assessment Area pursuant to the Prior Assessment Resolutions; and

WHEREAS, the Board hereby determines to undertake, install, plan, establish, construct, reconstruct, enlarge or extend, equip, acquire, operate and/or maintain certain public improvements for Phase 8 described in that certain Flow Way Community Development District Master Engineer's Report prepared by Waldrop Engineering, Inc. and dated August 2013 ("Master Engineer's Report"), as supplemented by that certain Flow Way Community Development District Phase 8 Engineer's Report for the 2019 Project prepared by Waldrop Engineering, Inc. and dated May 2019 ("Supplemental Engineer's Report"). Both the Master Engineer's Report and the Supplemental Engineer's Report are maintained on file at the offices of the District Manager, JP Ward & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, FL 33308 ("District Manager's Office") and at the offices of the

District Attorney, Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109 and are incorporated herein by reference. The public improvements associated with Phase 8 of the project, and which are more particularly described in the Supplemental Engineer's Report, are hereinafter referred to as the "Phase 8 Improvements"; and

WHEREAS, the District is empowered by the Act, Chapter 170, Supplemental and Alternative Method of Making Local Municipal Improvements, and Chapter 197, Florida Statutes, to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain the Phase 8 Improvements and to impose, levy, and collect the Phase 8 Assessments (as defined below); and

WHEREAS, the Board finds that it is in the best interest of the District to pay all or a portion of the cost of the Phase 8 Improvements by imposing, levying, and collecting special assessments pursuant to Chapters 170, 190, and 197, Florida Statutes against the Expansion Parcel (the "Phase 8 Assessments") in addition to the special assessments previously levied against the Existing Phase 5 Assessment Area pursuant to the Prior Assessment Resolutions; and

WHEREAS, the District hereby determines that special benefits will accrue to the property benefited by the Phase 8 Improvements, the amount of those benefits, and that the Phase 8 Assessments will be made in proportion to the benefits received as set forth in that certain Special Assessment Report for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds prepared by JPWard & Associates, LLC and dated May 29, 2019 (the "Master Assessment Report"), as supplemented by that certain Flow Way Community Development District Special Assessment Report for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds (Prepared for Final Limited Offering Memorandum) prepared by JPWard & Associates, LLC and dated July 10, 2019 (the "Supplemental Assessment Report") (the Master Assessment Report together with the Supplemental Assessment Report are sometimes collectively referred to herein as the "Assessment Report"). Copies of the Master Assessment Report and the Supplemental Assessment Report are maintained on file at the offices of the District Manager, JPWard & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, FL 33308 and at the offices of the District Attorney, Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109, and which report is incorporated herein by reference; and

WHEREAS, the District hereby determines that the Phase 8 Assessments to be levied will not exceed the benefits to the property benefited by the Phase 8 Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT THAT:

Section 1. Recitals. The foregoing recitals are hereby incorporated as the findings of the Board.

Section 2. Declaration of Assessments. Phase 8 Assessments shall be levied upon the Expansion Parcel to defray a portion of the cost of the Phase 8 Improvements.

Section 3. Designating the Nature and Location of Improvements. The nature and general location of, and plans and specifications for, the Phase 8 Improvements are described in the Engineer's Report and maintained on file at the District Manager's Office.

Section 4. Declaring the Total Estimated Cost of the Improvements. The total estimated cost of the Phase 8 Improvements related to the annexed parcel is approximately \$958,313.36 (the "Estimated Cost").

Section 5. Declaring the Portion of the Estimated Cost of the Improvements to be Paid by Assessments. The Phase 8 Assessments against the Expansion Parcel will defray approximately \$1,059,164.04, which is the anticipated maximum par value of any bonds and which includes a portion of the Estimated Cost, as well as other financing-related costs, as set forth in the Assessment Report, and which is in addition to interest and collection costs.

Section 6. Declaring the Manner in Which Assessments are to be Paid. The manner in which the Phase 8 Assessments shall be apportioned against the Expansion Parcel and paid is set forth in the Assessment Report (which report is incorporated herein by reference), including provisions for supplemental assessment resolutions. The Assessment Report is also available on file at the District Manager's Office.

Section 7. Designating the Lands Upon Which the Special Assessments Shall Be Levied. The Phase 8 Assessments shall be levied in accordance with the Assessment Report on all lots and lands within the Expansion Parcel, and as further designated by the assessment plat hereinafter provided for.

Section 8. Assessment Plat. Pursuant to Section 170.04, Florida Statutes, there is on file in the offices of Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109 and the District Manager's Office, a preliminary assessment plat showing the Expansion Parcel to be assessed, with the plans and specifications describing the Phase 8 Improvements and the Estimated Cost, all of which shall be open to inspection by the public.

Section 9. Preliminary Assessment Roll. Pursuant to Section 170.06, Florida Statutes, the District Manager has caused to be made a preliminary assessment roll, in accordance with the method of levying the Phase 8 Assessments described in the Assessment Report, which shows the lots and lands assessed within the Expansion Parcel, the amount of benefit to and the Phase 8 Assessment against each lot or parcel of land and the number of annual installments into which such Phase 8 Assessment may be divided. The assessment roll is hereby adopted and approved as the District's preliminary assessment roll.

Section 10. Payment of Assessments. Commencing with the year in which the Phase 8 Assessments are certified for collection and subsequent to any capitalized interest period, the Phase 8 Assessments shall be paid in not more than (30) thirty yearly installments, which installments shall include principal and interest as calculated in accordance with the Assessment Report. The Phase 8 Assessments shall be payable at the same time and in the same manner as are ad-valorem taxes and collected pursuant to Chapter 197, Florida Statutes; provided, however, that in the event the uniform non ad-valorem assessment method of collecting the Phase 8 Assessments is not available to the District in any year, or the District otherwise determines not to utilize the provisions of Chapter 197, Florida Statutes, the Phase 8 Assessments may be collected as is otherwise permitted by law including, but not limited to, by direct bill. The decision to collect the Assessments by any particular method - e.g., on the tax roll or by direct bill - does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

Section 11. Resolution to Fix Public Hearing. The Board shall adopt a subsequent resolution to fix a time and place at which the owners of property to be assessed or any other persons interested therein may appear before the Board and be heard as to the propriety and advisability of the Phase 8 Assessments and the making of the Phase 8 Improvements, the cost thereof, the manner of payment therefore, or the amount thereof to be assessed against each property as improved; and to authorize such notice and publications of same as may be required by Chapter 170, Florida Statutes, or other applicable law.

Section 12. Publication of Resolution. The District Manager is hereby directed to cause this resolution to be published twice (once a week for two (2) weeks) in a newspaper of general circulation within Collier County and to provide mailed notices to the owners of the property subject to the proposed Phase 8 Assessments and such other notice as may be required by law or deemed in the best interest of the District.

Section 13. Severability. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

Section 14. Conflicts. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

Section 15. Effective Date. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 21st day of January, 2021.

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

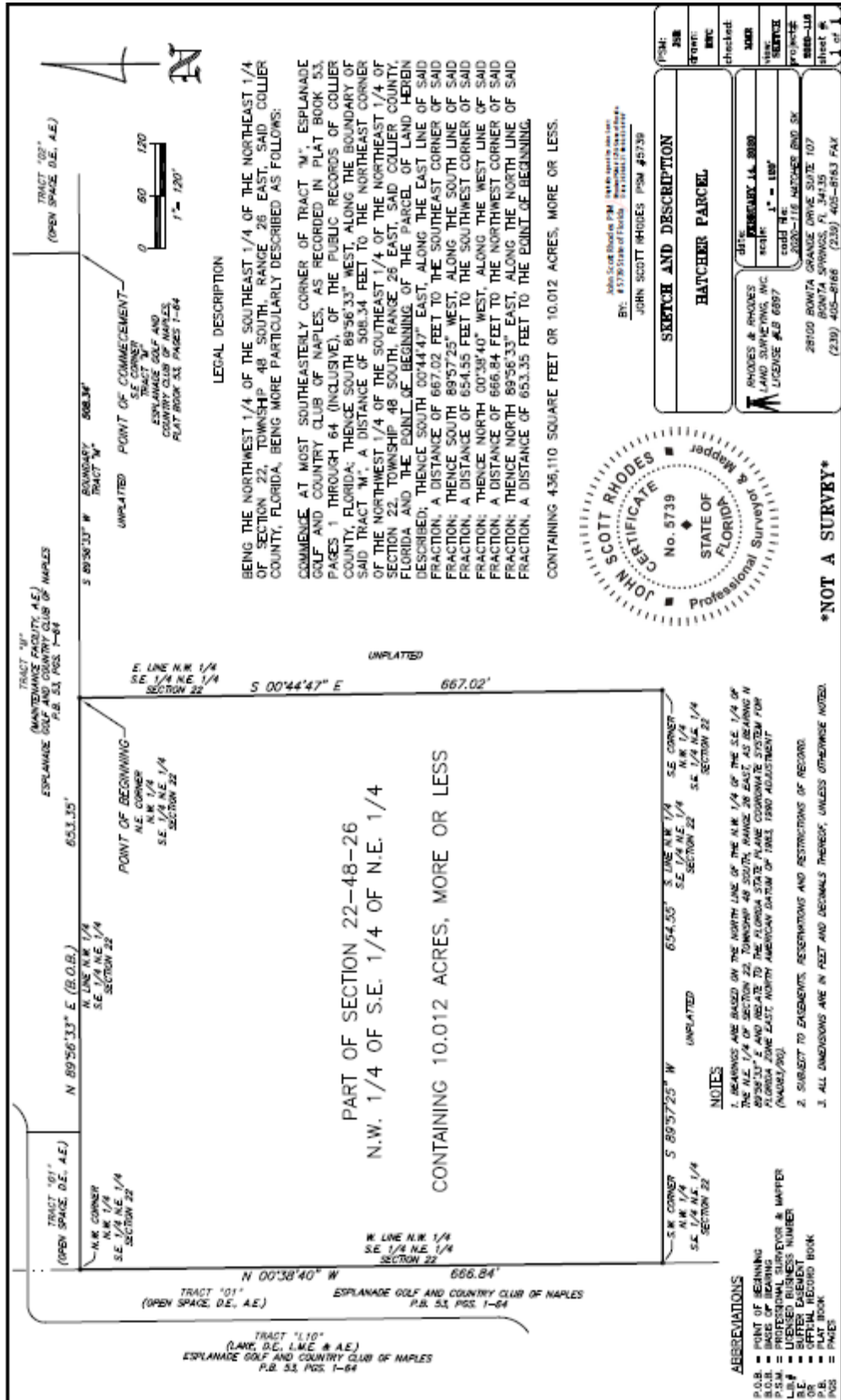
Zack Stamp, Chairman

Reports Incorporated by Reference:

Master Engineer's Report prepared by Waldrop Engineering, Inc. and dated August 2013, as supplemented by that certain Flow Way Community Development District Phase 8 Engineer's Report for the 2019 Project prepared by Waldrop Engineering, Inc. and dated May 2019

Special Assessment Report for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds prepared by JPWard & Associates, LLC and dated May 29, 2019, as supplemented by that certain Flow Way Community Development District Special Assessment Report for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds (Prepared for Final Limited Offering Memorandum) prepared by JPWard & Associates, LLC and dated July 10, 2019

Exhibit "A"



FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

Phase 8 Engineer's Report 2019 Project

Prepared for:

Flow Way Community Development District
Board of Supervisors
2900 Northeast 12th Terrace, Suite 1
Oakland Park, Florida 33334

Prepared by:



28100 Bonita Grande Dr. Suite 305
Bonita Springs, FL 34135

May, 2019

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EXHIBITS

- EXHIBIT 1 - Location Map**
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- EXHIBIT 4 - Phased District Potable Water Facilities**
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- EXHIBIT 6 - Phased District Irrigation Facilities**
- EXHIBIT 7 - Phased District Surface Water Management Facilities**
- EXHIBIT 8 - Phased Environmental Preserve & Mitigation Areas**
- EXHIBIT 9 - District Boundary Sketch & Description (Less Hatcher)**

1.0 INTRODUCTION

1.1 Overview of District

The Flow Way Community Development District, (the “District”) is located in portions of Sections 15 & 22, Township 48 South and Range 26 East and is entirely within unincorporated Collier County, Florida. The district site covers approximately 849.40 acres, (859.40 acres with the inclusion of the Hatcher property) northwest of the intersection of Immokalee Road and County Road 951. Refer to the EXHIBIT 1, LOCATION MAP located in the Appendix of this report.

The District was established on February 26, 2002 approval and adoption of Ordinance Number 02-09 by the Collier County Board of County Commissioners. The District Boundary was expanded in 2016 with the addition of a 19.4 ac parcel (known as the “DiLillo Parcel”) and it is anticipated that the District will be expanded again in 2019 with the addition of a 10.01 ac parcel (known as the “Hatcher Parcel”). The District boundary is identified in EXHIBIT 2, DISTRICT BOUNDARY, located in the Appendix of this report. A metes and bounds description of the District boundary, recorded with the adopted ordinance, is included as EXHIBIT 9 in the Appendix.

The District serves the Esplanade Golf and Country Club of Naples (the “Development”). Refer to EXHIBIT 3, DISTRICT DEVELOPMENT, located in the Appendix of this report. The lands within the District are zoned PUD and the current plan of development includes single-family and multi-family dwelling units, an 18-hole bundled golf course, amenity campus and a network of trails and parks. Construction of the Development commenced in 2018 and is anticipated to continue through 2019.

At Buildout, the Development will include approximately 1,184 single family and multi-family dwelling units (Expanded from 1,121 in 2016 with the DiLillo Parcel), an 18-hole bundled golf course and amenity campus. The project has been developed in multiple phases.

The following table, Table 1, describes the general land use categories found within the District:

Table 1 - Master Land Use Summary within the District Boundaries, less the Hatcher Property

TYPE OF USE ¹	ACRES +/-	PERCENT OF TOTAL
Surface Water Management	188.42	22%
Single Family Residential	171.70	20%
Multi-Family Residential	30.53	4%
Road Rights-of-Way	61.93	7%
Conservation Areas	157.72	19%
Golf Course, Sales, Maintenance and Amenity Facilities	132.76	16%
Other (Uplands, Open Space, etc.)	106.34	12%
TOTAL	849.40	100.00%

1. Areas for “Type of Use” are not meant to represent the areas for potential CDD funding or acquisitions.

1.2 Purpose and Scope of this Report

The purpose of this report is to present the Capital Improvement Plan (“CIP”) including qualified cost for Phase 8 of the Development being financed by the Series 2019 Bonds and also present the methodology to establish Special Assessments of qualified Development costs for all product types in Phase 8. The Cost Allocation Methodology, outlined in Section 3.0 of this report, is consistent with previously established allocations for the Phase 1 & 2, Phase 3, Phase 4, Phase 5, and Phase 6 & 7 reports.

The Special Assessments, based on the probable construction costs, will fund the capital improvement plan for certain Phase 8 public infrastructure improvements to serve the District (the “Improvement(s)”). The overall financing plan and assessment methodology will be developed by the District’s financial consultant. Only those Improvements set forth herein that are determined by the District’s Bond Counsel to be eligible for tax-exempt bond financing will be funded by bonds of the District.

The Developer may finance and construct certain of these Improvements not financed by the District and convey the same to the District. The Developer will construct all other improvements needed for the Development.

The Improvements are required by or are consistent with the requirements of the County and other applicable regulatory and jurisdictional entities. Phase 8 is located in areas not previously assessed.

This report references the Phase 6&7 Engineer's Report – 2017 Project, dated October 2017 and will include in this financing thirty six (36) multi-family Esplanade units that were not financed as a part of the last District financing. See Assessment Methodology dated May 29, 2019.

The CIP contained in this report reflects the present intentions of the District. The exact location of the Improvements may be revised during the course of approval and implementation; locational revisions will not diminish or alter the benefits to be received by the lands of the District. The District retains the right to make reasonable adjustments in the Improvement Plan to meet the requirements of any governmental agency and at the same time provide the same or greater benefits to the lands of the District. Regulatory criteria will continue to evolve, and future changes may affect the implementation of the Improvement Plan, as it may be changed from time to time. The implementation of any Improvements outlined within the Improvement Plan requires the final approval of the District's Board of Supervisors.

Costs contained in this report have been prepared based on estimates of costs using the best available information. It is possible that the estimated costs could vary based on final engineering and ultimate construction bids.

2.0 DISTRICT BOUNDARY AND PROPERTY SERVED

2.1 District Boundary

EXHIBIT 2 illustrates the boundary of the District. Immokalee Road (County Road 846) borders the southern boundary of the District. The eastern boundary of the District borders residential areas. Wetlands/conservation/preservation areas border the western and northern boundaries.

2.2 Existing Infrastructure

Prior to construction of the Phase 1 & 2 Improvements, the existing infrastructure in the vicinity of the District consisted mainly of area roadways and nearby utilities. Immokalee Road lies along the southern edge of the site; a 12-inch water main and a 10-inch sanitary wastewater force main, along Immokalee Road, were previously extended to the Development.

A brief description of each previous Phase of improvements Improvement is summarized below:

The Phase 1 & 2 improvements included infrastructure to support the overall development and the Phase 1 & 2 units. Specific improvements included:

- Potable water pipes including 10-inch and 12-inch water mains along Esplanade Blvd., 10-inch and 12-inch water mains along Torre Vista Ln., and 6-inch, 8-inch, and 10-inch water mains within the residential parcels and amenity campus.
- Wastewater pipes including 8-inch and 15-inch gravity mains, 8-inch and 10-inch force mains, and two pump stations that serve Phases 1 & 2.
- Irrigation pipes including 4-inch, 6-inch, 8-inch, 10-inch, and 12-inch irrigation mains and one irrigation pump station located on the south side of Lake #7.
- A proportionate share of the total Surface water management system infrastructure.
- A proportionate share of the total Preserve Area costs.

The Phase 3 improvements included infrastructure to support the overall development and the Phase 3 units. Specific Improvements included:

- Environmental Mitigation – Contouring of wood stork creation area.
- Wood stork creation area clearing, grubbing, silt fence, planting, watering and scrape down.
- Water Main along Arrezo Court Sta. 0+69 to 3+88 and 0+80 to 10+15
- Gravity main along Arrezo Court Sta. 0+30 to 4+03 and 0+65 to 10+05
- Irrigation main along Arrezo Court Sta. 0+76 to 4+25 and 0+11 to 10+13
- Dewatering, blasting and drilling for Lakes 14b, 16, 17, 18 and the Pass-Through
- Lake 17 excavation
- Lakes 14-20 slope stabilization
- Trees & sod from eastern and southeastern buffer along Torre Vista Lane and Broken Back Road.
- Phase 2 Work Product including Plans and Plat coordination, construction/certification and environmental professional fees.

The Phase 4 improvements included infrastructure to support the overall development and the Phase 4 units. Specific improvements included:

- Water Management Lakes 13A/13B & 18/19
- Storm water lake interconnect pipes
- Irrigation Main Esplanade Blvd Station 64+88 to 88+00
- Potable Water Main Esplanade Blvd. Station 64+88 to 88+00
- Gravity Sewer and Force Main Esplanade Blvd. Station 64+88 to 88+00
- Irrigation Infrastructure Parcels G1 & G2
- Potable Water Infrastructure Parcels G1 & G2
- Gravity Sewer and Force Main Parcels G1 & G2
- Drainage Infrastructure Parcels A, B, C, D, E, G1 & G2
- Work Product including Esplanade Blvd. (SDP#1) and Surface Water Design Consulting Fees

The Phase 5 improvements included infrastructure to support the overall development and the Phase 5 units. Specific improvements included:

- Potable Water and Sanitary Sewer (Terresina Drive and Benvenuto Ct)
- Potable Water and Sanitary Sewer (Galliano Terrace)
- Potable Water and Sanitary Sewer (Sorreno Ct - Station 0+00 to 9+50)

- Potable water and Sanitary Sewer (Sorreno Ct – Station 9+50 to End)
- Potable water and Sanitary Sewer (DiLillo Ct and Cavano St E.)
- Surface water management facilities for the DiLillo Parcel
- Blasting and excavation of water management lakes 9, 10, 12, 13, 14, 15, 20, & 23

The Phase 6 & 7 improvements included infrastructure to support the overall development and the Phase 6 & 7 units. Specific improvements included:

- Potable Water and Sanitary Sewer (Terresina Drive and Benvenuto Ct)
- Potable Water and Sanitary Sewer (Galliano Terrace)
- Potable Water and Sanitary Sewer (Sorreno Ct - Station 0+00 to 9+50)
- Potable water and Sanitary Sewer (Sorreno Ct – Station 9+50 to End)
- Potable water and Sanitary Sewer (DiLillo Ct and Cavano St E.)
- Surface water management facilities for the DiLillo Parcel
- Blasting and excavation of water management lakes 9, 10, 12, 13, 14, 15, 20, & 23

3.0 COST ALLOCATION OF CAPITAL IMPROVEMENT PLAN

The methodology used to assign the costs of the Phase 8 CIP to individual parcels/units in Phase 8 is based on Equivalent Residential Units (“ERU”), normalized to a typical 52-foot product type, computed for each infrastructure component in the CIP. The basis for establishing ERU’s for each component is described in detail in the following sections.

The property type is defined as the approximate width of the lot for the various housing product types. It should be noted that lot widths vary for similar residential product types. The ERU’s for each product type are established by normalizing the basis parameter to a standard 52-foot product type. For instance, if lot area is the basis for establishing the ERU, lot areas for each product type would be divided by the average lot area of a 52-foot product (set at 1.0 ERU) to obtain the ratio of each product type lot area to a standard 52-foot product. This ratio is the ERU.

The per lot costs for each Phase 8 CIP Component were computed using the following sequence:

- An ERU was established for each CIP Component, though a measurable quantity basis (such as lot area), and normalized to a 52-foot product type.
- The total ERU’s for each product type were computed by multiplying the number of each product type (in Phase 8) by the ERU for the product type.
- The total ERU’s for each CIP Component were computed by adding the total product type ERU’s.
- The total estimated component costs were divided by the total ERU’s to establish the cost per ERU.
- The total cost allocated to each product type was computed by multiplying the cost per ERU by the total ERU’s per product type.
- The cost per lot/unit was computed by dividing the cost per product type by total number of lots/units in the respective product type.

The cost per unit for each CIP Component, along with the basis for establishing Infrastructure component ERU's is discussed in the following sections.

3.1 Surface Water Management

The Surface Water Management System for the overall Development includes the interconnected lake system within the District, which consists of surface water management lakes, drainage pipes, catch basins, swales, berms and water control structures. The costs for Surface Water Management features in each Phase are allocated to individual lots based on the average impervious area for each unit type within the District. Impervious area is a surrogate for water treatment requirements and peak runoff rate, both of which influence the cost of a Surface Water Management System.

The District's surface water management system was designed to be an integrated system for flood protection as well as treatment and attenuation of storm water runoff for the entire District. The proposed surface water management system is designed to maintain water elevations for the 100-year storm event below finished floor elevations, potentially eliminating the need for flood insurance after appropriate applications are processed through FEMA.

The Surface Water Management System functions as a single comprehensive system, regardless of the geographic location of the individual components within the District, and must be operated and maintained as one unified system to ensure the adequate function and permit requirements placed on the District are being met.

The golf course and other amenities are also integral parts of the community that benefit each property owner. The golf course itself provides temporary storm water storage for larger storm events. As such, the surface water management costs associated with the golf course and amenities are distributed to each unit owner.

Construction costs of the District's surface water management system will continue to be allocated based on the percentage of storm water treatment, flood protection and runoff attenuation capacity usage anticipated for each property type within the District, which is directly influenced by impervious area. Thus, impervious area for each property type was used to assign costs of the Surface Water Management System.

The Surface Water Management System ERU's are based on impervious area of each unit type, normalized to a 52-foot lot. The ERU for a typical 52' wide lot, with an average of 0.07 ac of impervious area, was set to 1. Impervious areas for other property types were calculated by dividing the average impervious areas by 0.07 ac in order to establish ERU Factors.

The total estimated costs for the Surface Water Management System to be constructed with Phase 8 is approximately \$4,881,876.77. This represents improvements remaining after previous Phases of the original \$17,500,000 Storm Water Management System outlined in the Master Engineer's Report, and after cost increases associated with District Expansion in 2016 & 2019 and construction cost increases that have increased the total system costs to approximately \$25,364,300.

Utilizing the cost allocation methodology outlined in Section 3.0, the cost per unit for the Surface Water Management System is presented in Table 3.

Table 2 - Surface Water Management - ERU Value Calculation

Product Type	Impervious Area	Pervious Area	Total Area	ERU Valuc
52' Lot	0.07	0.09	0.16	1
57' Lot	0.11	0.09	0.20	1.5
62' Lot	0.13	0.06	0.19	1.84
76' Lot	0.18	0.06	0.24	2.52
90' Lot	0.20	0.09	0.29	2.73
100' Lot	0.24	0.10	0.34	3.27
Multi-family (Esplanade)	0.06	0.04	0.1	0.82
Multi-family (Vercelli)	0.04	0.06	0.1	0.55
Golf Course and Amenities	-	-	-	-

Table 3 - Phase 8 Surface Water Management System Cost Allocation

Product Type	Number of Units	ERU's	Total Surface Water Management Facility	Cost Per Unit
52' Lot	87	87	\$1,451,747.60	\$16,686.75
57' Lot	0	0	\$0.00	\$0.00
62' Lot	29	53.36	\$890,405.20	\$30,703.63
76' Lot	23	57.96	\$967,164,.27	\$42,050.62
90' Lot	0	0	\$0.00	\$0.00
100' Lot	0	0	\$0.00	\$0.00
Multi-family (Esplanade)	72	59.04	\$985,185.96	\$13,683.14
Multi-family (Vercelli)	64	35.2	\$587,373.74	\$9,177.71
Golf Course & Amenities	0	0	\$0.00	\$0.00
Total	275	268.26	\$4,881,876.77	

3.2 Water & Wastewater Systems

The remaining waste water and potable water infrastructure to be constructed with Phase 8 is estimated to cost \$1,958,633.41 and \$897,617.77, respectively. The total waste water and potable water cost for the Development, including increases with the expansion of the District in 2016 & 2019 and cost increases that have occurred as construction has progressed, are \$7,735,100 and \$3,739,600, respectively.

Average daily waste water generation rates published in F.A.C. (Florida Administrative Code) Chapter 64D-6, which sets forth flow rates for different land use categories for use in designing water and wastewater facilities, were used to establish ERU's per unit for the Phase 8 potable water distribution system and sanitary sewer collection system.

The flow rate for Single Family Land Uses was based on a 3-bedroom home; for Multi Family Uses was based on a 2-bedroom home, plus 100 gallons for every additional 750 sf. The flow rates for the Commercial and Golf Course uses were based on 0.1 gallons per day per square foot for 40,000 square foot of clubhouse area, halfway houses and cart barn offices (only) for the golf course & amenity calculation.

Water and Waste Water ERU's for each land use were established by normalizing flow rate to a typical 52-lot, which was set at 1.0.

Table 4 - Water & Wastewater - ERU Value Calculation

Land Use Category	Avg Building SF	Flow Rate	ERU Value
52' Lot	2900	268	1.00
57' Lot	3700	332	1.24
62' Lot	3500	316	1.18
76' Lot	4340	383	1.43
90' Lot	5070	442	1.65
100' Lot	5800	500	1.87
Multi-family (Esplanade)	2600	244	0.91
Multi-family (Vercelli)	1620	166	0.62
Golf Course & Amenity		4000	14.93

Utilizing the cost allocation methodology outlined in Section 3.0, the cost per unit for the Water Distribution System, and Waste Water Collection System is presented in Table 5.

Table 5 - Water & Wastewater – Cost Allocation

Product Type	Number of Units	ERU Value	Total ERU's	Water	Waste Water	Cost Per Unit - Water	Cost Per Unit - Waste Water
52' Lot	87	1.00	87.00	\$301,308.03	\$657,464.68	\$3,463.31	\$7,557.07
57' Lot	0	1.24	0.00	\$0.00	\$0.00	\$0.00	\$0.00
62' Lot	29	1.18	34.19	\$118,424.55	\$258,406.52	\$4,083.61	\$8,910.57
76' Lot	23	1.43	32.89	\$113,896.40	\$248,525.93	\$4,952.02	\$10,805.48
90' Lot	0	1.65	0.00	\$0.00	\$0.00	\$0.00	\$0.00
100' Lot	0	1.87	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Multi-family (Esplanade)	72	0.91	65.55	\$227,027.77	\$495,382.55	\$3,153.16	\$6,880.31
Multi-family (Vercelli)	64	0.62	39.55	\$139,961.02	\$298,853.73	\$2,140.02	\$4,669.59
Golf Course & Amenities	0	14.93	0.00	\$0.00	\$0.00		
Total	275			\$897,617.77	\$1,958,633.41		

3.3 Irrigation Distribution System

The ERU to allocate costs for the Irrigation System is based on the average irrigated area for each product type. For residential product types (both single and multi-family), the irrigated area is simply the pervious area calculated previously in the Surface Water Management Section (See Table 2).

The irrigated area for the Amenity was based on pervious surface areas around the clubhouse and tennis facility. The Golf Course area was excluded from the Amenity. Separate pumping and irrigation distribution systems will serve the golf course and will not be funded, owned or operated by the District.

The Irrigation ERU for each product type is normalized to a typical 52' Lot by dividing the average pervious area for each product type by the average pervious area of a typical 52' Lot.

Table 6 - Irrigation System - ERU Value Calculation

Product	Type	Pervious Area	ERU Value
52' Lot		0.09	1.0
57' Lot		0.09	1.0
62' Lot		0.06	0.7
76' Lot		0.06	0.7
90' Lot		0.09	1.0
100' Lot		0.10	1.1
Multi-family (Esplanade)		0.04	0.5
Multi-family (Vercelli)		0.06	0.7
Amenity		7.00	79.1

The remaining Irrigation infrastructure to be constructed with Phase 8 is estimated to cost \$510,017.80. The total Irrigation System cost for the Development, including increases with the expansion of the District in 2016 & 2019, and cost increases that have occurred as construction has progressed, is approximately \$2,151,400.00.

Utilizing the above ERU Value Calculation, the Proportional Individual Property Cost for the Irrigation System are shown in the tables below.

Table 7 - Project Irrigation System - Property Cost

Product Type	Units	Cost	Cost Per Unit
52' Lot	89	\$225,937.91	\$2,596.99
57' Lot	0	\$0.00	
62' Lot	29	\$49,258.49	\$1,698.57
76' Lot	23	\$40,710.94	\$1,770.04
90' Lot	0	\$0.00	
100' Lot	0	\$0.00	
Multi-family (Esplanade)	72	\$84,534.24	\$1,174.09
Multi-family (Vercelli)	64	\$109,576.22	\$1,712.13
Amenity	0	\$0.00	
Total	275	\$510,017.80	\$1,854.61

3.4 Exterior Landscaping

Exterior Landscaping that has been installed by the District consists of buffering installed along Immokalee Road and other areas of the District. The landscaping that was installed by the District is necessitated by requirements of the Collier County Land Development Code, which requires landscape buffering along public roadways and between different zoning categories and uses within the County.

This requirement is due to the development of the District as a whole. It is required to develop the project. The golf course and other amenities are also integral parts of the community as a whole that benefit each property owner. As such, the exterior landscaping costs associated with the golf course and amenities will be distributed to each unit owner.

The exterior landscaping benefit/use for each property owner can be related to the individual property size. The larger lots will benefit more from increased property values and are responsible for more of the costs due to their larger relative size. The costs associated with the exterior landscape improvement are distributed based on the unit lot size, utilizing an ERU Factor of 1.0 for the 52' Lots.

The total Landscaping cost for the Development, including increases with the expansion of the District in 2016 & 2019, and cost increases that have occurred as construction has progressed, is approximately \$1,692,400.00. There is approximately \$456,237.21 in infrastructure remaining for the Phase 8 project. Based on the ERU Values, the costs allocated to each property within the District are Presented in Table 9.

Table 8 - Exterior Landscaping - ERU Value Calculations

Product Type	Area (ac)	ERU Value	Number of Units after Phase 8 & Annex Area	Total ERU/Type
52' Lot	0.16	1.00	87	87.0
57' Lot	0.20	1.24	0	0.0
62' Lot	0.19	1.19	29	34.6
76' Lot	0.24	1.51	23	34.8
90' Lot	0.29	1.79	0	0.0
1000' Lot	0.34	2.10	0	0.0
Multi-family (Esplanade)	0.10	0.62	72	44.5
Multi-family (Vercelli)	0.10	0.62	64	39.6
			275	240.4

Table 9 - Project Exterior Landscaping - Property Cost

Product Type	Number of Units	Cost	Cost Per Unit
52' Lot	87	\$165,083.21	\$1,897.51
57' Lot	0	\$0.00	
62' Lot	29	\$65,569.45	\$2,261.02
76' Lot	23	\$66,067.86	\$2,872.52
90' Lot	0	\$0.00	
100' Lot	0	\$0.00	
Multi-family (Esplanade)	72	\$84,450.02	\$1,172.92
Multi-family (Vercelli)	64	\$79,064.32	\$1,172.92
Total	275	\$456,237.21	

3.5 Offsite Improvements

The offsite improvements funded by the District were limited to transportation related improvements within the County Road 951 Extension right-of-way. These improvements are required by Collier County PUD Ordinance No. 12-14 and are necessary for development of the project. The Golf Course and Amenity are not included in the cost allocation, as it will not be a traffic generator. These are generally for use by the residents.

The ITE Trip Generation Manual was utilized to determine the expected daily trips generated by each Land Use within the District, as follows:

Table 10 - Offsite Improvements - ERU Value Calculation

Product Type	Trips	ERU Value
52' Lot	10	1.0
57' Lot	10	1.0
62' Lot	10	1.0
76' Lot	10	1.0
90' Lot	10	1.0
100' Lot	10	1.0
Multi-family (Esplanade)	7	0.7
Multi-family (Vercelli)	7	0.7

The total Off-Site Improvements cost for the Development, including increases with the expansion of the District in 2016 & 2019, and cost increases that have occurred as construction has progressed, is approximately \$1,250,000.00. There is approximately \$292,559.98 in infrastructure remaining to complete the project.

By utilizing the above ERU values to allocate the Offsite Improvement Costs, the following costs per land use result.

Table 11 - Project Offsite Improvements - Property Cost

Product	Type	Number of Units	Cost	Cost Per Unit
52' Lot		87	\$108,679.41	\$1,249.19
57' Lot		0	\$0.00	\$0.00
62' Lot		29	\$36,226.47	\$1,249.19
76' Lot		23	\$28,731.34	\$1,249.19
90' Lot		0	\$0.00	\$0.00
100' Lot		0	\$0.00	\$0.00
Multi-family (Esplanade)		72	\$62,959.11	\$889.24
Multi-family (Vercelli)		64	\$55,963.65	\$874.43
Total		275	\$292,559.97	

3.6 Environmental Mitigation

As part of the District's Capital Improvement Program, the District was required to fund the construction of mitigation for wetland, and other habitat, impacts that were due to the development of the District's Facilities and land uses. This replacement is a result of areas within the District that were subject to wetland impacts and are not associated with any specific land use in the District, as the development of the District as a whole was contingent upon the impact and mitigation program that was permitted by the South Florida Water Management District, United States Army Corps of Engineers and Collier County. The golf course and other amenities are also integral parts of the community that benefit each property owner. As such, the environmental mitigation costs associated with the golf course and amenities will be distributed to each unit owner.

The relative use/benefit from the environmental mitigation for each homeowner is associated with their individual property size. The larger lots will benefit more from increased property values and are responsible for more of the costs due to their larger relative size. We propose that the costs associated with the required Environmental Mitigation be allocated to each unit based on total lot size, utilizing an ERU Factor of 1.0 for the 52' Lots.

Table 12 - Environmental Mitigation - ERU Value Calculation

Product Type	Area (ac)	ERU Value	Number of Units after Phase 8 & Annex Area	Total ERU/Type
52' Lot	0.16	1.00	87	87.0
57' Lot	0.20	1.24	0	0.0
62' Lot	0.19	1.19	29	34.6
76' Lot	0.24	1.51	23	34.8
90' Lot	0.29	1.79	0	0.0
1000' Lot	0.34	2.10	0	0.0
Multi-family (Esplanade)	0.10	0.62	72	44.5
Multi-family (Vercelli)	0.10	0.62	64	39.6
			275	240.4

The environmental mitigation was estimated to have an overall cost of \$2,200,000, as outlined in the Master Engineer's Report. With the expansion of the District in 2016 & 2019 the environmental mitigation costs have increased to \$3,047,000.00. There is approximately \$878,961.37 of environmental mitigation remaining to complete the project. Based on the ERU Values, the cost allocated to each property within the District is as follows.

Table 13 - Project Environmental Mitigation - Property Cost

Product Type	Number of Units	Cost	Cost Per Unit
52' Lot	89	\$318,040.18	\$3,655.63
57' Lot		\$0.00	
62' Lot	29	\$126,322.47	\$4,335.95
76' Lot	23	\$134,061.05	\$5,534.03
90' Lot		\$0.00	
100' Lot		\$0.00	
Multi-family (Esplanade)	72	\$162,696.73	\$2,259.68
Multi-family (Vercelli)	64	\$144,619.32	\$2,259.68
Total	275	\$878,961.37	

3.7 Professional & Permit Fees

Professional & Permit Fees are funded by the District as part of the Capital Improvement Program and consist of typical costs associated with development of projects of this size and nature. These generally consist of consultant fees for design, permitting and management of the Capital Improvement Project, Permit Fees, Legal Fees, etc. As with the Environmental and Exterior Landscape costs, these soft costs are not directly attributable to any specific land uses or individual property within the District. Rather they are associated with the development of the District as a whole. Therefore, the associated costs are distributed to each unit based on total lot size, utilizing an ERU Factor of 1.0 for the 52' Lots.

Table 14 - Professional & Permit Fees - ERU Value Calculation

Product Type	Area (ac)	ERU Value	Number of Units after Phase 8 & Annex Area	Total ERU/Type
52' Lot	0.16	1.00	87	87.0
57' Lot	0.20	1.24	0	0.0
62' Lot	0.19	1.19	29	34.6
76' Lot	0.24	1.51	23	34.8
90' Lot	0.29	1.79	0	0.0
1000' Lot	0.34	2.10	0	0.0
Multi-family (Esplanade)	0.10	0.62	72	44.5
Multi-family (Vercelli)	0.10	0.62	64	39.6
			275	240.4

The professional & permit fees were estimated to have an overall cost of \$2,600,000, as outlined in the Master Engineer's Report. With the expansion of the District in 2016 & 2019 and cost increases that have occurred as construction has progressed, the professional & permit fees costs have increased to \$7,086,000.00. There is approximately \$1,615,906.62 of professional & permit fees remaining to complete the project.

Based on the above ERU Values, the costs allocated to each property within the District is as follows:

Table 15 - Project Professional & Permit Fees - Property Cost

Product Type	Number of Units	Cost	Cost Per Unit
52' Lot	87	\$584,693.75	\$6,720.62
57' Lot		\$0.00	
62' Lot	29	\$232,234.68	\$8,008.09
76' Lot	23	\$246,461.49	\$10,715.72
90' Lot		\$0.00	
100' Lot		\$0.00	
Multi-family (Esplanade)	72	\$299,106.12	\$4,154.25
Multi-family (Vercelli)	64	\$265,872.11	\$4,154.25
Total	281	\$1,615,906.62	

4.0 SUMMARY OF ALLOCATION OF CONSTRUCTION COSTS

Table 16 and Table 17 present summaries of the total Cost Allocation by Property Type and Cost Per Unit, respectively, after applying the above Cost Allocations.

Table 16 - Total Cost Allocated to Each Parcel Type

Parcel Type	Surface Water Management	Water	Wastewater	Irrigation	Exterior Landscaping	Offsite Improvements	Environmental mitigation	Professional & Permit Fees	Total
52' Lot	\$1,451,747.60	\$301,308.03	\$657,464.68	\$225,937.91	\$165,083.21	\$108,679.41	\$318,040.18	\$584,693.75	\$3,812,954.77
57' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
62' Lot	\$890,405.20	\$118,424.55	\$258,406.52	\$49,258.49	\$65,569.45	\$36,226.47	\$126,322.47	\$232,234.68	\$1,776,847.83
76' Lot	\$967,164.27	\$113,896.40	\$248,525.93	\$40,710.94	\$66,067.86	\$28,731.34	\$127,282.68	\$233,999.95	\$1,826,379.37
90' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Multi-family (Esplanade)	\$985,185.96	\$227,027.77	\$495,382.55	\$84,534.24	\$84,450.02	\$62,959.11	\$162,696.73	\$299,106.12	\$2,401,342.50
Multi-family (Vercelli)	\$587,373.74	\$136,961.02	\$298,853.73	\$109,576.22	\$75,066.68	\$55,963.65	\$144,619.32	\$265,872.11	\$1,674,286.46
Golf Course & Amenity	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$4,881,876.77	\$897,617.77	\$1,958,633.41	\$510,017.80	\$456,237.21	\$292,559.97	\$878,961.37	\$1,615,906.62	\$11,491,810.92

Table 17 - Phase 8 Proportional Cost Per Unit

Parcel Type	Surface Water Management	Water	Wastewater	Irrigation	Exterior Landscaping	Offsite Improvements	Environmental mitigation	Professional & Permit Fees	Total
52' Lot	\$16,686.75	\$3,463.31	\$7,557.07	\$2,596.99	\$1,897.51	\$1,249.19	\$3,655.63	\$6,720.62	\$43,827.07
57' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
62' Lot	\$30,703.63	\$0.00	\$0.00	\$0.00	\$2,261.02	\$0.00	\$4,355.95	\$8,008.09	\$45,328.68
76' Lot	\$42,050.62	\$4,952.02	\$10,805.48	\$1,770.04	\$2,872.52	\$1,249.19	\$5,534.03	\$10,173.91	\$79,407.80
90' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100' Lot	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Multi-family (Lisplanade)	\$13,683.14	\$3,153.16	\$6,880.31	\$1,174.09	\$1,172.92	\$874.43	\$2,259.68	\$4,154.25	\$33,351.98
Multi-family (Vercelli)	\$9,177.71	\$2,140.02	\$4,669.59	\$1,712.13	\$1,172.92	\$874.43	\$2,259.68	\$4,154.25	\$26,160.73
Golf Course & Amenity	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

5.0 CONCLUSION

We believe that the proposed cost allocation methodology, as described in this report, is both technically sound as well as practical in its intent and design. The engineering principals are specific to the site and function of each component of the District's infrastructure for all 8 Phases.

This information represents the current intentions of the District, with regard to the existing and proposed infrastructure. This report may be subject to change in the future, should the intentions of the District change.

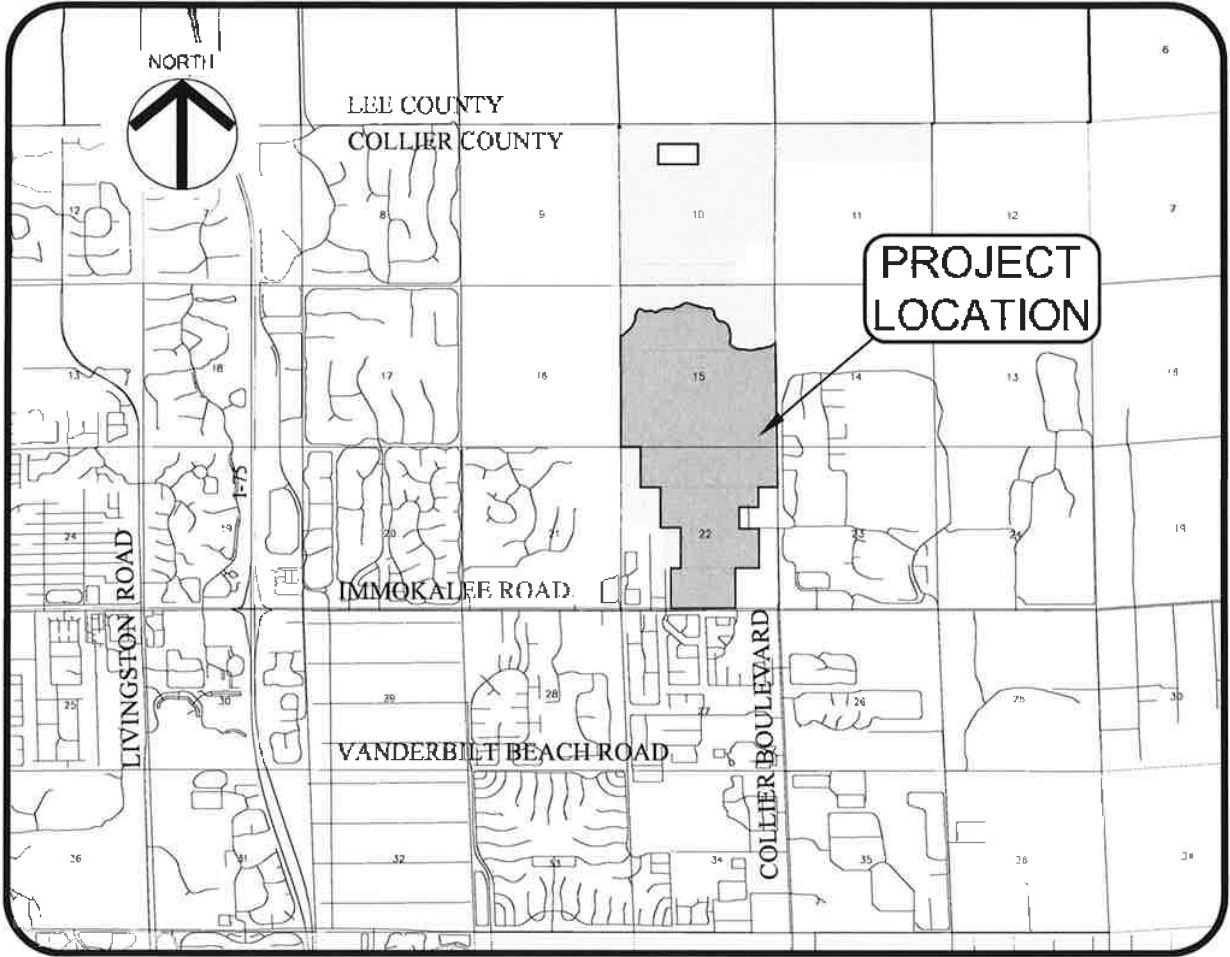
The Improvements, as outlined in this report, are necessary for the functional development of the lands of the District as required by the applicable independent unit of local government. The planning and design of these Improvements is in accordance with current governmental regulatory requirements. The Improvements will provide their intended function so long as the construction is in substantial compliance with the design and permits.

The items of construction in this report are based on actual costs for completed items and on current plan quantities for the ongoing or future infrastructure construction as shown on the approved construction drawings and specifications, latest revision.

It is my professional opinion that the infrastructure costs provided herein are reasonable to complete the Phase 8 Improvements and that these Improvements, described herein, will benefit and add value to the District and are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of infrastructure construction costs is only an estimate and not a guaranteed maximum price. The estimated costs are based on unit prices currently being experienced for ongoing and similar items of work in the County and quantities as represented on the construction plans. The labor market, future costs of equipment and materials, and the actual construction process are all beyond control. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

EXHIBIT 1 - Location Map



PROJECT LOCATION MAP

PART OF SECTIONS 15 & 22
 TOWNSHIP 48 SOUTH, RANGE 26 EAST
 COLLIER COUNTY, FLORIDA
 (NO SCALE)



**WALDROP
 ENGINEERING**

CIVIL ENGINEERING & LAND
 DEVELOPMENT CONSULTANTS

1103 MARDELLA PLAZA DRIVE

TAMPA, FL 33610

P: 813-443-8880 F: 813-443-6385

EMAIL: info@waldropengineering.com

FLORIDA CERTIFICATE OF REGISTRATION #200

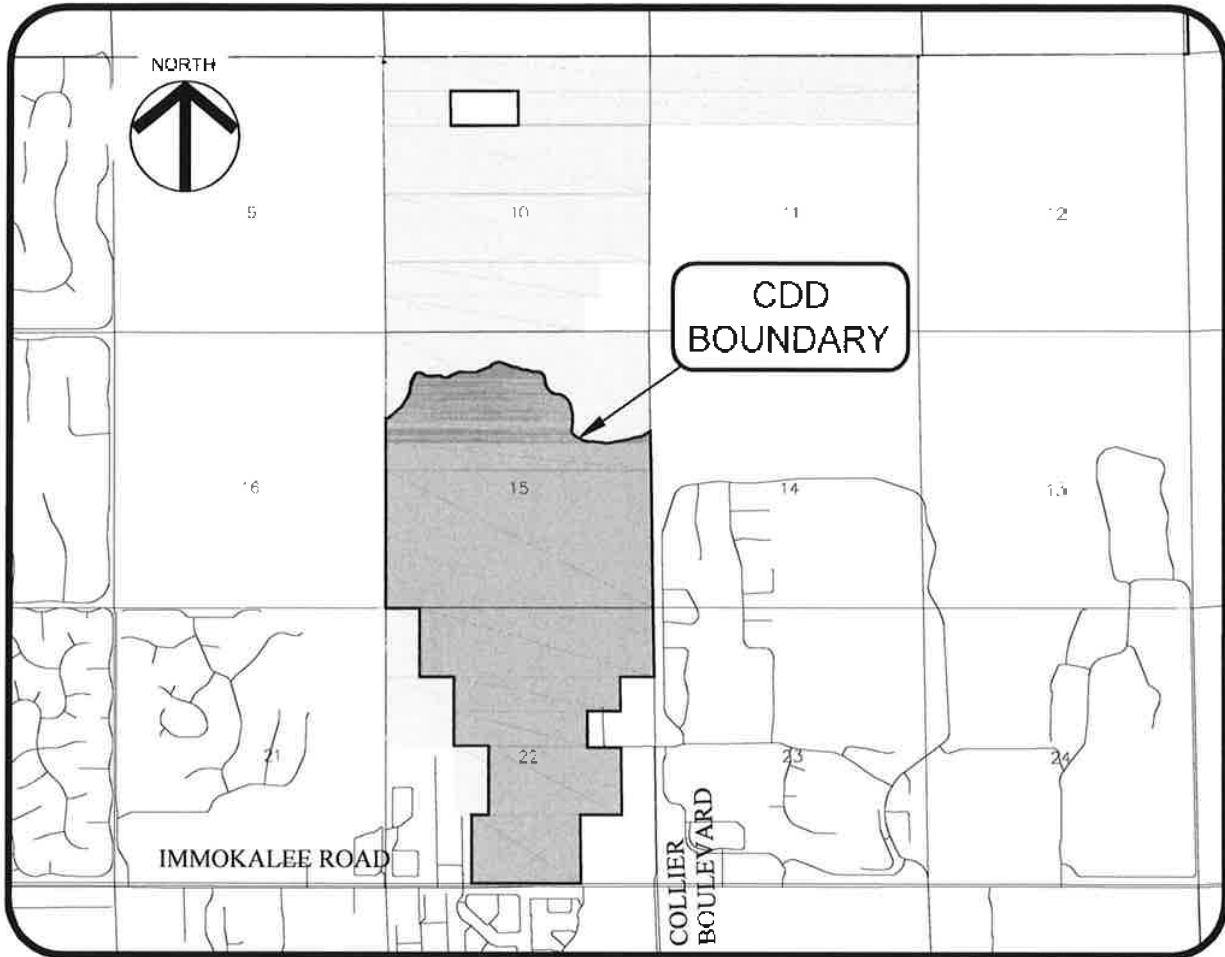
LOCATION MAP
 EXHIBIT

PREPARED FOR:

BOARD OF
 SUPERVISORS FLOW
 WAY CDD

FILE NAME: 276110701
 UPDATED: 5/30/2019

EXHIBIT 2 - District Boundary



PROJECT SITE MAP

PART OF SECTIONS 15 & 22
 TOWNSHIP 48 SOUTH, RANGE 26 EAST
 COLLIER COUNTY, FLORIDA
 (NO SCALE)



**WALDROP
 ENGINEERING**

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FLORIDA ENGINEERING NO. 14170, PROFESSIONAL SEAL

DISTRICT
 BOUNDARY
 EXHIBIT

PREPARED FOR:

BOARD OF
 SUPERVISORS
 FLOW WAY CDD

FILE NAME: 276110702
 UPDATED: 6/22/2018

EXHIBIT 3 - District Development



WALDROP ENGINEERING
 2011 LAKESHORE BLVD
 SUITE 100
 FORT WORTH, TEXAS 76104
 TEL: 817.335.1111 FAX: 817.335.1112
 WWW.WALDROPENGINEERING.COM

DATE: 08/11/11
 PROJECT: 1111111111
 DRAWING: 1111111111

PREPARED FOR:
 BOARD OF
 SUPERVISORS
 CITY OF FORT WORTH

SCALE: AS SHOWN
 SHEET: 1111111111

LEGEND

[Yellow Box]	PHASE 1 (43 UNITS)
[Blue Box]	PHASE 2 (20 UNITS)
[Green Box]	PHASE 3 (20 UNITS)
[Orange Box]	PHASE 4 (20 UNITS)
[Pink Box]	PHASE 5 (20 UNITS)
[Light Blue Box]	PHASE 6 (20 UNITS)
[Red Box]	PHASE 7 (20 UNITS)

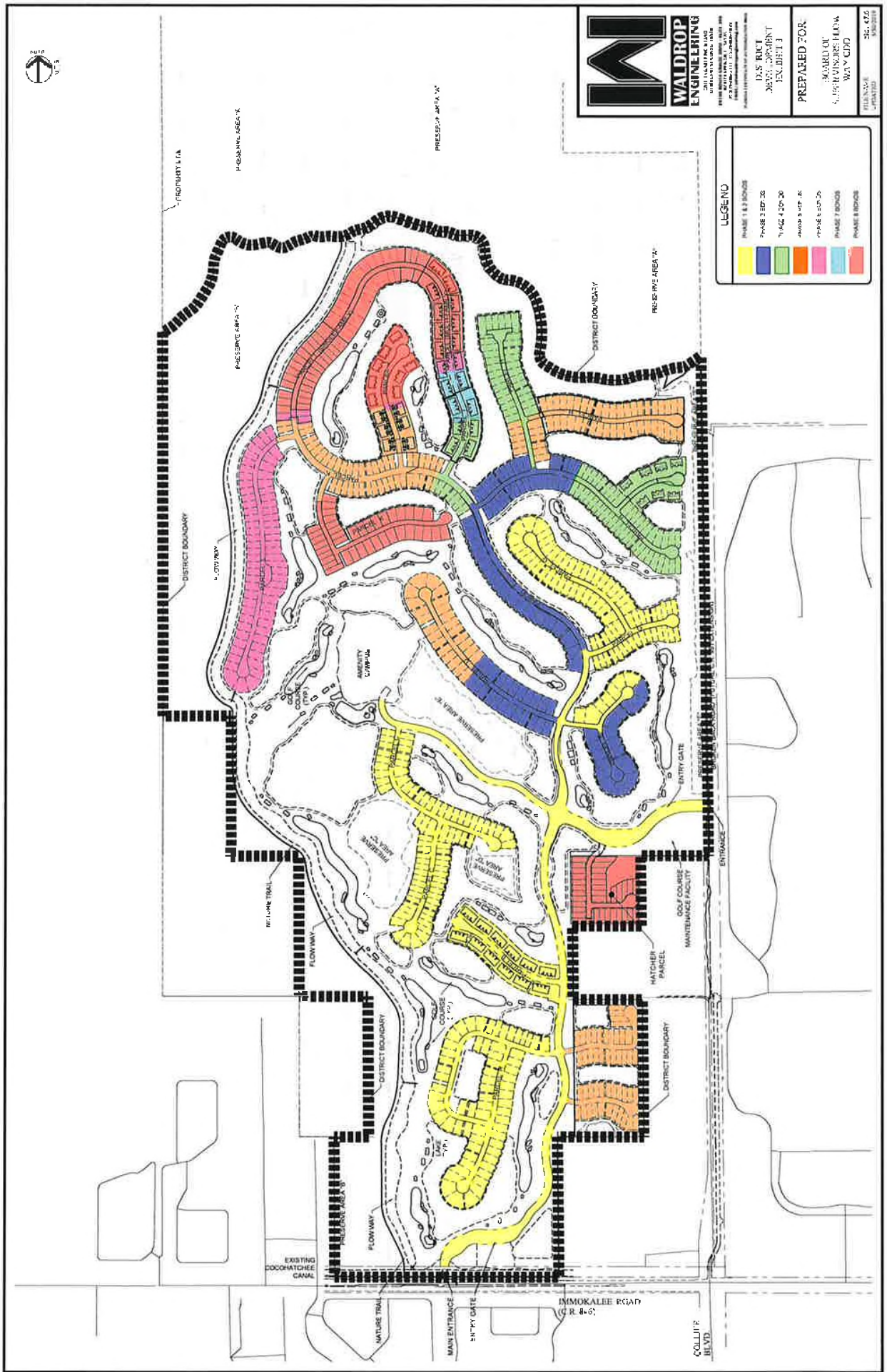
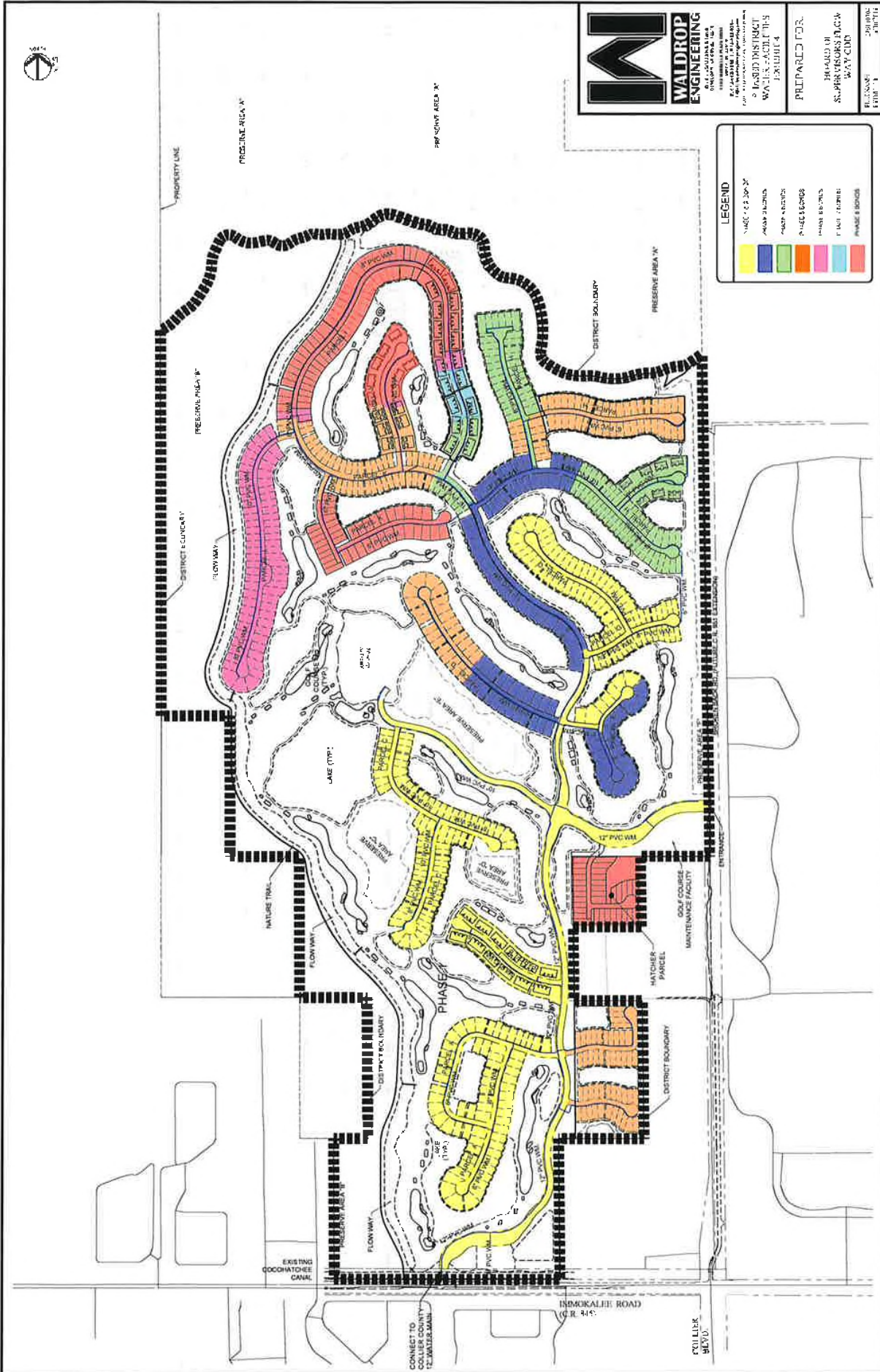


EXHIBIT 4 - Phased District Potable Water Facilities



LEGEND	
(Yellow swatch)	PHASE 1 (C.R. 945)
(Blue swatch)	PHASE 2 (C.R. 945)
(Orange swatch)	PHASE 3 (C.R. 945)
(Green swatch)	PHASE 4 (C.R. 945)
(Red swatch)	PHASE 5 (C.R. 945)
(Pink swatch)	PHASE 6 (C.R. 945)
(Light Blue swatch)	PHASE 7 (C.R. 945)
(Light Red swatch)	PHASE 8 (C.R. 945)

WALDROP ENGINEERING
 1100 S.W. 24th Ave., Suite 100
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PREPARED FOR:
 BOARD OF SUPERVISORS PLACE
 WAYSIDE PARK
 PHASE 4
PLANNED FOR:
 PHASE 1
 PHASE 2
 PHASE 3
 PHASE 5
 PHASE 6

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EXHIBIT 5 - Phased District Wastewater Facilities



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 10000 W. STATE ROAD 100, SUITE 100
 BOCA RATON, FL 33433
 TEL: 561-993-1100
 FAX: 561-993-1101
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 HIGDON LLC
 SUCCESSIONS
 FLOW WAY CDD

DATE:
 11/15/2011

LEGEND

[Yellow Box]	PHASE 1 LOT BOUND
[Blue Box]	PHASE 2 LOT BOUND
[Orange Box]	PHASE 3 LOT BOUND
[Green Box]	PHASE 4 LOT BOUND
[Pink Box]	PHASE 5 LOT BOUND
[Light Blue Box]	PHASE 6 LOT BOUND
[Red Box]	PHASE 7 LOT BOUND

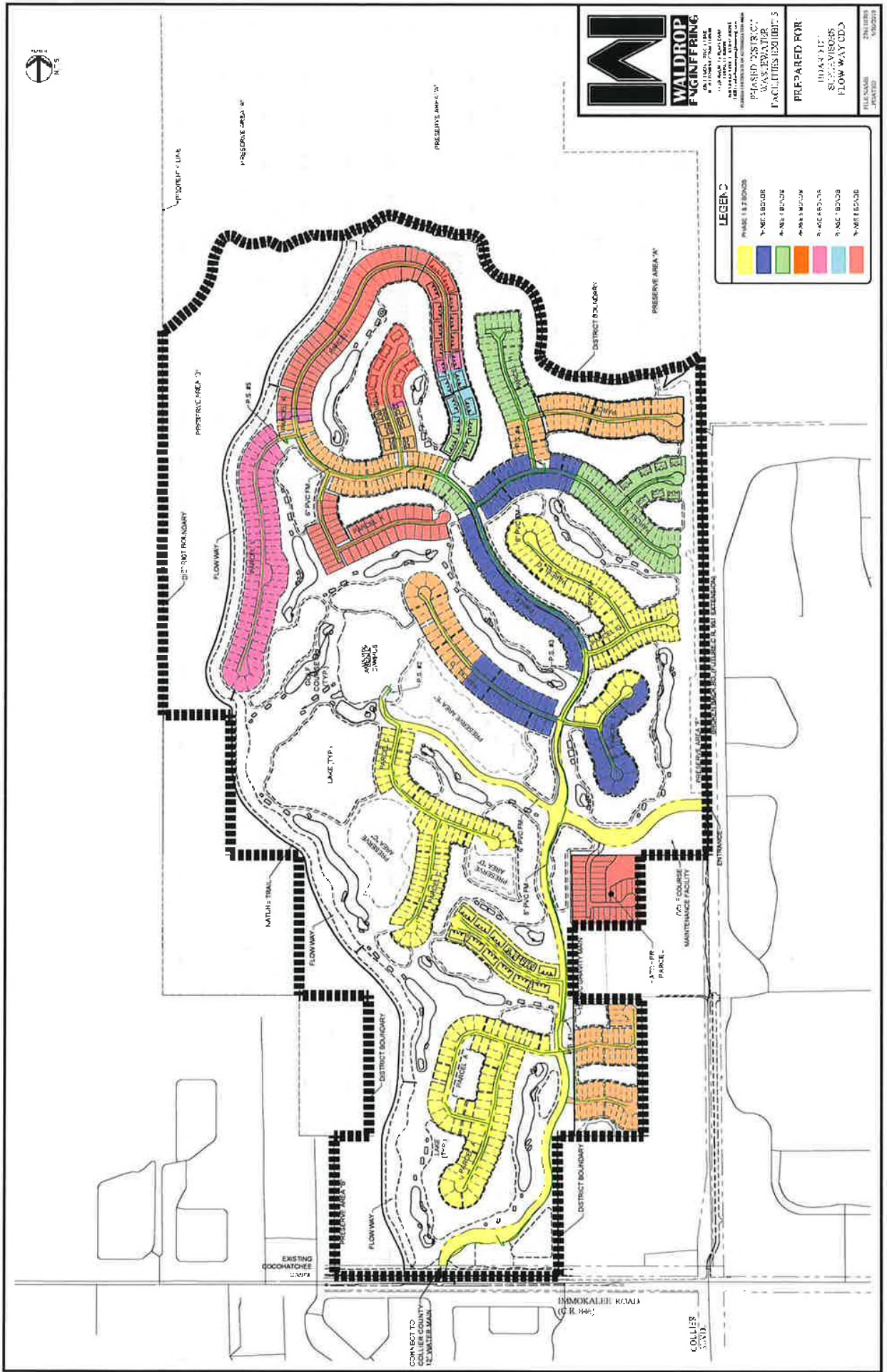


EXHIBIT 6 - Phased District Irrigation Facilities



WALDROP ENGINEERING

5315 S. 20TH AVE. SUITE 100
DENVER, CO 80202

TEL: 303.733.8800 FAX: 303.733.8801

WWW.WALDROPENGINEERING.COM

PREPARED FOR:

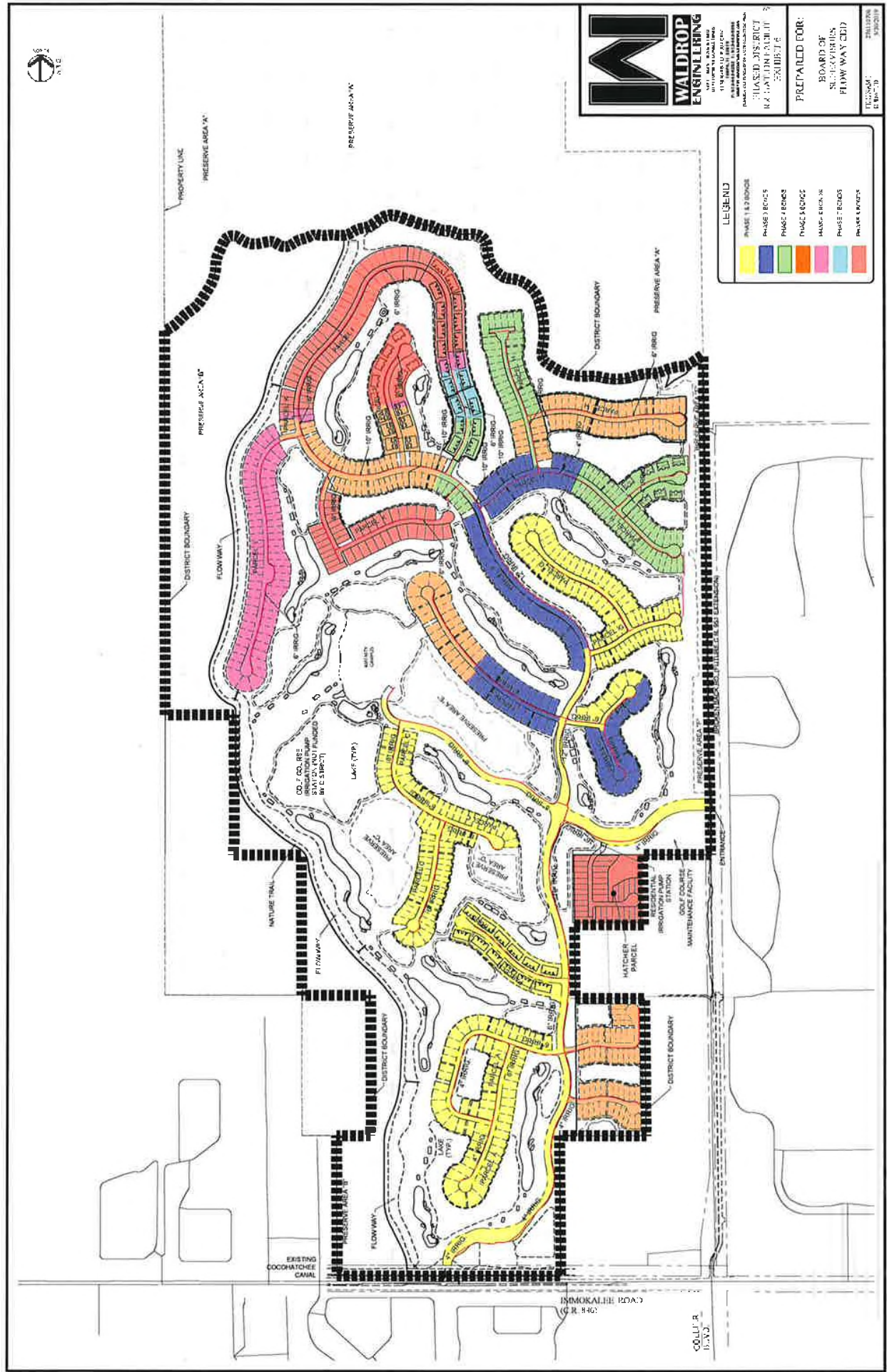
BOARD OF SUPERVISORS
FLOWWAY CD/D

PROJECT NO: 150001
DATE: 10/10/15

PROJECT: FLOWWAY CD/D
SUBJECT: FLOWWAY CD/D

LEGEND

- PHASE 1 LOT BLOCKS
- PHASE 2 LOT BLOCKS
- PHASE 3 LOT BLOCKS
- PHASE 4 LOT BLOCKS
- PHASE 5 LOT BLOCKS
- PHASE 6 LOT BLOCKS
- PHASE 7 LOT BLOCKS



COLLIER

DISMORALLEE PCD
SUBJECT

EXISTING COCOHATCHEE CANAL

NATURE TRAIL

HATCHER PARCEL

MAINTENANCE FACILITY

IRRIGATION PUMP STATION

GOLF COURSE

DISTRICT BOUNDARY

DISTRICT BOUNDARY

DISTRICT BOUNDARY

DISTRICT BOUNDARY

DISTRICT BOUNDARY

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*EXHIBIT 7 - Phased District Surface Water Management
Facilities*



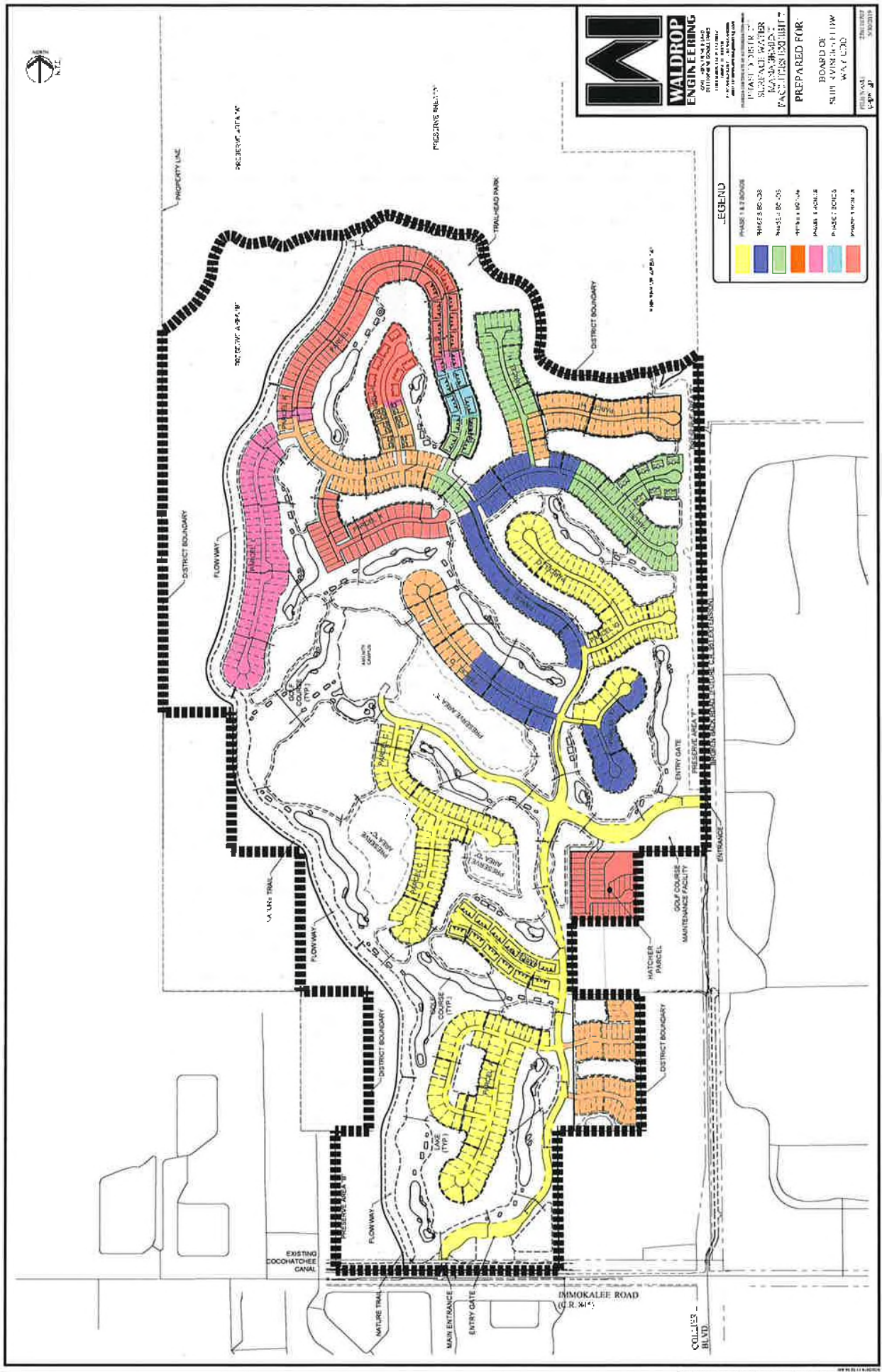
WALDROP ENGINEERING
 2010 S. W. 10th Ave.
 Fort Lauderdale, FL 33304
 P: 954.576.1111
 F: 954.576.1112
 www.waldrop-engineering.com

PREPARED FOR:
 BOARD OF
 SOUTH FLORIDA
 WATER CONTROL

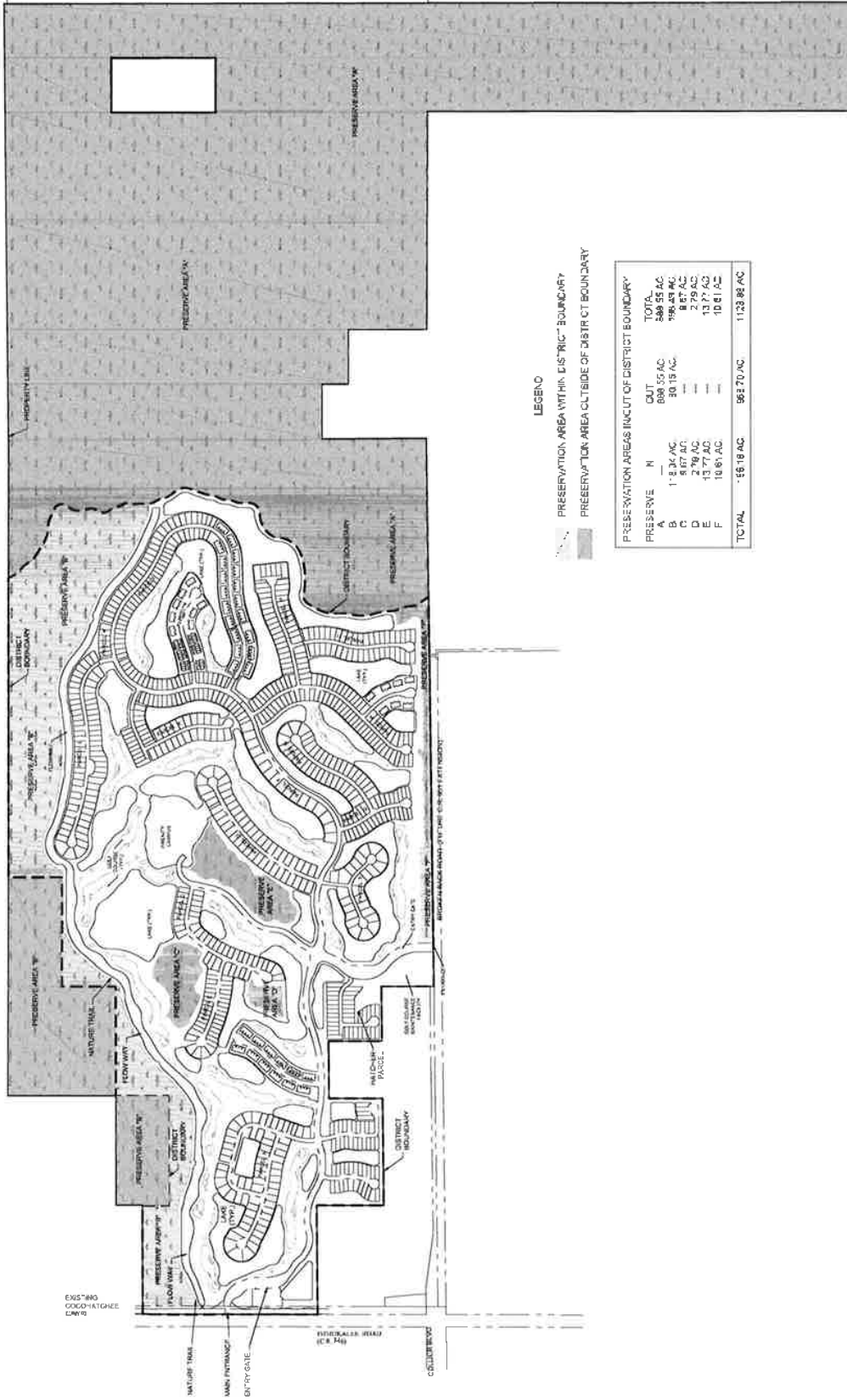
PROJECT: SOUTH FLORIDA WATER CONTROL
DATE: 05/11/11
SCALE: AS SHOWN

LEGEND

[Yellow Box]	PHASE 1 - BENCH
[Blue Box]	PHASE 2 - BENCH
[Green Box]	PHASE 3 - BENCH
[Orange Box]	PHASE 4 - BENCH
[Pink Box]	PHASE 5 - BENCH
[Light Blue Box]	PHASE 6 - BENCH
[Red Box]	PHASE 7 - BENCH



*EXHIBIT 8 - Phased Environmental Preserve &
Mitigation Areas*



LEGEND
 PRESERVATION AREA WITHIN DISTRICT BOUNDARY
 PRESERVATION AREA OUTSIDE OF DISTRICT BOUNDARY

PRESERVATION AREAS IN/OUT OF DISTRICT BOUNDARY

PRESERVE	N	OUT	TOTAL
A	1,234 AC	898.55 AC	2,132.55 AC
B	1,234 AC	30.15 AC	1,264.15 AC
C	1,234 AC	---	1,234 AC
D	1,234 AC	---	1,234 AC
E	1,234 AC	---	1,234 AC
F	1,234 AC	---	1,234 AC
TOTAL	6,670 AC	968.70 AC	7,638.70 AC



WALDROP ENGINEERING
 ENVIRONMENTAL
 PRESERVATION & LAND
 USE CONSULTING & PLANNING
 1100 W. 10TH STREET, SUITE 100
 DENVER, CO 80202-1000
 TEL: 303.733.1100
 FAX: 303.733.1101
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 HOWARD H. SUPERVISOR
 FLOW WAY CDD
 DISTRICT 8

DATE: 10/15/2013
 DRAWN BY: [Name]
 CHECKED BY: [Name]

*EXHIBIT 9 - District Boundary Sketch & Description
(Less Hatcher)*

(Exhibit 2 of Ordinance 02-09)

RHODES & RHODES LAND SURVEYING, INC.

*88100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34136
PHONE (239) 406-8100 FAX (239) 406-8103*

LEGAL DESCRIPTION

A PARCEL OR TRACT OF LAND SITUATED IN THE STATE OF FLORIDA, COUNTY OF COLLIER, LYING IN SECTIONS 10, 11, 15 AND 22, TOWNSHIP 48 SOUTH, RANGE 26 EAST, SAID PARCEL ALSO BEING A PORTION OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, AS RECORDED IN PLAT BOOK 53 PAGES 1 THROUGH 64 (INCLUSIVE) AND BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 48 SOUTH, RANGE 26 EAST, COLLIER COUNTY, FLORIDA, SAID POINT ALSO BEING ON THE SOUTHERLY BOUNDARY OF SAID ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES AS RECORDED IN PLAT BOOK 53 PAGES 1 THROUGH 64 (INCLUSIVE); THENCE ALONG THE SOUTHERLY BOUNDARY OF THE PLAT OF SAID ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, NORTH 89°58'48" WEST, A DISTANCE OF 990.32 FEET; THENCE NORTH 00°17'41" WEST, A DISTANCE OF 1332.48 FEET; THENCE NORTH 89°59'45" EAST, A DISTANCE OF 328.98 FEET; THENCE NORTH 00°20'27" WEST, A DISTANCE OF 1332.63 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 48 SOUTH, RANGE 26 EAST; THENCE ALONG SAID SOUTH FRACTION LINE, SOUTH 89°58'17" WEST, A DISTANCE OF 655.76 FEET; THENCE NORTH 00°14'37" WEST, A DISTANCE OF 1332.01 FEET; THENCE ALONG SAID FRACTION LINE, SOUTH 89°57'09" WEST, A DISTANCE 653.40 FEET; THENCE NORTH 00°09'00" WEST, A DISTANCE OF 1332.05 FEET TO AN INTERSECTION WITH THE NORTH LINE OF SAID SECTION 22; THENCE ALONG THE NORTH LINE OF SAID SECTION 22, SOUTH 89°54'39" WEST, A DISTANCE OF 651.08 FEET TO THE NORTHWEST CORNER OF SAID SECTION 15, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SECTION 15, TOWNSHIP 48 SOUTH, RANGE 26 EAST AND ALSO BEING THE WESTERLY BOUNDARY OF SAID PLAT OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES; THENCE ALONG THE WEST LINE OF SAID SECTION 15 AND THE WESTERLY BOUNDARY OF SAID ESPLANADE PLAT THE FOLLOWING TWO COURSES, COURSE ONE: NORTH 00°07'09" WEST, A DISTANCE OF 2,663.01 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 15; COURSE TWO: THENCE ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 15, NORTH 00°07'13" WEST, A DISTANCE OF 988.29 FEET TO A POINT ON A NON-TANGENTIAL CURVE, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF TRACT "P6" OF SAID PLAT OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES; THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID TRACT "P6" THE FOLLOWING 45 COURSES; COURSE ONE: NORTHEASTERLY, 185.62 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 359.00 FEET, THROUGH A CENTRAL ANGLE OF 29°37'31" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 54°28'20" EAST, 183.56 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWO: THENCE NORTHEASTERLY, 124.90 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 381.00 FEET, THROUGH A CENTRAL ANGLE OF 18°46'59" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 49°03'05" EAST, 124.34 FEET TO A POINT OF REVERSE CURVATURE; COURSE THREE: THENCE NORTHEASTERLY, 150.54 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 312.00 FEET, THROUGH A CENTRAL ANGLE OF 27°38'40" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 44°37'14" EAST, 149.08 FEET TO A POINT OF REVERSE CURVATURE; COURSE FOUR: THENCE NORTHEASTERLY, 123.39 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 1,988.00 FEET, THROUGH A CENTRAL ANGLE OF 03°33'22" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 32°34'35" EAST, 123.37 FEET TO A POINT OF REVERSE CURVATURE; COURSE FIVE: THENCE NORTHERLY, 252.43 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 412.00 FEET, THROUGH A CENTRAL ANGLE OF 35°06'17" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 16°48'08" EAST, 248.50 FEET TO A POINT OF REVERSE CURVATURE; COURSE SIX: THENCE NORTHERLY, 81.37 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 188.00 FEET, THROUGH A CENTRAL ANGLE OF 24°47'52" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 11°38'53" EAST, 80.73 FEET; COURSE SEVEN: THENCE NORTH 24°02'48" EAST, A DISTANCE OF 139.54 FEET TO A POINT OF CURVATURE; COURSE EIGHT: THENCE EASTERLY, 184.18 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 98.00 FEET, THROUGH A CENTRAL ANGLE OF 107°41'02" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 77°53'19" EAST, 158.25 FEET TO A POINT OF REVERSE CURVATURE; COURSE NINE: THENCE EASTERLY, 199.50 FEET ALONG THE ARC OF A CIRCULAR

RHODES & RHODES LAND SURVEYING, INC.

88100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34136
PHONE (888) 406-8100 FAX (888) 406-8163

CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 53°55'06" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 75°13'43" EAST, 192.22 FEET; COURSE TEN: THENCE NORTH 77°48'44" EAST, A DISTANCE OF 98.12 FEET TO A POINT OF CURVATURE; COURSE ELEVEN: THENCE EASTERLY, 68.66 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 88.00 FEET, THROUGH A CENTRAL ANGLE OF 44°42'20" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 79°50'06" EAST, 66.93 FEET; COURSE TWELVE: THENCE SOUTH 57°28'56" EAST, A DISTANCE OF 38.87 FEET TO A POINT OF CURVATURE; COURSE THIRTEEN: THENCE EASTERLY, 140.15 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 112.00 FEET, THROUGH A CENTRAL ANGLE OF 71°41'55" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 86°40'07" EAST, 131.19 FEET TO A POINT OF REVERSE CURVATURE; COURSE FOURTEEN: THENCE NORTHEASTERLY, 113.60 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 225.00 FEET, THROUGH A CENTRAL ANGLE OF 28°55'44" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 65°17'01" EAST, 112.40 FEET TO A POINT OF REVERSE CURVATURE; COURSE FIFTEEN: THENCE NORTHEASTERLY, 101.15 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 27°20'10" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 66°04'48" EAST, 100.19 FEET TO A POINT OF REVERSE CURVATURE; COURSE SIXTEEN: THENCE EASTERLY, 38.76 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 38.00 FEET, THROUGH A CENTRAL ANGLE OF 58°26'43" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 81°38'05" EAST, 37.10 FEET TO A POINT OF REVERSE CURVATURE; COURSE SEVENTEEN: THENCE EASTERLY, 119.37 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 32°15'37" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 85°16'22" EAST, 117.80 FEET TO A POINT OF REVERSE CURVATURE; COURSE EIGHTEEN: THENCE EASTERLY, 75.62 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 188.00 FEET, THROUGH A CENTRAL ANGLE OF 23°02'51" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 89°52'45" EAST, 75.12 FEET TO A POINT OF REVERSE CURVATURE; COURSE NINETEEN: THENCE EASTERLY, 172.97 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 46°44'53" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 78°16'14" EAST, 168.21 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY: THENCE EASTERLY, 92.94 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 188.00 FEET, THROUGH A CENTRAL ANGLE OF 28°19'29" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 69°03'32" EAST, 92.00 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY-ONE: THENCE EASTERLY, 113.65 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 30°42'52" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 67°51'50" EAST, 112.29 FEET; COURSE TWENTY-TWO: THENCE NORTH 52°30'22" EAST, A DISTANCE OF 75.67 FEET TO A POINT OF CURVATURE; COURSE TWENTY-THREE: THENCE EASTERLY, 185.77 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 188.00 FEET, THROUGH A CENTRAL ANGLE OF 56°37'01" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 80°48'53" EAST, 178.31 FEET; COURSE TWENTY-FOUR: THENCE SOUTH 70°52'38" EAST, A DISTANCE OF 215.48 FEET TO A POINT OF CURVATURE; COURSE TWENTY-FIVE: THENCE EASTERLY, 84.99 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 312.00 FEET, THROUGH A CENTRAL ANGLE OF 15°36'30" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 78°40'53" EAST, 84.73 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY-SIX: THENCE EASTERLY, 72.99 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 138.00 FEET, THROUGH A CENTRAL ANGLE OF 30°18'09" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 71°20'03" EAST, 72.14 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY-SEVEN: THENCE EASTERLY, 109.44 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 162.00 FEET, THROUGH A CENTRAL ANGLE OF 38°42'28" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 75°32'13" EAST, 107.37 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY-EIGHT: THENCE EASTERLY, 82.55 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 138.00 FEET, THROUGH A CENTRAL ANGLE OF 34°16'32" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 77°45'11" EAST, 81.33 FEET TO A POINT OF REVERSE CURVATURE; COURSE TWENTY-NINE: THENCE EASTERLY, 91.37 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 162.00 FEET, THROUGH A CENTRAL

RHODES & RHODES LAND SURVEYING, INC.

*28100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34135
PHONE (239) 405-8168 FAX (239) 405-8163*

ANGLE OF 32°18'53" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 76°46'21" EAST, 90.16 FEET; COURSE THIRTY: THENCE NORTH 87°04'12" EAST, A DISTANCE OF 80.88 FEET TO A POINT OF CURVATURE; COURSE THIRTY-ONE: THENCE SOUTHEASTERLY, 224.07 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 138.00 FEET, THROUGH A CENTRAL ANGLE OF 93°01'46" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 46°24'55" EAST, 200.25 FEET TO A POINT OF REVERSE CURVATURE; COURSE THIRTY-TWO: THENCE SOUTHEASTERLY, 330.36 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 312.00 FEET, THROUGH A CENTRAL ANGLE OF 60°40'03" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 30°14'03" EAST, 315.14 FEET TO A POINT OF COMPOUND CURVATURE; COURSE THIRTY-THREE: THENCE EASTERLY, 57.69 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 112.00 FEET, THROUGH A CENTRAL ANGLE OF 29°30'43" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 75°19'26" EAST, 57.05 FEET TO A POINT OF REVERSE CURVATURE; COURSE THIRTY-FOUR: THENCE SOUTHEASTERLY, 383.12 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 308.00 FEET, THROUGH A CENTRAL ANGLE OF 71°16'11" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 54°26'42" EAST, 358.89 FEET TO A POINT OF COMPOUND CURVATURE; COURSE THIRTY-FIVE: THENCE SOUTHERLY, 484.39 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 908.00 FEET, THROUGH A CENTRAL ANGLE OF 30°33'57" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 03°31'38" EAST, 478.67 FEET TO A POINT OF REVERSE CURVATURE; COURSE THIRTY-SIX: THENCE SOUTHEASTERLY, 134.34 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 112.00 FEET, THROUGH A CENTRAL ANGLE OF 68°43'29" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 22°36'24" EAST, 126.43 FEET; COURSE THIRTY-SEVEN: THENCE SOUTH 56°58'09" EAST, A DISTANCE OF 74.98 FEET TO A POINT OF CURVATURE; COURSE THIRTY-EIGHT: THENCE EASTERLY, 333.98 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 512.00 FEET, THROUGH A CENTRAL ANGLE OF 37°22'29" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 75°39'23" EAST, 328.09 FEET TO A POINT OF REVERSE CURVATURE; COURSE THIRTY-NINE: THENCE EASTERLY, 155.66 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 488.00 FEET, THROUGH A CENTRAL ANGLE OF 18°16'33" AND BEING SUBTENDED BY A CHORD THAT BEARS SOUTH 85°12'21" EAST, 155.00 FEET TO A POINT OF REVERSE CURVATURE; COURSE FORTY: THENCE EASTERLY, 297.82 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 512.00 FEET, THROUGH A CENTRAL ANGLE OF 33°19'39" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 87°16'06" EAST, 293.64 FEET TO A POINT OF REVERSE CURVATURE; COURSE FORTY-ONE: THENCE EASTERLY, 178.15 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 488.00 FEET, THROUGH A CENTRAL ANGLE OF 20°54'59" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 81°03'46" EAST, 177.16 FEET TO A POINT OF REVERSE CURVATURE; COURSE FORTY-TWO: THENCE EASTERLY, 94.41 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 212.00 FEET, THROUGH A CENTRAL ANGLE OF 25°30'56" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 78°45'47" EAST, 93.63 FEET TO A POINT OF REVERSE CURVATURE; COURSE FORTY-THREE: THENCE EASTERLY, 217.08 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 588.00 FEET, THROUGH A CENTRAL ANGLE OF 21°09'09" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 76°34'54" EAST, 215.85 FEET TO A POINT OF REVERSE CURVATURE; COURSE FORTY-FOUR: THENCE EASTERLY, 54.98 FEET ALONG THE ARC OF A CIRCULAR CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 103.00 FEET, THROUGH A CENTRAL ANGLE OF 30°35'07" AND BEING SUBTENDED BY A CHORD THAT BEARS NORTH 71°51'55" EAST, 54.33 FEET; COURSE FORTY-FIVE: THENCE NORTH 56°34'20" EAST, A DISTANCE OF 160.60 FEET TO THE SOUTHEAST CORNER OF SAID TRACT "P6" AND AN INTERSECTION WITH THE EASTERLY BOUNDARY OF SAID PLAT OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES; THENCE ALONG SAID EASTERLY BOUNDARY OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES THE FOLLOWING SIX COURSES; COURSE ONE: THENCE SOUTH 00°51'44" EAST, A DISTANCE OF 738.10 FEET; COURSE TWO: SOUTH 00°49'56" EAST, A DISTANCE OF 2,676.38 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 15 AND THE NORTHEAST CORNER OF SECTION 22; COURSE THREE: SOUTH 00°50'55" EAST, A DISTANCE OF 1,334.40 FEET; COURSE FOUR: THENCE SOUTH 89°56'33" WEST, A DISTANCE OF 1,306.71 FEE; COURSE FIVE: THENCE SOUTH 00°38'40" EAST, A DISTANCE OF 1,333.68 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 22; COURSE SIX: THENCE CONTINUE ALONG SAID FRACTION LINE, SOUTH 00°38'11" EAST, A DISTANCE OF

RHODES & RHODES LAND SURVEYING, INC.

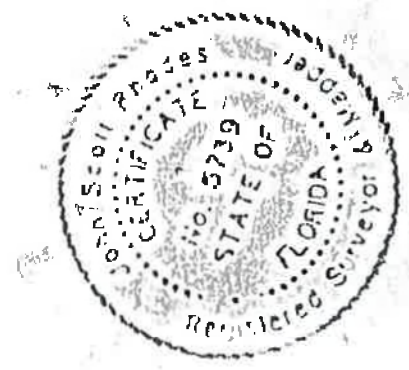
***29100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34136
PHONE (239) 406-8100 FAX (239) 406-8103***

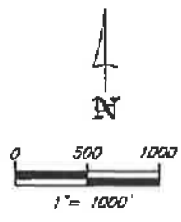
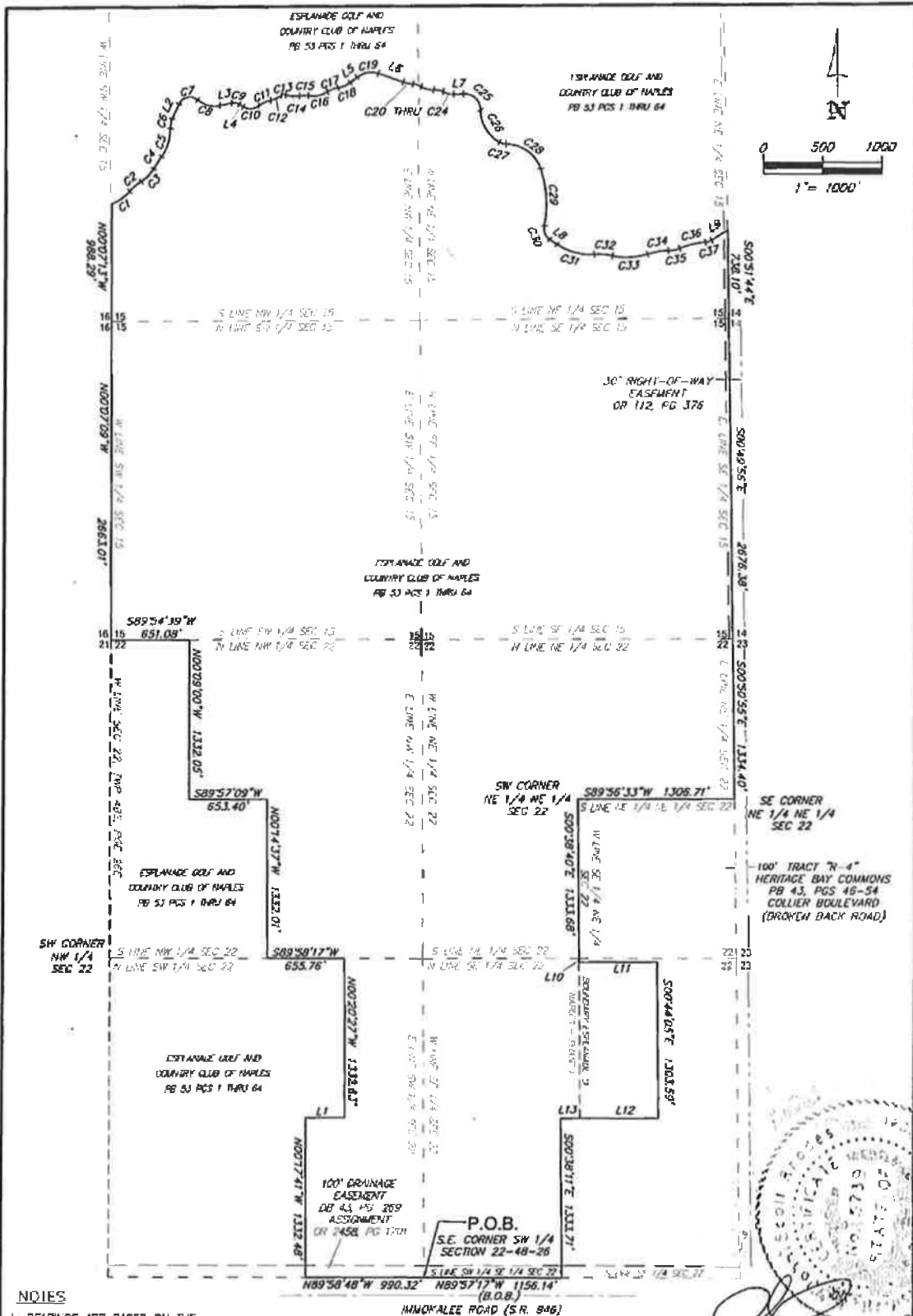
30.52 FEET; THENCE NORTH 89°59'08" EAST, A DISTANCE OF 655.79 FEET; THENCE SOUTH 00°44'05" EAST, A DISTANCE OF 1,303.59 FEET; THENCE NORTH 89°59'29" WEST, A DISTANCE OF 658.03 FEET TO AN INTERSECTION WITH SAID EASTERLY BOUNDARY OF THE PLAT OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES; THENCE CONTINUE ALONG THE BOUNDARY OF SAID PLAT THE FOLLOWING THREE COURSES: COURSE ONE: NORTH 89°59'29" WEST, A DISTANCE OF 164.50 FEET; COURSE TWO: THENCE SOUTH 00°38'11" EAST, A DISTANCE OF 1,333.71 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 22; THENCE ALONG SAID SOUTH LINE, NORTH 89°57'17" WEST, A DISTANCE OF 1,156.14 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINS 849.40 ACRES, OR 36,999,864 SQUARE FEET, MORE OR LESS.



JOHN SCOTT RHODES, P.S.M., NO. LS5739
PROFESSIONAL SURVEYOR & MAPPER
STATE OF FLORIDA






NOTES


1. BEARINGS ARE BASED ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, SECTION 22, TOWNSHIP 22 NORTH, RANGE 26 EAST, ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, 53, PAGES 1 THROUGH 64 (INCLUSIVE), AS BEING NORTH 89°57'17" WEST AND RELATE TO THE FLORIDA STATE PLANE COORDINATE SYSTEM FOR FLORIDA ZONE EAST, NORTH AMERICAN DATUM OF 1983, 1990 ADJUSTMENT (NAD83/90).
2. SUBJECT TO EASEMENTS, RESERVATIONS AND RESTRICTIONS OF RECORD.
3. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF, UNLESS OTHERWISE NOTED.

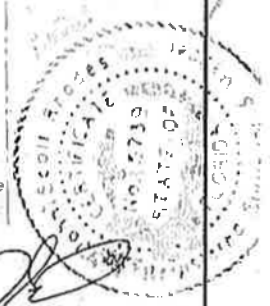
ABBREVIATIONS

- P.O.B. = POINT OF BEGINNING
- B.O.B. = BASIS OF BEARING
- P.S.M. = PROFESSIONAL SURVEYOR & MAPPER
- L.B.# = LICENSED BUSINESS NUMBER
- OR = OFFICIAL RECORD BOOK
- P.B. = PLAT BOOK
- PGS = PAGES

BY:  JOHN SCOTT RHODES PSM #5739


SKETCH AND DESCRIPTION		PSM:
FLOW WAY CDD - ESPLANADE SKETCH		JSR
		drawn:
		CLJ
		checked:
		MWR
		view:
		SKETCH
		project#:
		2012-03
		sheet #:
		5 of 6

 RHODES & RHODES LAND SURVEYING, INC. LICENSE #LB 6897	date:	SEPTEMBER 2, 2016
	scale:	1" = 1000'
	add file:	2016-859 CDD FLOW WAY
	28100 BOWTA GRANDE DRIVE SUITE 107 BOWTA SPRINGS, FL 34135 (239) 405-8166 (239) 405-8163 FAX	



LINE	BEARING	DISTANCE
L1	N89°59'45"E	328.98'
L2	N24°02'48"E	139.54'
L3	N77°48'44"E	98.12'
L4	S57°28'56"E	38.87'
L5	N52°30'22"E	75.67'
L6	S70°52'38"E	215.48'
L7	N87°04'12"E	80.88'
L8	S56°58'09"E	74.98'
L9	N56°34'20"E	160.60'
L10	S00°38'11"E	30.52'
L11	N89°59'08"E	655.79'
L12	N89°59'29"W	658.03'
L13	N89°59'29"W	164.50'

CURVE	RADIUS	DELTA	ARC	CHORD	CHORD BEARING
C1	359.00'	29°37'31"	185.62'	183.56'	N54°28'20"E
C2	381.00'	18°46'59"	124.90'	124.34'	N49°03'05"E
C3	312.00'	27°38'40"	150.54'	149.08'	N44°37'14"E
C4	1988.00'	3°33'22"	123.39'	123.37'	N32°34'35"E
C5	412.00'	35°06'17"	252.43'	248.50'	N16°48'08"E
C6	188.00'	24°47'52"	81.37'	80.73'	N11°38'55"E
C7	98.00'	107°41'02"	184.18'	158.25'	N77°53'19"E
C8	212.00'	53°55'06"	199.50'	192.22'	S75°13'43"E
C9	88.00'	44°42'20"	68.66'	66.93'	S79°50'06"E
C10	112.00'	71°41'55"	140.15'	131.19'	N86°40'07"E
C11	225.00'	28°55'44"	113.60'	112.40'	N65°17'01"E
C12	212.00'	27°20'10"	101.15'	100.19'	N66°04'48"E
C13	38.00'	58°26'43"	38.76'	37.10'	N81°38'05"E
C14	212.00'	32°15'37"	119.37'	117.80'	S85°16'22"E
C15	188.00'	23°02'51"	75.62'	75.12'	S89°52'45"E
C16	212.00'	46°44'53"	172.97'	168.21'	N78°16'14"E
C17	188.00'	28°19'29"	92.94'	92.00'	N69°03'32"E
C18	212.00'	30°42'52"	113.65'	112.29'	N67°51'50"E
C19	188.00'	56°37'01"	185.77'	178.31'	N80°48'53"E
C20	312.00'	15°36'30"	84.99'	84.73'	S78°40'53"E
C21	138.00'	30°18'09"	72.99'	72.14'	S71°20'03"E
C22	162.00'	38°42'28"	109.44'	107.37'	S75°32'13"E
C23	138.00'	34°16'32"	82.55'	81.33'	S72°45'11"E
C24	162.00'	32°18'53"	91.37'	90.16'	S76°46'21"E
C25	138.00'	93°01'46"	224.07'	200.25'	S46°24'55"E
C26	312.00'	60°40'03"	330.36'	315.14'	S30°14'03"E
C27	112.00'	29°30'43"	57.69'	57.05'	S75°19'26"E
C28	308.00'	71°16'11"	383.12'	358.89'	S54°26'42"E
C29	908.00'	30°33'57"	484.39'	478.67'	S03°31'38"E
C30	112.00'	68°43'29"	134.34'	126.43'	S22°36'24"E
C31	512.00'	37°22'29"	333.98'	328.09'	S75°39'23"E
C32	488.00'	18°15'33"	155.66'	155.00'	S85°12'21"E
C33	512.00'	33°19'39"	297.82'	293.64'	N87°16'06"E
C34	488.00'	20°54'59"	178.15'	172.16'	N81°03'46"E
C35	212.00'	25°30'56"	94.41'	93.63'	N78°45'47"E
C36	588.00'	21°09'09"	217.08'	215.85'	N76°34'54"E
C37	103.00'	30°35'07"	54.98'	54.33'	N71°51'55"E

SKETCH AND DESCRIPTION		PSM: ISR
FLOW WAY CDD ESPLANADE TABLES		drawn: CLJ
 RHODES & RHODES LAND SURVEYING, INC. LICENSE #LB 6897		checked: MMR
		view: SKETCH
date: SEPTEMBER 2, 2016 scale: 1" = 1000' cadd file: 2016-852_CDD_FLOW WAY		project#: 2012-83
28100 BONITA GRANDE DRIVE SUITE 107 BONITA SPRINGS, FL 34135 (239) 405-8166 (239) 405-8163 FAX		sheet #: 6 of 6

*FLOW WAY COMMUNITY DEVELOPMENT DISTRICT
SERIES 2019 – PHASE 7 (ESPLANADE)
AND PHASE 8
CAPITAL IMPROVEMENT PROGRAM*

Special Assessment Report for Series 2019
Phase 7 (Esplanade) and Phase 8 Bonds

Prepared for Final Limited Offering Memorandum

Prepared by:

JPWard & Associates LLC

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7/10/2019

*2900 NORTHEAST 12TH TERRACE
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FLORIDA 33334*

1.0 BACKGROUND AND THRESHOLD MATTERS

The District was created and chartered by law and established on the property by Collier County effective February 26, 2002, as amended. In November, 2016 the District boundaries were expanded to include an additional 19.66 acres, bringing the total size of the District to approximately 849.44 acres.

The District was dormant since establishment, until 2013 when Taylor Morrison Esplanade Naples, LLC (“Taylor Morrison Esplanade”) acquired the entire land area within the District.

The District manages the infrastructure for the community known as Esplanade Golf and Country Club of Naples (the “Development”), which is approximately 849.44 acres of land and is situated northwest of the intersection of Immokalee Road and County Road 951, entirely in unincorporated Collier County, Florida. The District’s single and special purpose is to manage the construction, acquisition, maintenance and financing of its public works including basic infrastructure, systems, facilities, services and improvements.¹

SUMMARY OF BOND FINANCINGS

In 2013 the District issued its first Series of Bonds, the Series 2013 Bonds, to fund the first phase of development of its capital improvement program (Phases 1 and 2 of the Development).

¹ See Florida Statutes sections 190.002(1)(a) and (c) and (3); Florida Statutes section 190.003(6); Florida Statutes section 190.012; and *State v. Frontier Acres Com. Develop.*, 472 So 2d 455 (Fla. 1985) in which the Florida Supreme Court opines about the “limited grant of statutory powers under chapter 190 [and] the narrow purpose of such districts” as “special purpose governmental units,” where the narrow purpose is in the singular as applied to their powers in the plural. *Frontier Acres Com.*, at 456. The Supreme Court also references section 190.002, Florida Statutes, to “evidence the narrow objective” in providing community infrastructure in section 190.002(1)(a), Florida Statutes, opining that the “powers” of such districts “implement the single, narrow legislative purpose.” *Id.* at 457.

The District continued the development of the capital improvement program with the issuance of the Series 2015 Phase 3 Bonds for the second phase of development of the capital improvement program (Phase 3 of the Development).

Then its Series 2015 – Phase 4 Bonds for the third phase of development of the capital improvement program (Phase 4 of the Development).

Then its Series 2016 – Phase 5 Bonds for the fourth phase of development of the capital improvement program (Phase 5 of the Development).

Then its Series 2017 - Phase 6 Bonds for the fifth phase of development of the capital improvement program (Phase 6 of the Development)

This report is for the Series 2019 – Phase 7 Esplanade (36 units) and Phase 8 Bonds for the sixth and final phase of development of the capital improvement program (Phase 7 of the Development).

This supplemental report is intended to define and allocate the assessments that will be required to be levied to implement the capital improvement plan for Phase 7 and Phase 8 of the Development. For reference purposes, pursuant to Resolution Nos. 2018-1, 2018-2, and 2018-4 (“Phase 7 Resolutions”), the District previously levied special assessments on real property designated as “Phase 7” (“Phase 7 Assessments”) in connection with the public improvements associated with Phase 7 of the project as described in the Phase 7 Resolutions (the “Phase 7 Improvements”). The real property comprising Phase 7 is intended to be developed with thirty-six (36) multi-family Esplanade-type units (now commonly known and referred to herein as “36 Multi-Family Esplanade Units”). As contemplated in the Series 2017 – Phase 6 Capital Improvement Program Special Assessment Report dated October 25, 2017 (“Phase 6 and 7 Special Assessment Report”), the 36 Multi-Family Esplanade Units were in the original Phase 4 assessment area but due to an increase in the number of units constructed in Phase 4, the 36 Multi-Family Esplanade Units were not assigned any special assessments securing the Series 2015 – Phase 4 Bonds and instead became part of Phase 7. The 36 Multi-Family Esplanade Units were referred to in the Phase 6 and 7 Special Assessment Report as the “Unassigned Units”.

Special assessments have not previously been levied on Phase 8. The special assessments that the District intends to levy in connection with the Phase 8 Capital Improvement Program are referred to as the “Phase 8 Assessments”.

The District intends to undertake the Phase 7 Improvements and public improvements associated with Phase 8 concurrently and intends to issue bonds related thereto, which bonds will be secured by both the Phase 7 Assessments and the Phase 8 Assessments (sometimes collectively referred to herein as the “Series 2019 Assessments”). The collective property upon which the Series 2019 Assessments are levied as security for the Series 2019 Bonds to be issued by the District will be known as the “2019 Assessment Area”.

This supplemental report references the 36 Multi-Family Esplanade Units in Phase 7 as those units will be part of the next issuance of bonds to be generally known as the “Series 2018 Bonds”.

Additionally, as a part of this supplemental report, there are certain properties that the Developer has requested the District to annex into the boundaries of the District, more commonly known as the “Hatcher Property” consisting of 10.01 acres. The Developer has advised the District that the contemplated land use for the Hatcher Property would be 52’ single-family units. As the development of the Hatcher Property would occur, the actual land use type may change. As the Hatcher Property is not presently within the boundaries of the District, no special assessments are being levied on the Hatcher Property. To the extent the Hatcher Property is brought within the boundaries of the District, the District may undertake future assessment proceedings to levy special assessments on the Hatcher property with debt being assigned based on the actual land use type. There is no guarantee that this property will ever be annexed into the District nor subject to assessments, as such the assessment as depicted in this methodology on the 36 Multi-Family Esplanade Units and Phase 8 will remain in place, unless both the annexation and assessment process are successfully implemented.

2.0 THE DISTRICT

The District was established by Ordinance of the Board of County Commissioners of Collier County, Florida, effective February 26, 2002 and originally encompassed a total of 830 acres. As noted above the boundaries of the District were expanded in November, 2016 to include an additional 19.66 acres for a total of 849.44. The development, known as Esplanade Golf and Country Club of Naples (the “Development”) also encompasses approximately all of the land within the boundaries of the District.

Interstate 75 and U.S. 41 provide direct access to Fort Lauderdale and Miami, respectively. Interstate 75 also provides access to Fort Myers, Sarasota, Tampa and northern Florida. The

Southwest Florida International Airport is located approximately forty (40) minutes north via Interstate 75, and the Miami International Airport is located approximately one (1) hour and forty-five (45) minutes east via Interstate 75.

3.0 PURPOSE OF THIS REPORT

This Special Assessment Report has been developed to provide a roadmap and lays out in detail each step for use by the Board for the imposition and levy of non-ad valorem special assessments. This report begins by introducing the Cost Allocation methodology, as prepared by Waldrop Engineering, Inc. to the Board, and then the report introduces the Assessment Methodology. These two methodologies constitute the District's procedure for instituting the Assessments to fund the capital improvement program for the District.

The Cost Allocation Methodology discloses the computations for the cost and dollar amounts for the systems, facilities and services provided by the District per parcel for each unity type of acre.

The Assessment Methodology outlines the properties within the District that are subject to the Assessments and the special benefit conferred peculiar to each property by, and received from, the systems, facilities and services provided by the District's capital improvement program. The Assessment Methodology will have three primary objectives: (1) to determine the special and peculiar benefits that flow to the assessable properties in the District from the capital improvement plan provided by the District; (2) to apportion the special benefits peculiar to all parcels in a manner that is fair and reasonable, resulting in the proportionate special benefit; and (3) to apply the proportionate special benefit to the proposed allocated costs in each assessment category potentially resulting in a modification to the costs allocated and fixing the Assessments per parcel or acre. The first two objectives of the Assessment Methodology set forth a framework to apply to the already allocated costs and dollar amount of Assessments associated with the operations and maintenance expenditures benefiting properties. Once the framework is set, the proportionate special benefit may modify the earlier allocated dollar amounts of the assessments per parcel or per acre. The report is designed to conform to the requirements of Chapters 189, 190, 170 and 197, Florida Statutes, and is consistent with the District's understanding of the case law on this subject.

The existing systems, facilities and services earlier acquired and constructed by this District produced special benefits, peculiar to both acres and platted parcels, which were apportioned in a manner that is fair and reasonable and which were based on the development plan by the Original Developer. The capital improvement plan which was initially implemented with the issuance of the District's Series 2013 Bonds, the Series 2015 Bonds, the Series 2015 – Phase 4

Bonds, and the Series 2016 Bonds, and this report continues that implementation for Phase 6 with the Series 2017 Bonds and as more fully defined in the Phase 6 and 7 Report dated October 25, 2017.

This methodology will describe the allocation of the District's special assessments for Phase 8, based on the preliminary development plan, as provided by the Developer.

4.0 DEFINED TERMS

"Developer" – Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company.

"District" – Flow Way Community Development District.

"District Engineer" – Waldrop Engineering

"Equivalent Assessment Unit" – (EAU) Allocation factor which reflects a quantitative measure of the amount of special benefit conferred by the District's capital project on a particular land use, relative to other land uses.

"Engineer's Report"- that certain Flow Way Community Development District Phase 8 Engineer's Report prepared by the District Engineer and dated June 2019.

"Phase 1 and 2" – The first development phases of the Development. The phase 1 and 2 lands are subject to the lien of the Series 2013 Bonds.

"Phase 3"- The second development phase of the Development. The phase 3 lands are subject to the lien of the special assessments securing the Series 2014 Phase 3 bonds.

"Phase 4" – The third development phase of the Development. Currently all of the land in phase 4 development are subject to the lien of the special assessments securing the Series 2015 – Phase 4 Bonds. It is anticipated that the lien of the special assessment securing the Series – 2015 Phase 4 Bonds ultimately was absorbed by 204 Planned units in Phase 4, leaving 36 Unassigned Units. Subject to the terms herein, the Unassigned Units in Phase 4 will be subject to the lien of the Future Special Assessments that are anticipated to secure the Future bonds after the special assessments securing the Series 2015 – Phase 4 bonds have been fully allocated to platted and developed units. Prior to such time, the Future Special Assessments shall not be able to be pledged to secure any District debt.

“Phase 5” – The fourth development phase of the Development. The units in phase 5 are subject to the lien of the special assessments securing the Series 2016 Bonds.

“Phase 6” – The fifth development phase of the Development. Phase 6 lands are subject to the lien of the Series 2017 Special Assessments securing the Series 2017 Bonds.

“Allocable Costs” – Proportionate Phase 8 allocable costs.

“Phase 7” – A portion of the sixth phase of the Development, which relates to the 36 Unassigned Units.

“Phase 8” – A portion of the sixth development phase of the development.

“Phase 8” – Capital Improvement Program” – Public infrastructure necessary to support the development of Phase 8.

“Phase 8 Assessments” – The special assessments to be levied by the District on Phase 8 in connection with the Phase 8 Capital Improvement Program.

“Series 2019 Assessments” – The Phase 7 Assessments and the Phase 8 Assessments that are intended to secure the Series 2019 Bonds.

“2019 Assessment Area” – Phase 7 and Phase 8 lands upon which the Series 2019 Assessments will be collectively levied.

“Platted Units” – lands configured as their intended end-use and subject to the lien of the Series 2019 Special Assessments.

“Unplatted Parcels” – Undeveloped lands or parcels not yet subject to a recorded plat and in their final end-use configuration.

“Unassigned Units” – The 36 Multi-Family Esplanade Units in Phase 4 that were not contemplated when the Series 2015 – Phase 4 Bonds were issued and which will not be subject to the Series 2015 – Phase 4 Special Assessments.

5.0 METHODOLOGY FOR ALLOCATING COSTS AND ASSESSMENTS

5.1 COST ALLOCATION

The allocation of costs in the cost allocation methodology is based on accepted practices in accordance with applicable laws and the procedure for the imposition, levy and collection of non-ad valorem special assessments as set forth in the District Charter ² and in conformity with State laws applicable to such assessments.

The allocation of costs is really in effect a disclosure of the costs as a first step towards determining the final dollar amount of the assessment per unit.

The District's capital program can be broken down into six (6) broad categories: (1) surface water management system, (2) utilities including potable water, wastewater and irrigation, (3) exterior landscaping, (4) off-site improvements, (5) environmental mitigation and (6) professional & permit fees. Mitigation as used herein, is both on-site and off-site preserve enhancement, creation and preservation.

These programs have costs identified in the table below and are merely the first step in the special assessments to be paid. To provide further information, the division (i.e., the allocation) of these cost for each program is further discussed in the Waldrop Engineering Inc., report dated May, 2019.

² See the Act in chapter 190, Florida Statutes.

Phase 8 - Cost Allocation	
Description	Phase 8
Stormwater Management System	\$ 4,881,876.78
Utilities	
Potable Water	\$ 897,617.77
Sanitary Sewer	\$ 1,958,633.41
irrigation	\$ 510,017.80
Exterior Landscaping	\$ 456,237.21
Off-Site Improvement	\$ 292,559.97
Environmental Mitigation	\$ 878,961.37
Professional & Permit Fees	\$ 1,615,906.62
Total:	\$ 11,491,810.93

5.2 ASSIGNMENT OF ASSESSMENT

It is useful to consider three broad states or conditions of development within Esplanade. The initial condition is the “unplatted state”. At this point infrastructure may or may not be constructed, but in general, home site or other development units have not been defined and all of the developable land within the assessment are considered unplatted acreage (“Unplatted Acres”). In the unplatted state, all of the lands within the assessment area receive benefit from all or a portion of the components of the financed capital improvement plan and debt assessments would be imposed upon all of the land within the assessment area on an equal acre basis to repay the bonds in an amount not in excess of the benefit accruing to such parcels.

The second condition is the interim or “approved state”. At this point, a developer would have received approval for a site development plan from the County. By virtue of the County granting an approval for its site development plan for a neighborhood, certain development rights are committed to and peculiar to that neighborhood, thereby changing the character and value of the land by enhancing the capacity of the Unplatted Acres within a neighborhood with the special and peculiar benefits flowing from components of the capital improvement plan and establishing the requisite logical connection for the flow of the special benefits peculiar to the

property, while also incurring at the same time a corresponding increase in the responsibility for the payment of the levied debt assessment to amortize the portion of the debt associated with those improvements.

Therefore, in the event that the District issues bonds which have or will benefit the lands within such area, the District will designate such area, or in combination with other such areas, as an assessment area, and, allocate a portion of this debt to such assessment area in the “approved state”.

This apportionment of benefit is based on accepted practices for the fair and equitable apportionment of special and peculiar benefits in accordance with applicable laws and the procedure for the imposition, levy and collection of non-ad valorem special assessments in conformity with State laws applicable to such assessments.

Development enters its third and “**Platted State**”, as property is platted. Land becomes platted property (the “**Platted Property**”) which single-family units are platted or multifamily land uses receive a building permit and a separate tax parcel identification number is issued for such parcel. At this point, and only at this point, is the use and enjoyment of the property fixed and determinable and it is only at this point that the ultimate special and peculiar benefit can be determined flowing from the components of the CIP peculiar to such platted parcel. At this point, a specific apportionment of the debt assessments will be fixed and determinable from the supplemental assessment report to be prepared once the final pricing details of the bonds are known.

When the development program contains a mix of residential land uses, an accepted method of allocating the costs of public infrastructure improvements to benefiting properties is through the establishment of a system that “equates” the benefit received by each property to the benefit received by a single-family unit to other unit types. To implement this technique for project cost allocation purposes, the District must use a methodology that fairly and reasonable apportions the cost of the infrastructure to the benefitted land. The balance of this report will define that apportionment methodology.

5.3 INITIAL ASSIGNMENT OF ASSESSMENTS

As noted above, initially the Phase 8 Assessments will be initially levied on all of the unplatted acres in Phase 8, which consists of 38.63 gross acres.

Exhibit 1 – the initial assessment roll shows the assessments on the 2019 Assessment Area (unplatted acres in Phase 8, and the previously imposed Special Assessments for the 36– Multi Family Esplanade Units from Phase 7).

Series 2017 Assessments

As noted earlier in this report, when the Series 2015 – Phase 4 Bonds were issued by the District, it was anticipated that the Series 2015 – Phase 4 Bonds would be secured by special assessments (the “Series 2015 – Phase 4 Special Assessments”) on 163 residential units in the Phase 4 assessment area. During development, the number and type of units planned by the Developer have changed, and now Phase 4 will include 204 Units and the Series 2015 – Phase 4 Bonds will be secured by the Series 2015 – Phase 4 Special Assessments on 204 units.

The 36 Unassigned Units (as defined herein) in the original Phase 4 assessment area were assigned in the Phase 6 and 7 report to the Future Bonds as described in the Special Assessment Report dated October 25, 2017. The location of the Unassigned Units is shown in the Engineer’s Report and Exhibit 2. These 36 Unassigned Units (as defined herein) in the original Phase 4 assessment area are being assigned debt in this Phase 8 Report and will be pledged to pay principal and interest the Series 2019 Bonds.

5.4 PRELIMINARY DEVELOPMENT PLAN

The following is the preliminary development plan for Phase 8. (Note: The 36 Multi-Family Esplanade Units associated with Phase 7 that are being financed with the Series 2019 Bonds are, except as specifically referenced otherwise, not and included in the financing tables in this report.

Preliminary Development Plan	
Type	Phase 8
52'	89
57'	0
62'	29
76'	23
90'	0
100'	0
MF (Esplanade)	72
MF (Vercelli)	64
Total:	275

5.5 ASSESSMENT/ALLOCATION METHODOLOGY

This report will identify the special and peculiar benefits for the works and services including added use of the property, added enjoyment of the property, and probability of increased marketability, value of the property and decreased insurance premiums will be evaluated for each of the revised residential and commercial product types to insure that the new assessments are fair, just and reasonable for all property within the District.

5.6 Surface Water Management System

The District's surface water management system was designed to be an integrated and functional water management system for the treatment and attenuation of stormwater runoff for the entire District. As such, the allocation of costs are based on the capacity usage anticipated for each land use within the District.

5.7 Potable Water, Wastewater and Irrigation

The District's utility system consists of potable water, sanitary sewer and irrigation water for the community. The development within the District consists primarily residential properties, and a golf course with associated amenities. The potable water and sanitary sewer are divided among all property owners based on typical flow rates established by the District Engineer for similar use

types based on the Florida Administrative Code, and that the irrigation water be distributed based on the anticipated use for each land use type.

5.8 Exterior Landscaping, Off-Site Improvements, Mitigation and Miscellaneous

The exterior landscaping consists of buffering along the project boundaries and is necessitated by the requirements of the Collier County Land Development Code, which requires landscape buffering along public roadways and between different zoning categories and uses within the County. As such, the allocation of costs are based on trip generation anticipated for each land use within the District.

5.9 Off-Site Improvements

The off-site improvements consist of transportation related improvements for County Road 951 Extension right-of-way. These improvements were also necessitated by the requirements of the Collier County Land PUD Ordinance NO. 12-14. These roadway improvement costs are divided between the various individual properties based on the size of a typical lot, according to the Engineer's Report.

5.10 Environmental Mitigation

The environmental mitigation costs consist of wetland and other habitat improvements caused by the development of Esplanade Golf & Country Club of Naples, to replace existing wetlands. As such, the allocation of costs are based on the capacity usage anticipated for each land use within the District.

5.11 Professional & Permit Fees

Professional and Permit costs are allocated based on the typical lot size anticipated for each land use within the District.

6.0 OVERVIEW OF ASSESSMENT METHODOLOGY; SPECIAL PECULIAR BENEFIT; REASONABLE AND FAIR APPORTIONMENT; PROPORTIONATE SPECIAL BENEFIT

The purpose of this Assessment Report is to discuss the special benefits peculiar to the properties from construction and acquisition of the District systems, facilities and services, along with the further enhancement and enjoyment of the property from the District's use of its special pinpointed and focused management capabilities to construct these systems, facilities and services.

The Assessment Report herein constitutes a valid and legal methodology for the Flow Way Community Development District in that it confers special benefits peculiar to the properties and apportions those benefits in a reasonable and fair manner resulting in and applying the proportionate special benefit. This section is broken down into four (4) subsections:

Subsection 6.1 provides a detailed overview of the requirements for a valid special assessment. In this subsection, Florida's legal requirements to make the assessments liens equal in dignity to property taxes are explained and detailed. (A lien travels with the property and may result in the loss of the property if it is not paid.)

Subsection 6.2 identifies and details the actual special benefits flowing from the District's construction activities of its systems, facilities and services to the properties. A breakdown of each special benefit (added use, added enjoyment, the combination of enhanced value and increased marketability and finally decreased insurance premiums) is provided and the way the properties are benefited is explained.

Subsection 6.3 covers the apportionment of these special benefits. This subsection shows the proportion of the special benefit flowing to the individual properties. For example, the Off-site Services will create equal special benefits peculiar to individual properties. That is, the relative magnitude of any one of these special benefits to any one property is proportional to the special benefits to another property. Similarly, the Water Management Services will benefit certain properties more than others, as will the Utilities and Irrigation Services.

The special benefits can be broken down into a percentage of the overall special benefit flowing based on each category. This section explains this breakdown in specificity for each property unit type in relation to the magnitude of the special benefit each property unit enjoys. This apportionment results in the proportionate special benefit.

Subsection 6.4 applies the proportionate special benefit to the dollar amount allocated in the Cost Allocation Methodology.

6.1 Requirements For a Valid Assessment Methodology

Valid assessments under Florida Law have two (2) requirements that must be met by the Board using this methodology to provide that the assessments will be liens on property equal in dignity to County property tax liens and to justify reimbursement by the property owners to the District for the special benefits received by and peculiar to their properties.

First, the properties assessed must receive, peculiar to the acre or parcel of property, a special benefit that flows as a logical connection from the systems, facilities and services constituting improvements.³ The courts recognize added use, added enjoyment, enhanced value and decreased insurance premiums as the special benefits that flow as a logical connection from the systems, facilities and services peculiar to the property. Additionally, the properties will receive the special benefit of enhanced marketability.

Second, the special benefits must be fairly and reasonably apportioned in relation to the magnitude of the special benefit received by and peculiar to the various properties being assessed,⁴ resulting in the proportionate special benefit to be applied.

³ The two basic requirements for a valid assessment under law are stated succinctly in *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999) ("There are two requirements for the imposition of a valid special assessment. First, the property assessed must derive a special benefit from the service provided. Second, the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.") (Citations omitted). The requirement that the benefits received from the property must be peculiar to the parcel or acres is stated in *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999) (A special assessment "is imposed upon the theory that that portion of the community which is required to bear it receives some special or peculiar benefit in the enhancement of value of the property against which it is imposed as a result of the improvement made with the proceeds of the special assessment."). The requirement for the existence of a logical connection from the systems, facilities and services constituting the improvements to the parcel or acre is found in *Lake County v. Water Management Corp.*, 695 So. 2d 667, 669 (Fla. 1997) (The test for evaluating whether a special benefit is conferred to property by the services for which an assessment is imposed "is whether there is a 'logical relationship' between the services provided and the benefit to real property.")

⁴ *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999).

(footnote continued)

Although property taxes are automatically liens on the property, non-ad valorem assessments, including special assessments, are not automatically liens on the property but will become liens if the governing Board applies the following test in an informed, non-arbitrary manner. If this test for lienability is determined in a manner that is informed and non-arbitrary by the Board of Supervisors of the District, as a legislative determination, then the special assessments may be imposed, levied, collected and enforced as a first lien on the property equal in dignity to the property tax lien.⁵ Florida courts have found that it is not necessary to calculate special benefits with mathematical precision at the time of imposition and levy⁶ so long as the levying and imposition process is not arbitrary, capricious or unfair.⁷

6.2 Special Peculiar Benefits

Focused, pinpointed and responsive management by the District of its systems, facilities and services, create and enhance special benefits that flow peculiar to property within the borders of the District, as well as general benefits to the public at large.

⁵ *Workman Enterprises, Inc. v. Hernando County*, 790 So. 2d 598, 600 (Fla. 5th DCA 2001) (“When a trial court is presented with a property owner’s challenge to a special assessment the appropriate ‘standard of review is the same for both prongs; that is, the legislative determination as to the existence of special benefits and as to the apportionment of the costs of those benefits should be upheld unless the determination is arbitrary.’”) (Citation omitted). § 170.09, Fla. Stat. (2010) (“The special assessments . . . shall remain liens, coequal with the lien of all state, county, district, and municipal taxes, superior in dignity to all other liens, titles, and claims, until paid.”)

⁶ *City of Boca Raton v. State*, 595 So. 2d 25, 31 (Fla. 1992) (In determining the special benefit each parcel or acre receives, the District is “not required to specifically itemize a dollar amount of benefit to be received by each parcel.”). Pursuant to section 197.122(1), Florida Statutes, all taxes imposed pursuant to the State Constitution and laws of this state shall be a first lien, superior to all other liens, on any property against which the taxes have been assessed and shall continue in full force from January 1 of the year the taxes were levied until discharged by payment or until barred under chapter 95. Pursuant to the collection laws, section 197.3632, Florida Statutes, and all applicable case law, this provision on taxes also applies to non-ad valorem assessments.

⁷ See *Workman Enterprises, Inc. v. Hernando County*, 790 So. 2d 598 (Fla. 5th DCA 2001), *supra* note 5, at 600.

All benefits conferred on District properties are special benefits conferred on property because only property within the District will specially benefit from the enhanced services to be provided as a result of these new assessments. Any general benefits resulting from these assessments are incidental and are readily distinguishable from the special benefits that accrue to the property within the District. Properties outside the District do not depend on the District's programs and undertakings in any way for their own benefit and are therefore not considered to receive benefits for the purposes of this methodology. The four assessments imposed by this resolution are designed with the specific properties of the District in mind and for their exclusive special benefit

6.2.1 General Review

From the District's focused and pinpointed management flows the special benefit peculiar to each parcel or acre of added use of the property. This special benefit of added use of a piece of property contemplates the increased ability to "use" the property for its intended purpose.

The District's control and management will also provide another special benefit peculiar to each parcel or acre of added enjoyment of the property. The special benefit of added enjoyment of property contemplates the increase in the satisfaction or quality of use of the specially benefitted property.

Additionally, the District's control and management will provide the special benefit peculiar to each parcel or acre of the probability of increased marketability and value of the property. The dollar increase in the value of the property could be determined at a later time by a property appraiser.

Because the benefits of the District's control and management are greater than the costs of the assessments, an overall net special benefit occurs. This net special benefit equates into an increase in at least some of the property values of the surrounding homes. An increase in property values makes these properties more marketable and more saleable. Put differently, when a property's value increases and the price a property is for sale remains the same, the property will have a greater chance of being sold; therefore, the marketability of that property is increased.

Further, a derivative special benefit also exists from this increased marketability. Because of the overall benefit and increases in property values, the surrounding homes will increase in their marketability. More enhanced neighboring properties mean increased marketability. Therefore, even if a single property's value is not increased from the particular District service, many

surrounding properties' value will increase, and the non-value improving property will still gain an increase in marketability.

Finally, the District's focused and pinpointed control and management will provide a special benefit peculiar to each parcel or acre of decreased insurance premiums. The monetary decrease in the insurance premiums could be determined at a later time by an insurance adjuster.

These special and peculiar benefits are real and ascertainable, but are not yet capable of being calculated and assessed as to value with mathematical certainty; however, their magnitude can be determined with certainty today. Each special benefit is by orders of magnitude more valuable than the cost of, or the actual assessment imposed and levied for, the services and improvements that they provide peculiar to the receiving properties.

Accordingly, each system, facility and service provided by the District is discussed.

(A) Surface Water Management Systems, Facilities and Services

The Special Benefit of Added Use

From the District's focused and pinpointed management of the Surface Water Management System flows the special benefit peculiar to each parcel or acre of added use of the property. The special benefits peculiar to each parcel or acre from the Surface Water Management System that contributes, as a logical relationship, to the added use of property throughout the District are flood reduction and prevention and reduced over-drainage. The community is being developed as a bundled golf community, where each owner of property within the District will be a member of the Homeowner's Association and the Association will be the owner of the Golf Course. With this development concept, the development of the Golf Course will benefit the property owners directly by permitting the owner's the use of the course and it's associated facilities.

The District's focused and pinpointed control and maintenance of the Surface Water Management System will avoid the need to undergo intense revitalization efforts of the system in the future for all residential properties and of the Golf Course, however the sole beneficiaries of the added use of the Golf Course are the individual property owners in the District, and not the Golf Course since the Golf Course will be owned and operated by the Homeowner's Association to which all individual property owner's will be members of the Homeowner's Association. As such, the individual properties (excluding the Golf Course) will receive the entire benefit of flood protection, treatment and attenuation of stormwater runoff.

The Special Benefit of Added Enjoyment

The District's construction of the Surface Water Management Services will also provide a special benefit peculiar to each parcel or acre of added enjoyment of the property. The items contributing, as a logical relationship, to the special benefit of added enjoyment of the property are reduced pollution on the property and throughout the District, improved water quality throughout the District, and an aesthetic enhancement of property in general through a better-maintained landscape resulting in a clean and pristine environment. Use of the Golf Course will be significantly enhanced by allowing owners to enjoy a better game-play experience in playing on well drained, hence dry, lands as well as the satisfaction of playing on a highly maintained course with an admirable beauty as a direct result of that maintenance. Again however, since the Golf Course is owned by the Homeowner's Association, the benefit's that are derived from the enjoyment of the surface water management system, flow as a logical consequence to the individual properties (excluding the Golf Course) within the District. These individual properties will also enjoy the significant decrease in pollutant build up on their lands and common areas and the consequent positive environmental and aesthetic effects on their lands and local community as a direct result of the enhanced Surface Water Management System's construction, operation and maintenance by focused District management.

The Special Benefit of the Probability of Enhanced Value and Increased Marketability

The District's construction of the surface water management system will provide further a special benefit peculiar to each parcel or acre in the probability of increased marketability and enhanced value of the property. Specific benefits of this type include decreased landscaping and maintenance costs, reduced environmental degradation, higher quality property maintenance, reduced water treatment costs (since the system is effectively removing a substantial portion of the pollutants before the run-off water reaches a water treatment facility), and increased prestige. Moreover, the enhanced value received by the property will remain despite any change in future use because the surface water management system benefits the lands of the District irrespective of their current or anticipated purpose. The dollar increase in the value of the property can be determined at a later time by a property appraiser. The Golf Course itself, as a better served entity, will be much more valuable, and consequently as a result of the ownership by the Homeowner's Association the individual home values may be positively affected by the golf course. Additionally, as a result of the construction of the surface water management system, this will provide owner's potentially more playing time should its overall enhancement entice more property owners to visit and use the golf course; again, this in turn could increase the prestige and visibility of the course, further driving up the market value of the individual properties in the District. Finally, these individual properties would specially benefit from value

increases in the individual properties, which are directly attributable to providing flood protection, treatment and attenuation of stormwater, a stormwater system that raises the project's finished floor elevations above FEMA's flood elevation, all from the construction of the District's surface water system, and all at residents' disposal. Finally, the construction of the District's surface water system, will provide less local maintenance and landscaping expenditures, and significantly more attractive individual lots which by their aesthetic characteristics are more sought after and marketable.

The Special Benefit of Decreased Insurance Premiums

Finally, the District's control and management of the surface water management system will provide a special benefit peculiar to each parcel or acre of decreased insurance premiums. The monetary decrease in the insurance premiums could be determined at a later time by an insurance adjuster. The Golf Course as well as residential properties within the District should enjoy significant reductions in insurance costs if the system is proved to decrease pollutants locally in the manner intended as well as provide a means of flood prevention that will reduce the potential for property damage throughout the entire District. Additionally, the mere fact that the system is being constructed to raise the project's finished floor elevations above FEMA's flood elevation, will potentially eliminate the need for or reducing the cost of flood insurance to all individual properties in the District.

(B) Utilities

From the District's focused and pinpointed management, the construction of the District's utility systems, including potable water, sanitary sewer and the irrigation system flows the special benefits peculiar to each parcel or acre in terms of added use, added enjoyment, enhanced value and marketability. All these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct a utility system for the benefit of and upon each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based because without these services, no capital infrastructure nor its maintenance and operation could ever accrue to the properties.

(C) Exterior Landscaping

From the District's focused and pinpointed management, the construction of the exterior landscaping elements flows special benefits peculiar to each parcel within the District. The Board

will provide exterior landscaping which include buffering along Immokalee Road and other areas of the District. This landscaping was required by Collier County Land Development Code. It is these specific services from which all property will gain and specially benefit from added use, added enjoyment, and enhanced value and marketability.

(D) Off-Site Improvements

From the District's focused and pinpointed management, off-site improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements are primarily transportation related improvements and from these improvements the community will mitigate any transportation related deficiencies to the off-site roadway system that are due to the traffic being generated from the parcels and properties in the District. These off-site improvements would not be required if not for the development of the properties in the District and these parcels will specifically benefit from the better flow of traffic into and out of the District. However, the golf course does not generate any additional traffic, since the golf course is not a public course nor open to membership outside the residential property within the District, as such, the golf course receives no benefit from these off-site improvements. Similarly the discovery center does not generate any additional traffic, since it too is not open to the public and is for use only the property owner's in the District, as such, the discover center receives no benefit from these off-site improvements. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

(E) Environmental Mitigation

From the District's focused and pinpointed management, mitigation improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements include the construction of wetland, and other habitat replacement due to the development of the community. These mitigation improvements would not be required if not for the development of the properties in the District and these parcels will specifically benefit from increased storm protection and flood damage due to major storm events. These wetland and other habitat replacements increase nature's nurseries for various birds, animals and plant life, and ultimately increase the enjoyment by residents in the District to participate in wetland activities, such as

canoeing, bird watching, photography, and other outdoor recreation. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

(F) Professional & Permit Services

From the District's focused and pinpointed management, from these miscellaneous improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements are required and include the necessary soft costs, such as engineering design and inspection, permitting, etc. for all of the other systems, facilities and services. These miscellaneous improvements would not be required if not for the balance of the others systems, facilities and services and as such, development of the properties in the District and these parcels will specifically benefit from all of the other systems, facilities and services. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

5.3 Reasonable and Fair Apportionment: The Proportionate Special Benefit

The special benefits described above must be fairly and reasonably apportioned in relation to the relative magnitude (not the value) of the special benefit received by and peculiar to the various properties being assessed. The magnitude of such benefit is different for each type of property within the District and for each type of assessment on which the special benefit is based. The apportionment here is divided by unit type (as opposed to each individual parcel or acre) because the differences among the parcels and acres in each unit type, while present, are de minimus in this situation. It is illustrative of such benefit which one parcel or acre enjoys in comparison to another parcel or acre and that relationship informs the respective assessments which each parcel or acre must pay; always in proportion to the extent of the total benefit which they receive in relation to all other properties which also enjoy such benefit. All assessments discussed below are either equal to or less than such benefit with which it is associated

(A) Surface Water Management System Apportionment

The Surface Water Management System provides several special benefits, peculiar to certain properties within the District, as described above in section 6.2(A). Such benefits conferred by this system, as a whole, are to be apportioned to properties based on: (1) common areas that benefit the entire District (2) common areas that benefit residential only, and (3) specific land uses which generate anticipated runoff based on type of property on a per parcel or per acre basis. These three methods combined will constitute the makeup of the Water Management Services special assessment for each individual parcel or acre.

For the first apportionment method, the District's Water Management assessment will consist of an amount representative of all common areas within the District from which all properties within the District benefit. Because all properties within the District benefit from all District common areas, all properties share in the special benefit conferred on these areas. This is also reflective of the fact that the entire Surface Water Management System is one aggregate system and all properties must bear their share of the respective costs in managing not only their own properties but also of the common areas whose proper functioning is paramount to the integrity of the system as whole.

The second apportionment method addresses the special benefits received by the properties within the residential areas that are common to the residential areas, such as roadways that serve residential areas only, the leisure center and residential common areas as a result of the Surface Water Management system. The residential areas contain additional rights-of-way and common areas that affect water flow only within those residential communities. Therefore, only those properties will receive special benefits from the proper drainage and treatment of stormwater run-off in these areas. Consequently, all properties within these communities are apportioned to reflect the magnitude of these proportionate special benefits.

The third apportionment method, which makes up the remainder of the Water Management assessment, addresses the unit type of individual parcels or acres. Property will be assessed, despite its run-off rate (as calculated in the "Cost Allocation Methodology" above), to reflect the relative magnitude of the individual special benefit it receives proportionally from the entire Water Management System. A considerable portion of the residential properties within the District consists of impervious surfaces and therefore generate significant run-off from storm events.

(B) Utilities Apportionment

The utility services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure provision. As explained earlier, because certain properties, by their nature, require more utility services and consideration when it comes to the provision of infrastructure, such properties benefit proportionally more than others within the District. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional special benefit for each property for this particular assessment varies according to the particular characteristics of the parcel or acre, as well as the apportionment that each unit type receives from the other services.

(C) Exterior Landscaping Apportionment

The exterior landscaping services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require these buffer landscaping areas outside the District in order to develop the property within the District, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional benefit for each property for this particular assessment does not vary according to the particular characteristics of the parcel or acre.

(D) Off-Site Apportionment

The off-site services which consist primarily of roadway related improvements within County Road 951 right-of-way and which benefit the communities are apportioned according to the use, expressed as ITE trip generation rates, associated with specific types of property in those communities. Single Family homes generally have more inhabitants, more vehicles, and therefore higher frequency of use of roadways in their respective community. Condominiums, club homes and villas, however, utilize the community roadways less and therefore benefit less than their Single Family unit counterparts. As a result, Single Family units can be said to enjoy the special benefits of these community specific improvements to a larger magnitude than all other types of units. Single Family units within each respective community will therefore be assessed significantly, but not substantially, more than Multi-Family and for the reason that they will be using community roadways more often and hence receive significantly more special benefits from the specific improvements of roadway lighting, signage and maintenance provided by the District.

(E) Environmental Mitigation Apportionment

The mitigation infrastructure services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require the replacement of lost wetland and habitat, irrespective of the type of land use, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional benefit for each property for this particular assessment does not vary according to the particular characteristics of the parcel or acre.

(F) Professional & Permitting Apportionment

The professional and permitting services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require the these design, inspection, permitting and other costs that are required for the entire infrastructure program, irrespective of the type of land use, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive.

5.4 Application of the Proportionate Special Benefits to the Allocated Costs

Accordingly, the reasonable and fair apportionment of the special benefits provided by the District which is peculiar to both the acres and the platted parcels results in the proportionate special benefit which is the final step required under Florida law to complete the fixing of the assessments to be imposed and levied.

The application of the proportionate special benefit is important. The relative magnitude of each special benefit peculiar to each property for Water Management Services is determined by analyzing the respective acreage of each unit in proportion to the total acreage of the entire District. The relative magnitude of added use is directly related to the total acreage of each unit type. The greater acreage a particular unit occupies, the greater the special benefit received from the District's Water Management System and thus, the greater relative magnitude as compared with the other units. The same analysis was employed for the special benefit of added enjoyment because the Golf Course receives more added enjoyment because its purpose is recreational

whereas residential plats are mainly for dwelling. Better water management leads to enhanced course conditions and increases the quality and satisfaction of the land use.

Phase 8 - Surface Water Management System									
Parcel Type	Number of Units (4)	Number of ERU's	Percent of Cost				Allocation by use & Enjoyment		Allocation by Unit
			Cost Allocation	Allocation	Use (1)	Enjoyment (2)	All (3)	Enjoyment	
52'	87	1	\$ 1,451,747.60	29.74%	22.30%	7.43%	29.74%	\$ 1,451,747.60	\$ 16,686.75
57'	0	1.5	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	1.84	\$ 890,405.20	18.24%	13.68%	4.56%	18.24%	\$ 890,405.20	\$ 30,703.63
76'	23	2.52	\$ 967,164.27	19.81%	14.86%	4.95%	19.81%	\$ 967,164.27	\$ 42,050.62
90'	0	2.73	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	3.27	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.82	\$ 985,185.96	20.18%	15.14%	5.05%	20.18%	\$ 985,185.96	\$ 13,683.14
MF (Vercelli)	64	0.55	\$ 587,373.74	12.03%	9.02%	3.01%	12.03%	\$ 587,373.74	\$ 9,177.71
Golf Course & Amenity	0	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275		\$ 4,881,876.77	100.00%	75.00%	25.00%	100.00%	\$ 4,881,876.77	

(1) Relative Magnitude

(2) Relative magnitude of Added Enjoyment

(3) Relative Magnitude of All Services

(4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

The second and third charts below, shows the cost allocation methodology for Utilities, including potable water, sanitary sewer and irrigation was analyzed based on two distinct component parts. First the potable water and sanitary sewer component, flow rates established by Florida Administrative Code for different use types was used. These flow rates help determine the units that use the infrastructure the most, determining the size of pipes and other ancillary facilities for the different unit types, and consequently the most money to be spent on the construction of these facilities.

Similarly for the irrigation system, the cost allocation methodology is based on the use of the facilities with a notable exception that is the use is based on the average irrigated area for each lot type. The area of land area to be irrigated helps determine the units that use the infrastructure the most, again, also determining the size of pipes and other ancillary facilities for the different unit types, and consequently the most money to be spent on the construction of these facilities.

A similar analysis can be used to determine the relative magnitude of the special benefits peculiar to the properties between the various land use types. The units that cause the most dollars to be spent on the construction of the facilities are the same units that use the infrastructure the most. The units that use the infrastructure the most are also the same units that benefit the most from the infrastructure. Thus, a direct correlation exists between the units causing the most money to be spent on the cost of construction receiving the most benefits from the capital improvement program.

Phase 8 - Potable Water and Sanitary Sewer									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation	Use (1)	Enjoyment (2)	All (3)	Allocation by use & Enjoyment	Allocation by Unit
52'	87	1.00	\$ 958,772.71	33.57%	25.18%	8.39%	33.57%	\$ 958,772.71	\$ 11,020.38
57'	0	1.24	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	1.18	\$ 376,831.07	13.19%	9.89%	3.30%	13.19%	\$ 376,831.07	\$ 12,994.17
76'	23	1.43	\$ 362,422.34	12.69%	9.52%	3.17%	12.69%	\$ 362,422.34	\$ 15,757.49
90'	0	1.65	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	1.87	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.91	\$ 722,410.32	25.29%	18.97%	6.32%	25.29%	\$ 722,410.32	\$ 10,033.48
MF (Vercelli)	64	0.62	\$ 435,814.75	15.26%	11.44%	3.81%	15.26%	\$ 435,814.75	\$ 6,809.61
Golf Course & Amenity	0	0.00	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275	9.89	\$2,856,251.18	100.00%	75.00%	25.00%	100.00%	\$2,856,251.18	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services
- (4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

Phase 8 - Irrigation Water System									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation	Use (1)	Enjoyment (2)	All (3)	Allocation by use & Enjoyment	Allocation by Unit
52'	87	1.00	\$ 225,937.91	44.30%	33.23%	11.08%	44.30%	\$ 225,937.91	\$ 2,596.99
57'	0	1.03	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	0.65	\$ 49,258.49	9.66%	7.24%	2.41%	9.66%	\$ 49,258.49	\$ 1,698.57
76'	23	0.68	\$ 40,710.94	7.98%	5.99%	2.00%	7.98%	\$ 40,710.94	\$ 1,770.04
90'	0	1.01	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	1.10	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.45	\$ 84,534.24	16.57%	12.43%	4.14%	16.57%	\$ 84,534.24	\$ 1,174.09
MF (Vercelli)	64	0.66	\$ 109,576.22	21.48%	16.11%	5.37%	21.48%	\$ 109,576.22	\$ 1,712.13
Golf Course & Amenity	0	0.00	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275	5.471848	\$ 510,017.80	100.00%	75.00%	25.00%	100.00%	\$ 510,017.80	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services
- (4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

The cost allocation methodology for roadway related off-site improvements used ITE (International Traffic Engineers) TRIP rates to determine the allocation of costs for this part of the capital improvement program. The ITE TRIP rates help determine the units that use the infrastructure the most, generating the size of the roadway facilities and consequently cause the most money to be spent in capital on these facilities. A similar analysis can be used to determine the relative magnitude of the special benefits peculiar to the properties in the District. The units that cause the most cost to be spent, and use the infrastructure the most benefit the most from the roadway capital improvement program. Thus, a direct correlation exists between the units causing the most capital to be spent on the roadways and the units receiving the most benefits from the implementation of the capital improvement program

Phase 8 - Off-Site Improvements									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation	Use (1)	Enjoyment (2)	All (3)	Allocation by use & Enjoyment	Allocation by Unit
52'	87	1	\$ 108,679.41	37.15%	27.86%	9.29%	37.15%	\$ 108,679.41	\$ 1,249.19
57'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	1	\$ 36,226.47	12.38%	9.29%	3.10%	12.38%	\$ 36,226.47	\$ 1,249.19
76'	23	1	\$ 28,731.34	9.82%	7.37%	2.46%	9.82%	\$ 28,731.34	\$ 1,249.19
90'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.7	\$ 62,959.11	21.52%	16.14%	5.38%	21.52%	\$ 62,959.11	\$ 874.43
MF (Vercelli)	64	0.7	\$ 55,963.65	19.13%	14.35%	4.78%	19.13%	\$ 55,963.65	\$ 874.43
Golf Course & Amenity	0	0	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275	7.4	\$ 292,559.98	100.00%	75.00%	25.00%	100.00%	\$ 292,559.98	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services
- (4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

The cost allocation methodology for project landscaping – off-site, environmental wetland mitigation along with professional & permit fees are all project costs that are due to the development of the District as a whole, in that if it were not for the entire development, specific land uses benefit equally from the entire development program. All properties within the District receive increased enjoyment from the off-site landscaping, environmental wetland mitigation and increased use of all services from the typical soft costs associated with development projects of this size and magnitude. As these miscellaneous services are not attributable to any specific land uses the apportionment of these services is reflective of the special benefits explained earlier in this report.

Phase 8 - Off-Site Improvements									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation	Use (1)	Enjoyment (2)	All (3)	Allocation by use & Enjoyment	Allocation by Unit
52'	87	1	\$ 108,679.41	37.15%	27.86%	9.29%	37.15%	\$ 108,679.41	\$ 1,249.19
57'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	1	\$ 36,226.47	12.38%	9.29%	3.10%	12.38%	\$ 36,226.47	\$ 1,249.19
76'	23	1	\$ 28,731.34	9.82%	7.37%	2.46%	9.82%	\$ 28,731.34	\$ 1,249.19
90'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.7	\$ 62,959.11	21.52%	16.14%	5.38%	21.52%	\$ 62,959.11	\$ 874.43
MF (Vercelli)	64	0.7	\$ 55,963.65	19.13%	14.35%	4.78%	19.13%	\$ 55,963.65	\$ 874.43
Golf Course & Amenity	0	0	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275	7.4	\$ 292,559.98	100.00%	75.00%	25.00%	100.00%	\$ 292,559.98	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services
- (4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

The table on the following page shows the total apportioned costs after apportionment of the special benefit application.

Phase 8 - Off-Site Improvements									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation	Use (1)	Enjoyment (2)	All (3)	Allocation by	
								use & Enjoyment	Allocation by Unit
52'	87	1	\$ 108,679.41	37.15%	27.86%	9.29%	37.15%	\$ 108,679.41	\$ 1,249.19
57'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62'	29	1	\$ 36,226.47	12.38%	9.29%	3.10%	12.38%	\$ 36,226.47	\$ 1,249.19
76'	23	1	\$ 28,731.34	9.82%	7.37%	2.46%	9.82%	\$ 28,731.34	\$ 1,249.19
90'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
100'	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Multi-family (Esplanade)	72	0.7	\$ 62,959.11	21.52%	16.14%	5.38%	21.52%	\$ 62,959.11	\$ 874.43
MF (Vercelli)	64	0.7	\$ 55,963.65	19.13%	14.35%	4.78%	19.13%	\$ 55,963.65	\$ 874.43
Golf Course & Amenity	0	0	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	275	7.4	\$ 292,559.98	100.00%	75.00%	25.00%	100.00%	\$ 292,559.98	

(1) Relative Magnitude

(2) Relative magnitude of Added Enjoyment

(3) Relative Magnitude of All Services

(4) The Hatcher Annexation Area represents 34 lot's and are included in this report as part of the 52' product

7.0 Overview of the Inventory Adjustment Determination

The assessment methodology is based on the development plan that is currently proposed by the Developer. As with all projects of this size and magnitude, as development occurs, there may be changes to various parts of the proposed project mix, the number of units, the types of units, etc. The inventory adjustment determination mechanism is intended to insure that all of the debt is levied only on developable properties, such that by the end of the development period there will be no remaining debt on any undevelopable property.

First, as property is taken from an undeveloped (raw land) state and readied for development, the property is platted or alternatively specific site plans are developed and processed through the County Property Appraiser, who assigns distinct parcel identification numbers for land that is ready to be built upon. Or in the case of property where a condominium is being developed the land is platted as a large tract of land, and ultimately as the developer files the declaration of condominium, the County Property Appraiser assign distinct parcel identifications to each condominium unit that will be constructed on the property.

Since a plat can and may be changed during the development plan, there are times when a tract of land is re-platted for various reasons, including but not limited to, market conditions, sales to builders who desire to build different products on the properties, as such, in order to insure that properties benefit from the system wide improvements, all land, even if platted, is initially assessed as undeveloped tracts of land on an equal per acre basis. As such, until the developer finalizes the development plan for a track of land and advises the District, the equal per acre basis will be utilized.

When the events noted above occur, the District then allocates the appropriate portion of its debt to the newly established and distinct parcel identification numbers as finally will be

developed. The inventory adjustment determination allows for the District to take the debt on these large tracts of land, and assign the correct allocation of debt to these newly created units. This mechanism is done to insure that the principal assessment for each type of property constructed never exceed the initially allocated assessment contained in this report.

This is done periodically as determined by the District Manager or their authorized representative, and is intended to insure that the remaining number of units to be constructed can be constructed on the remaining developable land. If at any time, the remaining units are insufficient to absorb the remaining development plan, the developer will be required to make a density reduction payment, such that the debt remaining after the density reduction payment does not exceed principal assessment for each type of property is exceeded in the initially allocated assessment contained in this report.

In order to insure that the amount of debt does not exceed the maximum per acre assessment, the District shall take the total acres in Phase 6, remove all platted acres from said calculation, and calculate the remaining debt for the unplatted acres and if the developer shall make any payments to the District to bring the unplatted acres remaining debt per acre to the maximum.

8.0 Allocation of Series 2019 Phase 8 Special Assessment Bonds to Properties in the District.

This section of the report takes the cost allocations identified in this report and spreads that cost over the proposed development plan, taking into consideration the costs of issuing the Series 2019 Bonds – which include Phase 7 and Phase 8, Capitalized Interest, Reserve Account Requirements and Cost of Issuance. It should be noted that that the developer, Taylor Morrison Esplanade, has advised the District that it will construct assets within the 2019 Assessment Area to insure that these constructed assets will be an obligation of the completion agreement with Taylor Morrison Esplanade, and such as such, the total infrastructure to be financed by the District is \$7,966,421.03 plus the costs of issuance, as shown in the chart below.

The following chart reflects the preliminary assessment levels for the Series 2019 Bonds.

From the determination of the Par Debt needed to finance the project, we can compute the outstanding per unit debt, and estimated annual debt service payments on the units. The below chart shows the allocation of debt.

Assessment Levels
Series 2019 - Phase 8 Special Assessment Bonds

Parcel Type	Number of Units	Total Apportioned Costs	Completion Agreement Obligation of Developer (1)	NET Total Apportioned Costs after Obligation of Completion	Percent of Apportioned Costs	Series 2019 - Total par Debt by Product Type	Series 2019 Par Debt Per Unit	ESTIMATED Annual Debt Service	Collection Costs and Discounts	ESTIMATED Total Annual Payment Per Unit	Total Debt Service
52'	87	\$ 3,812,954.77	\$ 1,360,800.00	\$ 2,452,154.77	30.43%	\$ 2,710,213.86	\$ 31,151.88	\$ 1,861.63	\$ 130.31	\$ 1,991.94	\$ 161,961.87
57'	0	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62'	29	\$ 1,776,847.83	\$ 576,200.00	\$ 1,200,647.83	14.90%	\$ 1,327,001.22	\$ 45,758.66	\$ 2,734.53	\$ 191.42	\$ 2,925.95	\$ 79,301.34
76'	23	\$ 1,826,379.37	\$ 305,300.00	\$ 1,521,079.37	18.88%	\$ 1,681,154.23	\$ 73,093.66	\$ 4,368.06	\$ 305.76	\$ 4,673.83	\$ 100,465.46
90'	0	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100'	0	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-family - Esplanade	72	\$ 2,401,342.50	\$ 800,000.00	\$ 1,601,342.50	19.87%	\$ 1,769,864.07	\$ 24,581.45	\$ 1,468.98	\$ 102.83	\$ 1,571.81	\$ 105,766.74
Multi-family - Vercelli	64	\$ 1,674,286.46	\$ 391,300.00	\$ 1,282,986.46	15.92%	\$ 1,418,004.98	\$ 22,156.33	\$ 1,324.06	\$ 92.68	\$ 1,416.74	\$ 84,739.71
Total	275	\$ 11,491,810.93	\$ 3,433,600.00	\$ 8,058,210.93	100.00%	\$ 8,906,238.37					\$ 532,235.11
										Max Annual Debt Service	\$532,235.11
										Rounding	\$ -

(1) The completion agreement obligation is NOT a financial obligation - it is an obligation of the the Developer to ONLY complete the infrastructure, if any exists. If there is no further infrastructure to complete, the column only serves to reduce assessment levels to desired levels.

(1) The completion agreement obligation is NOT a financial obligation - it is an obligation of the the Developer to ONLY complete the infrastructure

Phase 7 Units were assessed with the Phase 6 and 7 Assessment Proceeding, however the Phase 7 Units were not included with the the Series 2017 - Phase 6 Financing - the below chart adds the Phase 7 Units to this Financing.											
Multi-family - Esplanade	36	\$ 1,079,610.10	\$ 375,000.00	\$ 704,610.10		\$ 778,761.63	\$ 21,632.27	\$ 1,292.74	\$ 90.49	\$ 1,383.23	\$ 46,538.65
										Max Annual Debt Service	\$46,538.65
										Rounding	\$ -
						Total Par Debt:	\$ 9,685,000.00				

As noted earlier in this report, initially the debt is levied on the lands in the 2019 Assessment Area on an equal acreage basis.

As a part of this financing, the Developer contemplates that it may annex approximately 10.01 acres of land into the District and will consist of 34 – 52’ lots – however, the acquisition of the potential annexed land is not completed and there is no guarantee that this annexation will be accomplished. As such, these 34 lots are contemplated to be constructed within Phase 8 as 52’ Single Family Lots. If the Developer is successful in acquiring this land and the District annexes this land into its boundaries, the District will amend the boundaries of the Phase 8 to include the annexed land and the total assessments contained in the 52’ Product Mix of 34 units will be removed and that debt will be re-allocated to the 34 – 52’ lots that may be annexed into the District.

The chart on the following page shows the effect of that change.

(1) See Above note (page 30)

(2) Total Apportioned Costs for Phase 7 come from the Phase 6/7 Assessment Methodology

The Developer has advised the District that 34 of the 52' Single Family Product anticipated units at some point in the future, may not be constructed which will require the Developer to pay down the debt associated with that property, or it may develop those units into a 52' product line, in an area that is contemplated to be annexed into the District.

52' Single Family Product Par Assessment Per Unit	\$ 31,151.88
Number of anticipated units assigned to Hatcher Annexation	34
Total Par Debt Allocated to Hatcher Annexation Area	\$1,059,164.04

52' Single Family Product - Construction Proceeds assigned to Hatcher	\$ 28,185.69
Number of anticipated units assigned to Hatcher Annexation	34
Total Construction Proceeds to Sub-Construction Account:	\$ 958,313.36

Total Deposit to Sub-Account of the Construction Account for Hatcher	
Construction Proceeds Transfer to Prepayment Account	\$ 958,313.36
Par Allocation less Construction Proceeds Transfer	\$ 100,850.68
Total Paydown:	\$ 1,059,164.04

Note: If the Hatcher annexation does not occur - there will be an estimated \$30,000.00 reduction in the reserve account that will be used towards the Total Paydown.

9.0 Source and Use of the Series 2019 Special Assessment Bonds (Phase 7 and 8 Projects)

**Flow Way Community Development District
Source & Use of Funds
Series 2019 - Phase 7 and 8
Special Assessment Bonds**

PRELIMINARY SIZING			
	PHASE 8	PHASE 7 ADDITION	TOTAL
Par Debt Issued	\$ 8,906,238.37	\$ 778,761.63	\$ 9,685,000.00
Original Issue Discount			\$ (30,915.40)
			\$ 9,654,084.60
Project Costs	\$ 8,148,055.38	\$ 712,466.10	\$ 8,860,521.48
Capitalized Interest	\$ 92,695.82	\$ 8,105.32	\$ 100,801.14
Debt Service Reserve (50% of MADS)	\$ 266,117.56	\$ 23,269.32	\$ 289,386.88
Cost of Issuance	\$ 370,940.00	\$ 32,435.00	\$ 403,375.00
Rounding Proceeds	\$ -	\$ -	\$ -
Total:	\$ 8,877,808.75	\$ 776,275.75	\$ 9,654,084.50

10.0 Assessment Roll

Exhibit 1 provides the assessment roll for the Phase 8 Capital Improvement Program, debt service assessments shall be paid in thirty (30) annual installments, excluding any capitalized interest period.

JP Ward and Associates LLC

Flow Way Community Development District EXHIBIT 1 - Assessment Roll - Series 2019 - Phase 8 Capital Improvement Program

Future Development Tract Number	Combined Folio #	Phase 7/8 Acreage Unallocated	Total Unallocated Acrea	Property Owner	Assessment by Acre	Total Assessment by Folio	Planned Units by Folio Number												
							52'	57'	62'	76'	90'	MF (Esplanade)	MF (Vercelli)	MF (Vercelli)	MF (LARGE)	Total Units			
Tract F1	31347500067	48.85	48.85	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 8,933,029.23	53						23		72	64		0	212

Phase 7																			
Future Development Tract Number	Combined Folio #	Phase 7/8 Acreage Unallocated	Total Unallocated Acrea	Property Owner	Assessment by Acre	Total Assessment by Folio	52'	57'	62'	76'	90'	MF (Esplanade)	MF (Vercelli)	MF (Vercelli)	MF (LARGE)	Total Units			
	31347500067	1.692	1.692	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 309,504.75									18				18
	26147000345	0.086		Sean P Willman The Terrace, Katonah, NY 10536	\$ -	\$ 24,581.45									1				1
	26147000361	0.086		Michelle & Christopher Counahan 2880 Deer Hollow, Hudson, OH 44236	\$ -	\$ 24,581.45									1				1
	26147000387	0.086		Jason E Capitani & Shannah L 5768 Bridport Lane, Oakland TWP, MI 48363	\$ -	\$ 24,581.45									1				1
	26147000400	0.086		Catherine W Bell Montelánico Loop, Unit #104, Naples, FL 34114	\$ -	\$ 24,581.45									1				1
	26147000426	0.086		Kimberley M & James E Richardson Kings Grant Drive, Atkinson, NH 03811	\$ -	\$ 24,581.45									1				1
	26147000442	0.086		Lisa N Coleran & Charles R Machac Morgan Lane, Basking Ridge, NJ 7920	\$ -	\$ 24,581.45									1				1
	26147000468	0.086		Donald Stone Jr & Leslie H 3959 Norton Place, Fairfax, VA 22030	\$ -	\$ 24,581.45									1				1
	26147000484	0.086		Dina Delpriora & George Zeolla Holly Crescent, Hopewell Junction, NY 12533	\$ -	\$ 24,581.45									1				1
	26147000824	0.086		Ellen Bohn Giltitz & Mark E 47 Hammond Pond Parkway, Chestnut Hill, MA 2467	\$ -	\$ 24,581.45									1				1
	26147000840	0.086		John William Ryan Trust & Carol Jean Ryan Liv Trust Montelánico Loop, Unit #202, Naples, FL 34119	\$ -	\$ 24,581.45									1				1
	26147000866	0.086		John M Marx & Lorri A 1084 West Oakland Avenue, #624, Johnson City, TN 37604	\$ -	\$ 24,581.45									1				1
	26147000882	0.086		Kathleen D Edholm Liv Trust & James L Edholm Liv Trust 258 Summer St, Andover, MA 1800	\$ -	\$ 24,581.45									1				1
	26147000905	0.086		Richard C Sullivan & Sandra C 25 Heather Lane, Foster, RI 02825	\$ -	\$ 24,581.45									1				1
	26147000921	0.086		Joseph P & Yvonne Annese Lore 9673 Montelánico Loop, Unit #202, Naples, FL 34119	\$ -	\$ 24,581.45									1				1
	26147000947	0.086		David A & Andrea Annese Como 24 Hubbs Road, Ballston Lake, NY 12019	\$ -	\$ 24,581.45									1				1
	26147000963	0.086		Patti L Burch 9673 Montelánico Loop, Unit #204, Naples, FL 34119	\$ -	\$ 24,581.45									1				1
	26147000248	0.086		David E & Kathryn N Howenstine 9378 Montelánico Loop, Unit #104, Naples, FL 34119	\$ -	\$ 24,581.45									1				1
	26147000329	0.086		Bryan K & Amanda M Fowler 9678 Montelánico Loop, Unit #204, Naples, FL 34119	\$ -	\$ 24,581.45									1				1
Total Phase 7 Acres		3.23	1.69			\$ 751,970.77	0	0	0	0	0	0	36	0	0	0	0	0	36

Phase 8																			
Future Development Tract Number	Combined Folio #	Phase 7/8 Acreage Unallocated	Total Unallocated Acrea	Property Owner	Assessment by Acre	Total Assessment by Folio	52'	57'	62'	76'	90'	MF (Esplanade)	MF (Vercelli)	MF (Vercelli)	MF (LARGE)	Total Units			
Tract F1	31347500067	11.90	11.90	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 2,176,144.87	53												53
Tract F1	31347500067	7.87	7.87	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 1,438,817.88				29									29
Tract F1	31347500067	7.58	7.58	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 1,386,656.62				23									23
Tract F1	31347500067	6.02	6.02	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 1,100,602.94						72							72
Tract F1	31347500067	5.47	5.47	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 1,000,143.09							64						64
Phase 8 Annex Area	31347500066	10.01	10.01	Taylor Morrison Esplanade Naples LLC 551 North Cattlemen Road, Suite 200, Sarasota, FL 34232	\$ 182,883.50	\$ 1,830,663.83	34												34
Total Phase 8 Acres		48.85	48.85			\$ 8,933,029.23	87	0	29	23	0	72	64	0	0	0	0	0	275

Debt Assignment Allocation	
Total Par Debt Allocated to All Product:	\$ 9,685,000.00
Total Par Debt Allocated to Sold Units	\$ 442,466.02
Total Unallocated Debt	\$ 9,242,533.98
Debt Per Acre for Unallocated Debt	\$ 182,883.50

RESOLUTION NO. 2021-3

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SETTING A PUBLIC HEARING TO BE HELD ON MARCH 18, 2021 AT 1:00 P.M. AT THE OFFICES OF WOODS, WEIDENMILLER, MACHETTI, & RUDNICK, 4095 STRADA STELL COURT, SUITE 400, NAPLES, FLORIDA 34109, 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; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors ("Board") of Flow Way Community Development District ("District") has previously adopted Resolution No. 2021-2 entitled:

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT 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.

WHEREAS, in accordance with Resolution No. 2021-2, a preliminary assessment roll has been prepared and all other conditions precedent set forth in Chapters 170, 190 and 197, Florida Statutes to the holding of the aforementioned public hearing have been satisfied, and the roll and related documents are available for public inspection at the offices of Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109 and the offices of the District Manager at JP Ward & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT:

1. There is hereby declared a public hearing to be held on March 18, 2021 at 1:00 p.m., at the offices of Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109, for the purpose of hearing comment and objections to the proposed special assessment program for community improvements as

identified in the preliminary assessment roll, a copy of which is on file at the offices of Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109 and the offices of the District Manager at JPWard & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308. Said preliminary assessment roll indicates the areas to be improved, description of the project to be assessed and the amount expected to be assessed to each benefited piece or parcel of property. Affected parties may appear at that hearing or submit their comments in writing prior to the meeting and submit same to the office of the District Manager at JPWard & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308.

2. Notice of said hearing shall be advertised in accordance with Chapters 170, 190 and 197 Florida Statutes, and the District Manager is hereby authorized and directed to place said notice in a newspaper of general circulation published within Collier County (by two publications one week apart with the last publication at least one week prior to the date of the hearing established herein). The District Manager shall file a publisher's affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give thirty (30) days written notice by mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the offices of Woods, Weidenmiller, Michetti, & Rudnick, Strada Stell Court, Suite 400, Naples, Florida 34109 or the offices of the District Manager at JPWard & Associates, LLC, 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

3. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 21st day of January 2021.

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

Zack Stamp, Chairman

RESOLUTION 2021-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT DESIGNATING NEW LOCATION FOR THE REMAINING REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Flow Way Community Development District (the “District”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing operating and maintaining infrastructure improvements, facilities, and services to the lands within the District; and

WHEREAS, in accordance with the provisions of Chapter 189.415, Florida Statutes, the District is required to file quarterly, semiannually, or annually a schedule of its regular meetings with the local governing authority or authorities; and

WHEREAS, in accordance with the above referenced Statute, the District shall also publish quarterly, semiannually, or annually its regular meeting schedule in a newspaper of general paid circulation in the County in which the District is located and shall appear in the legal notices section of the classified advertisements;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

SECTION 1. DESIGNATION OF DATES, TIME, AND LOCATION OF REGULAR MEETINGS.

- a. **Date:** The third Thursday of each month for the remainder of Fiscal Year 2021, which ends September 30, 2021.

The Fiscal Year 2021 schedule is as follows:

February 18, 2021	March 18, 2021
April 15, 2021	May 20, 2021
June 17, 2021	July 15, 2021
August 19, 2021	September 16, 2021

- b. **Time:** 1:00 P.M. (Eastern Standard Time)
- c. **Location:** The offices of Woods, Weidenmiller, Michetti, & Rudnick, 9045 Strada Stell Court, Suite 400, Naples, Florida 34109.

SECTION 2. SUNSHINE LAW AND MEETING CANCELATIONS AND CONTINUATIONS. The meetings of the Board of Supervisors are open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. The District by and through its District Manager may cancel any meeting of the Board of Supervisors and all meetings may be continued to a date, time, and place to be specified on the record at the hearings or meeting.

RESOLUTION 2021-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT DESIGNATING NEW LOCATION FOR THE REMAINING REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

SECTION 3. SEVERABILITY AND INVALID PROVISIONS. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

SECTION 4. CONFLICT. That all Sections or parts of Sections of any Resolutions, Agreements, or actions of the Board of Supervisors in conflict are hereby repealed to the extent of such conflict.

SECTION 5. PROVIDING FOR AN EFFECTIVE DATE. This Resolution shall become effective immediately upon passage

PASSED AND ADOPTED this 21st day of January, 2021

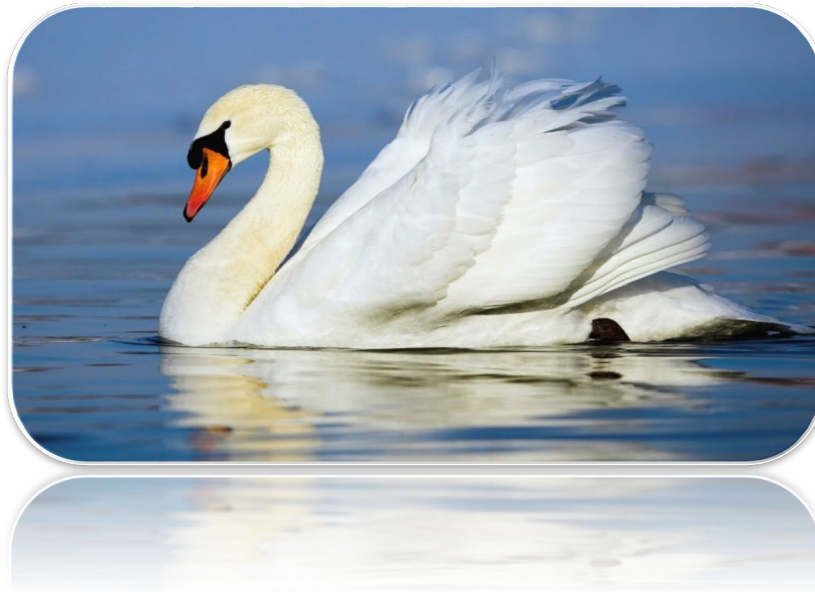
ATTEST:

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

James P. Ward, Secretary

Zack Stamp, Chairman

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS - DECEMBER 2020

FISCAL YEAR 2021

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2900 NORTHEAST 12TH TERRACE, SUITE 1, OAKLAND PARK, FL 33334

T: 954-658-4900 E: JimWard@JPWardAssociates.com

Flow Way Community Development District

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JPWard & Associates, LLC
2900 NE 12th Terrace
Suite 1
Oakland Park, Florida 33334

**Flowway Community Development District
Balance Sheet
for the Period Ending December 31, 2020**

	Governmental Funds			Debt Service Funds					Capital Projects Fund			Account Groups	Totals
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt	(Memorandum Only)	
Assets													
Cash and Investments													
General Fund - Invested Cash	\$ 795,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 795,675	
Debt Service Fund													
Interest Account	-	-	-	-	-	-	-	-	-	-	-	-	
Sinking Account	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve Account	-	539,000	246,188	161,930	174,589	118,375	289,324	-	-	-	-	1,529,405	
Revenue	-	546,011	296,917	205,831	324,633	209,037	478,791	-	-	-	-	2,061,221	
Prepayment Account	-	-	0	-	-	-	-	-	-	-	-	0	
General Redemption Account	-	-	-	2,471	-	-	-	-	-	-	-	2,471	
Construction	-	-	-	-	-	-	-	19,948	12,974	33,313	-	66,235	
Cost of Issuance	-	-	-	-	-	-	-	-	-	-	-	-	
Retainage Account	-	-	-	-	-	-	-	-	-	1,037,087	-	1,037,087	
Due from Other Funds													
General Fund	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-	
Market Valuation Adjustments													
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-	
Assessments Receivable/Deposits	-	-	-	-	-	-	-	-	-	-	-	-	
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	3,265,685	3,265,685	
Amount to be Provided by Debt Service Funds	-	-	-	-	-	-	-	-	-	-	27,469,315	27,469,315	
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-	
Total Assets	\$ 795,675	\$ 1,085,011	\$ 543,105	\$ 370,232	\$ 499,221	\$ 327,412	\$ 768,116	\$ 19,948	\$ 12,974	\$ 1,070,400	\$ 30,735,000	\$ 36,227,094	

**Flowway Community Development District
Balance Sheet
for the Period Ending December 31, 2020**

	Governmental Funds		Debt Service Funds					Capital Projects Fund			Account Groups		Totals (Memorandum Only)
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2019 (Phase 7 8 Hatcher)	General Long Term Debt		
Liabilities													
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds													
General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonds Payable													
Current Portion	-	-	-	-	-	-	-	-	-	-	605,000	605,000	605,000
Long Term	-	-	-	-	-	-	-	-	-	-	30,130,000	30,130,000	30,130,000
Unamortized Prem/Disc on Bds Pybl	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,735,000</u>	<u>\$ 30,735,000</u>	<u>\$ 30,735,000</u>
Fund Equity and Other Credits													
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance													
Restricted													
Beginning: October 1, 2020 (Unaudited)	-	960,943	486,992	346,002	434,323	327,412	671,391	18,059	11,693	1,070,321	-	-	4,327,136
Results from Current Operations	-	124,068	56,113	24,230	64,899	-	96,725	1,889	1,281	79	-	-	369,283
Unassigned													
Beginning: October 1, 2020 (Unaudited)	366,305	-	-	-	-	-	-	-	-	-	-	-	366,305
Results from Current Operations	429,370	-	-	-	-	-	-	-	-	-	-	-	429,370
Total Fund Equity and Other Credits	<u>\$ 795,675</u>	<u>\$ 1,085,011</u>	<u>\$ 543,105</u>	<u>\$ 370,232</u>	<u>\$ 499,221</u>	<u>\$ 327,412</u>	<u>\$ 768,116</u>	<u>\$ 19,948</u>	<u>\$ 12,974</u>	<u>\$ 1,070,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,492,094</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 795,675</u>	<u>\$ 1,085,011</u>	<u>\$ 543,105</u>	<u>\$ 370,232</u>	<u>\$ 499,221</u>	<u>\$ 327,412</u>	<u>\$ 768,116</u>	<u>\$ 19,948</u>	<u>\$ 12,974</u>	<u>\$ 1,070,400</u>	<u>\$ 30,735,000</u>	<u>\$ 30,735,000</u>	<u>\$ 36,227,094</u>

**Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ 100,000	0%
Interest						
Interest - General Checking	-	-	-	-	-	N/A
Special Assessment Revenue						
Special Assessments - On-Roll	3,858	250,441	222,779	477,078	579,690	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Contributions Private Sources	-	-	-	-	-	N/A
Miscellaneous Revenue	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,858	\$ 250,441	\$ 222,779	477,078	\$ 679,690	70%
Expenditures and Other Uses						
Legislative						
Board of Supervisor's Fees	-	-	1,600	1,600	2,400	67%
Executive						
Professional Management	3,333	3,333	3,333	10,000	40,000	25%
Financial and Administrative						
Audit Services	-	-	-	-	4,400	0%
Accounting Services	1,333	1,333	1,333	4,000	16,000	25%
Assessment Roll Services	1,333	1,333	1,333	4,000	16,000	25%
Arbitrage Rebate Services	600	-	-	600	3,000	20%
Other Contractual Services						
Recording and Transcription	-	-	-	-	-	N/A
Legal Advertising	-	1,166	-	1,166	3,500	33%
Trustee Services	-	-	-	-	25,450	0%
Dissemination Agent Services	5,500	-	-	5,500	5,500	100%

**Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Property Appraiser Fees	9,966	-	-	9,966	16,000	62%
Bank Services	-	-	-	-	400	0%
Travel and Per Diem	-	-	-	-	-	N/A
Communications & Freight Services						
Postage, Freight & Messenger	19	-	30	49	600	8%
Rentals & Leases						
Meeting Room Rental	-	-	200	200	-	N/A
Computer Services - Website Development	50	50	-	100	2,000	5%
Insurance	6,503	-	-	6,503	6,300	103%
Printing & Binding	-	-	152	152	750	20%
Office Supplies	-	-	-	-	-	N/A
Subscription & Memberships	175	-	-	175	175	100%
Legal Services						
Legal - General Counsel	2,135	-	613	2,748	10,000	27%
Boundary Expansion	-	-	-	-	-	N/A
SFWMD - Permit Objection	-	-	185	185	-	N/A
Special Counsel - Litigation	-	-	-	-	100,000	0%
Other General Government Services						
Engineering Services - General Fund	150	-	-	150	5,000	3%
Capital Outlay	-	-	-	-	-	N/A
Stormwater Management Services						
Preserve Area Maintenance						
Environmental Engineering Consultant						
Task 1 - Bid Documents	-	613	-	613	-	N/A
Task 2 - Monthly site visits	-	-	-	-	13,350	0%
Task 3 - Reporting to Regulatory Agencies	-	-	-	-	8,000	0%
Task 4 - Fish Sampling to US Fish & Wildlife	-	-	-	-	10,350	0%
Task 5 - Attendance at Board Meeting	-	-	-	-	1,000	N/A

**Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Clearing Downed Trees/Cleanup	-	-	-	-	1,000	0%
Code Enforcement for Incursion into Preserve	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	N/A
Repairs and Maintenance						
Wading Bird Foraging Areas	-	-	-	-	1,522	0%
Internal Preserves	-	-	-	-	6,598	0%
Western Preserve	-	-	-	-	33,215	0%
Northern Preserve Area 1	-	-	-	-	64,560	0%
Northern Preserve Area 2	-	-	-	-	113,120	0%
Clearing Downed Trees/Cleanup	-	-	-	-	5,000	0%
Code Enforcement for Incursion into Preserve	-	-	-	-	2,500	0%
Lake, Lake Bank and Littoral Shelf Maintenance						
Professional Services						
Asset Management	-	-	-	-	15,000	0%
Repairs & Maintenance						
Aquatic Weed Control	-	-	-	-	35,000	0%
Lake Bank Maintenance	-	-	-	-	15,000	0%
Water Quality Testing	-	-	-	-	5,000	0%
Littortal Shelf Planting	-	-	-	-	10,000	0%
Aeration System	-	-	-	-	-	N/A
Capital Outlay						
Aeration Systems	-	-	-	-	-	N/A
Littortal Shelf Replanting	-	-	-	-	-	N/A
Lake Bank Restoration	-	-	-	-	-	N/A
Erosion Restoration	-	-	-	-	-	N/A
Contingencies	-	-	-	-	1,600	0%
Landscaping Services						
Professional Services						

**Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Asset Management	-	-	-	-	5,000	0%
Utility Services						
Electric	-	-	-	-	2,400	0%
Irrigation Water	-	-	-	-	3,000	0%
Repairs & Maintenance						
Public Area Landscaping	-	-	-	-	30,000	0%
Irrigation System	-	-	-	-	25,000	0%
Well System	-	-	-	-	10,000	0%
Plant Replacement	-	-	-	-	-	N/A
Operating Supplies						
Mulch	-	-	-	-	5,000	0%
Capital Outlay	-	-	-	-	-	N/A
Lake Bank Restoration	-	-	-	-	-	N/A
Reserves for Future Operations						
Future Operations/Restorations	-	-	-	-	-	N/A
Intragovernmental Transfer Out	-	-	-	-	-	N/A
Sub-Total:	31,098	7,829	8,780	47,707	679,690	7%
Total Expenditures and Other Uses:	\$ 31,098	\$ 7,829	\$ 8,780	\$ 47,707	\$ 679,690	7%
Net Increase/ (Decrease) in Fund Balance	(27,240)	242,612	213,998	429,370	-	
Fund Balance - Beginning	366,305	339,065	581,677	366,305	-	
Fund Balance - Ending	\$ 339,065	\$ 581,677	\$ 795,675	795,675	\$ -	

**Flowway Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	8	1%
Sinking Fund	-	0	0	0	-	N/A
Reserve Account	1	5,830	0	5,831	1,600	364%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	2	2	0	4	975	0%
Special Assessment Revenue						
Special Assessments - On-Roll	3,589	232,943	207,214	443,746	539,344	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,591	\$ 238,774	\$ 207,215	449,581	\$ 541,927	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2013 Bonds	\$ -	\$ 115,000	\$ -	115,000	\$ 115,000	100%
Principal Debt Service - Early Redemptions						
Series 2013 Bonds	-	-	-	-	-	N/A
Interest Expense						
Series 2013 Bonds	-	210,513	-	210,513	417,575	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 325,513	\$ -	325,513	\$ 532,575	N/A
Net Increase/ (Decrease) in Fund Balance	3,591	(86,738)	207,215	124,068	9,352	
Fund Balance - Beginning	960,943	964,535	877,797	960,943		
Fund Balance - Ending	\$ 964,535	\$ 877,797	\$ 1,085,011	1,085,011	\$ 9,352	

Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 3)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	-	N/A
Sinking Fund	-	0	0	0	-	N/A
Reserve Account	0	2,663	0	2,663	550	484%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	1	1	0	2	300	1%
Special Assessment Revenue						
Special Assessments - On-Roll	1,702	110,460	98,260	210,422	255,873	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Special Assessments - Prepayment	-	-	-	-	-	N/A
Intragovernmental Transfers In						
Debt Proceeds	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,703	\$ 113,124	\$ 98,260	213,088	\$ 256,723	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2015 Bonds (Phase 3)	\$ -	\$ 70,000	\$ -	70,000	\$ 70,000	100%
Principal Debt Service - Early Redemptions						
Series 2015 Bonds (Phase 3)	-	-	-	-	-	N/A
Interest Expense						
Series 2015 Bonds (Phase 3)	-	86,975	-	86,975	172,463	50%
Operating Transfers Out (To Other Funds)						
Total Expenditures and Other Uses:	\$ -	\$ 156,975	\$ -	156,975	\$ 242,463	N/A
Net Increase/ (Decrease) in Fund Balance	1,703	(43,851)	98,260	56,113	14,260	
Fund Balance - Beginning	486,992	488,695	444,844	486,992	-	
Fund Balance - Ending	\$ 488,695	\$ 444,844	\$ 543,105	543,105	\$ 14,260	

Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 4)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	-	N/A
Sinking Fund	-	0	0	0	-	N/A
Reserve Account	0	1,751	0	1,752	500	350%
Prepayment Account	0	0	-	0	-	N/A
Revenue Account	1	1	0	1	400	0%
General Redemption Account	0	0	0	0	-	N/A
Special Assessment Revenue						
Special Assessments - On-Roll	1,440	93,439	81,776	176,654	216,250	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	-	-	N/A
Operating Transfers In (To Other Funds)	-	-	-	-	-	N/A
Debt Proceeds	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,441	\$ 95,191	\$ 81,776	178,408	\$ 217,150	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2015 Bonds (Phase 4)	\$ -	\$ 55,000	\$ -	55,000	\$ 55,000	100%
Principal Debt Service - Early Redemptions						
Series 2015 Bonds (Phase 4)	-	20,000	-	20,000	-	N/A
Interest Expense						
Series 2015 Bonds (Phase 4)	-	79,178	-	79,178	157,256	50%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 154,178	\$ -	154,178	\$ 212,256	N/A
Net Increase/ (Decrease) in Fund Balance	1,441	(58,987)	81,776	24,230	4,894	
Fund Balance - Beginning	346,002	347,443	288,456	346,002		
Fund Balance - Ending	\$ 347,443	\$ 288,456	\$ 370,232	370,232	\$ 4,894	

Flowway Community Development District
Debt Service Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	2	3%
Sinking Fund	-	0	0	0	-	N/A
Reserve Account	0	1,888	0	1,889	345	547%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	1	1	0	2	220	1%
Special Assessment Revenue						
Special Assessments - On-Roll	2,329	151,169	134,472	287,970	350,060	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Debt Proceeds						
Operating Transfers In (To Other Funds)	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 2,330	\$ 153,058	\$ 134,472	289,861	\$ 350,627	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2016 Bonds (Phase 5)	\$ -	\$ 100,000	\$ -	100,000	\$ 95,000	105%
Principal Debt Service - Early Redemptions						
Series 2016 Bonds (Phase 5)	-	-	-	-	-	N/A
Interest Expense						
Series 2016 Bonds (Phase 5)	-	123,074	-	123,074	247,763	50%
Operating Transfers Out (To Other Funds)	0	1,888	0	1,889	-	N/A
Total Expenditures and Other Uses:	\$ 0	\$ 224,962	\$ 0	224,962	\$ 342,763	N/A
Net Increase/ (Decrease) in Fund Balance	2,330	(71,904)	134,472	64,899	7,864	
Fund Balance - Beginning	434,323	436,653	364,749	434,323		
Fund Balance - Ending	\$ 436,653	\$ 364,749	\$ 499,221	499,221	\$ 7,864	

Flowway Community Development District
Debt Service Fund - Series 2017 (Phase 6)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	-	N/A
Sinking Fund	-	0	0	0	-	N/A
Reserve Account	0	1,280	0	1,280	2,200	58%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	1	1	0	1	1,100	0%
Special Assessment Revenue						
Special Assessments - On-Roll	1,570	101,890	90,636	194,096	235,848	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Debt Proceeds						
Operating Transfers In (To Other Funds)	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,571	\$ 103,171	\$ 90,636	195,378	\$ 239,148	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2017 Bonds (Phase 6)	\$ -	\$ 65,000	\$ -	65,000	\$ 65,000	100%
Principal Debt Service - Early Redemptions						
Series 2017 Bonds (Phase 6)	-	-	-	-	-	N/A
Interest Expense						
Series 2017 Bonds (Phase 6)	-	83,850	-	83,850	166,563	50%
Debt Service-Other Costs						
Operating Transfers Out (To Other Funds)	0	1,280	0	1,281	-	N/A
Total Expenditures and Other Uses:	\$ 0	\$ 150,130	\$ 0	150,131	\$ 231,563	N/A
Net Increase/ (Decrease) in Fund Balance	1,570	(46,959)	90,636	45,248	7,585	
Fund Balance - Beginning	282,164	283,735	236,776	282,164		
Fund Balance - Ending	\$ 283,735	\$ 236,776	\$ 327,412	327,412	\$ 7,585	

Flowway Community Development District
Debt Service Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources						
Carryforward - Capitalized Interest	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income						
Interest Account	-	0	0	0	-	N/A
Sinking Account	-	0	0	0	-	N/A
Reserve Account	1	1	1	4	2,700	0%
Prepayment Account	-	-	-	-	-	N/A
Revenue Account	2	2	0	3	1,100	0%
Special Assessment Revenue						
Special Assessments - On-Roll	3,851	249,964	222,355	476,171	578,774	82%
Special Assessments - Off-Roll	-	-	-	-	-	N/A
Debt Proceeds						
	-	-	-	-	-	
Operating Transfers In (To Other Funds)						
	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,854	\$ 249,967	\$ 222,357	476,178	\$ 582,574	N/A
Expenditures and Other Uses						
Debt Service						
Principal Debt Service - Mandatory						
Series 2019 Bonds (Phase 7,8,Hatcher)	\$ -	\$ 180,000	\$ -	180,000	\$ 180,000	100%
Principal Debt Service - Early Redemptions						
Series 2019 Bonds (Phase 7,8,Hatcher)	-	-	-	-	-	N/A
Interest Expense						
Series 2019 Bonds (Phase 7,8,Hatcher)	-	199,387	-	199,387	395,759	50%
Debt Service-Other Costs						
	-	-	-	-	-	N/A
Operating Transfers Out (To Other Funds)						
	1	1	64	66	-	N/A
Total Expenditures and Other Uses:	\$ 1	\$ 379,388	\$ 64	379,453	\$ 575,759	N/A
Net Increase/ (Decrease) in Fund Balance	3,853	(129,421)	222,293	96,725	6,815	
Fund Balance - Beginning	671,391	675,244	545,823	671,391		
Fund Balance - Ending	\$ 675,244	\$ 545,823	\$ 768,116	768,116	\$ 6,815	

**Flowway Community Development District
Capital Project Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	-	\$ -
Interest Income					
Construction Account	0	0	0	0	-
Cost of Issuance	-	-	-	-	-
Debt Proceeds					
Operating Transfers In (From Other Funds)	0	1,888	0	1,889	-
Total Revenue and Other Sources:	\$ 0	\$ 1,888	\$ 0	\$ 1,889	\$ -
Expenditures and Other Uses					
Executive					
Professional Management	-	-	-	\$ -	\$ -
Other Contractual Services					
Trustee Services	-	-	-	\$ -	\$ -
Printing & Binding					
	-	-	-	\$ -	\$ -
Legal Services					
Legal - Series 2016 Bonds (Phase 5)	-	-	-	\$ -	-
Other General Government Services					
Stormwater Mgmt-Construction	-	-	-	\$ -	\$ -
Capital Outlay					
Construction in Progress					
	-	-	-	\$ -	-
Cost of Issuance					
Series 2016 Bonds (Phase 5)	-	-	-	-	\$ -
Underwriter's Discount					
	-	-	-	\$ -	-
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	-
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	0	1,888	\$ 0	\$ 1,889	-
Fund Balance - Beginning	18,059	18,059	\$ 19,947	18,059	-
Fund Balance - Ending	\$ 18,059	\$ 19,947	\$ 19,948	\$ 19,948	\$ -

Prepared by:

JPWARD and Associates, LLC

**Flowway Community Development District
Capital Project Fund - Series 2017 (Phase 6)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020**

Description	October	November	December	Year to Date	Total Annual Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	-	\$ -
Interest Income					
Construction Account	0	0	0	0	-
Cost of Issuance	-	-	-	-	-
Debt Proceeds					
Operating Transfers In (From Other Funds)	0	1,280	0	1,281	-
Total Revenue and Other Sources:	\$ 0	\$ 1,280	\$ 0	\$ 1,281	\$ -
Expenditures and Other Uses					
Executive					
Professional Management	-	-	-	\$ -	\$ -
Other Contractual Services					
Trustee Services	-	-	-	\$ -	\$ -
Printing & Binding					
Printing & Binding	-	-	-	\$ -	\$ -
Legal Services					
Legal - Series 2016 Bonds (Phase 5)	-	-	-	\$ -	-
Capital Outlay					
Water-Sewer Combination-Construction	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	\$ -	\$ -
Construction in Progress					
Construction in Progress	-	-	-	\$ -	-
Cost of Issuance					
Series 2017 Bonds (Phase 6)	-	-	-	-	\$ -
Underwriter's Discount					
Underwriter's Discount	-	-	-	\$ -	-
Operating Transfers Out (To Other Funds)	\$ -	\$ -	-	\$ -	-
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	0	1,280	\$ 0	\$ 1,281	-
Fund Balance - Beginning	11,693	11,693	\$ 12,974	11,693	-
Fund Balance - Ending	\$ 11,693	\$ 12,974	\$ 12,974	\$ 12,974	\$ -

Prepared by:

JPWARD and Associates, LLC

Flowway Community Development District
Capital Project Fund - Series 2019 (Phase 7, Phase 8 and Hatcher)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through December 31, 2020

Description	October	November	December	Year to Date	Total Annual Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	-	\$ -
Interest Income					
Construction Account	0	0	0	0	-
Cost of Issuance	-	-	-	-	-
Retainage Account	4	4	4	13	-
Debt Proceeds					
Contributions from Private Sources					
Operating Transfers In (From Other Funds)	1	1	64	66	-
Total Revenue and Other Sources:	\$ 6	\$ 6	\$ 68	\$ 79	\$ -
Expenditures and Other Uses					
Executive					
Professional Management	-	-	-	\$ -	\$ -
Other Contractual Services					
Trustee Services	-	-	-	\$ -	\$ -
Printing & Binding	-	-	-	\$ -	\$ -
Legal Services					
Legal - Series 2019 Bonds (Ph 7, Ph 8 & Hatcher)	-	-	-	\$ -	\$ -
Capital Outlay					
Water-Sewer Combination-Construction	-	-	-	\$ -	\$ -
Stormwater Mgmt-Construction	-	-	-	\$ -	\$ -
Off-Site Improvements-CR 951 Extension	-	-	-	\$ -	\$ -
Construction in Progress	-	-	-	\$ -	\$ -
Cost of Issuance					
Series 2016 Bonds (Phase 5)	-	-	-	-	\$ -
Underwriter's Discount	-	-	-	\$ -	\$ -
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	\$ 6	\$ 6	\$ 68	\$ 79	-
Fund Balance - Beginning	1,070,321	1,070,326	\$ 1,070,332	1,070,321	-
Fund Balance - Ending	\$ 1,070,326	\$ 1,070,332	\$ 1,070,400	\$ 1,070,400	\$ -

Prepared by:

JPWARD and Associates, LLC

**AGREEMENT BETWEEN FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AND THE
ESPLANADE GOLF AND COUNTRY CLUB, INC.
FOR INSPECTION AND MAINTENANCE SERVICES**

This agreement (the "Agreement") is entered into to be effective as of the 19 day of August, 2014 by and between:

Flow Way Community Development District, an independent special district established pursuant to Chapter 190, Florida Statutes ("District"), having its place of business at 513 Northeast 13th Avenue, Fort Lauderdale, Florida 33301; and

Esplanade Golf and Country Club of Naples, Inc., a Florida not-for-profit corporation, ("Association"), having its place of business at 551 North Cattlemen Road, Suite 200, Sarasota, Florida 34232.

RECITALS

A. The Association is a private not-for-profit corporation formed pursuant to Chapter 720, Florida Statutes to serve as an association of the homeowners within the District; its purpose is to manage private common areas and amenities.

B. The District is a local unit of special-purpose government established by ordinance adopted by the Board of County Commissioners of Collier County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and is validly existing under the Constitution and laws of the State of Florida. The District has the authority to, among other things, plan, finance, construct, operate, and maintain certain community infrastructure, including, but not limited to, stormwater management improvements; roadways; entrance, landscape and irrigation improvements; water and sewer improvements; and wetland mitigation within or without the boundaries of the District (the "District Improvements").

C. For ease of administration, potential cost savings to property owners and residents and the benefits of full time on-site inspection, operation and maintenance personnel, the District desires to contract with the Association to conduct the routine inspection, maintenance and repair of District Improvements.

D. The residents within the community that is served by both the Association and the District benefit from the District Improvements and may be required to pay for the cost of maintaining such improvements, regardless whether such maintenance is conducted by the Association or the District.

E. The Association is able and willing to perform the daily routine maintenance of the District Improvements for the District as provided herein and provide the certification specified herein.

NOW, THEREFORE, in consideration of the recitals, agreements and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the District and Association (collectively, the “Parties”), the Parties agree as follows:

1. The foregoing recitals are incorporated herein by reference and made a material and dispositive part of this Agreement.

2. The Association shall provide the day-to-day maintenance of the District Improvements in accordance with the scope of services set forth expressly in Exhibit “A” attached hereto and incorporated herein (the “Scope of Services”). All such maintenance shall be performed by the Association in full compliance with all applicable laws, statutes, ordinances, administrative rules and regulations, District rules, and applicable permit requirements. The Scope of Services may be modified from time to time in writing upon the mutual agreement of the Parties. The District shall be responsible for capital renewal and replacement of the components of the District Improvements which shall be subject to the approval of the District Manager (as defined below). Also, under the supervision of the District Manager and using forms and procedures provided by or agreed to by the District Manager, the Association shall certify, in writing, annually, to the District Manager with copies to the Chair of the Board of Supervisors of the District (the “Board”) and the District counsel, its compliance specifically with its duties under this Agreement.

3. The District shall designate in writing a person to act as the District’s representative with respect to the services to be performed under this Agreement. The District’s representative shall have complete authority to transmit instructions, receive information, interpret and define the District’s policies and decisions with respect to materials, equipment, elements, and systems pertinent to the Association’s services. The District hereby designates James P. Ward (“District Manager”), to act as its representative. The Association agrees to meet with the District’s representative no less than one (1) time per month to walk the property to discuss conditions, schedules, and items of concern regarding this Agreement.

4. As directed under the supervision of the District Manager, the Association shall perform regular on-site inspections of the District Improvements to determine their condition as well as perform the maintenance of such District Improvements as outlined in the Scope of Services . Such inspections and maintenance shall be in compliance with all applicable federal, state, regional, local and district charter rules and regulations, and permits and other approvals, and the Association shall make a representative available to provide reporting at the regular meetings of the District’s Board.

5. To the extent required by law, the District shall let all contracts necessary for the services and that exceed the limits established by law for public bidding in order to comply with the competitive procurement requirements of Florida law; otherwise, the Association shall let all such contracts in order to provide the services contemplated hereunder.

6. This Agreement shall automatically renew on an annual basis unless terminated by either party as provided for herein. The District may terminate the Agreement for any or no reason upon thirty (30) days written notice to the Association. The Association may terminate the Agreement on September 30th of each calendar year provided the Association provides the District written notice of termination no later than May 30th of each calendar year. If written notice of termination is provided by the Association after May 30th of each year, then the effective date of termination shall be September 30th of the following calendar year.

7. In all matters relating to this Agreement, the Association shall be acting as an independent contractor. Neither the Association nor employees of the Association, if there are any, are employees of the District under the meaning or application of any Federal or State Unemployment or Insurance Laws or Old Age Laws or otherwise. The Association agrees to assume all liabilities or obligations imposed by any one or more of such laws with respect to employees of the Association, if there are any, in the performance of this Agreement. The Association shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Association shall have no authority to represent the District as an agent, employee, or in any other capacity.

8. Association agrees to indemnify, defend and hold harmless the District and its Board members, officers, agents, staff and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of the Association, or its officers, employees, representatives, contractors, or subcontractors including litigation or any appellate proceedings with respect thereto. Association further agrees to require by written contract any contractor or subcontractors hired in connection with this Agreement to indemnify, defend and hold harmless the District and its officers, agents, staff and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of such contractors or subcontractors, including litigation or any appellate proceedings with respect thereto. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, fines, penalties, attorney fees, and paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.

9. The Association shall procure appropriate replacement property insurance, general and automobile liability insurance, and such other coverage as may be necessary or desirable to carry out its duties under this Agreement regarding the District Improvements, at minimum levels of coverage of \$1,000,000.00 per person and \$2,000,000.00 per occurrence. A

certificate of insurance will be provided to the District annually. No certificate shall be acceptable to the District unless it provides that any change or termination within the policy periods of the insurance coverage, as certified, shall not be effective within thirty (30) days of prior written notice to the District. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the State of Florida, and such carrier shall have a Best's Insurance Reports rating of at least A-VII.

10. The District shall pay Association the sum of Ten Dollars (\$10.00) per year for the provision of management and maintenance services pursuant to the terms of this Agreement. The Association shall not be entitled, for any reason, to reimbursement or refund from the District of any funds expended in the performance of the Association's obligations and responsibilities under this Agreement. The Association shall be solely responsible for staffing, budgeting, financing, billing and collection of fees, service charges, etc., necessary to perform the Association's obligations and responsibilities set forth in this Agreement.

11. This Agreement shall be governed under the laws of the State of Florida, including expressly the charter of the District in Chapter 190, Florida Statutes. If any party hereto is required to enforce its rights hereunder the successful party shall be entitled to recover from the other party costs incurred, including reasonable attorney's fees.

12. The Association recognizes, acknowledges and agrees that any records and materials associated with the provisions of the services under this Agreement may constitute public records under the laws of the State of Florida and the Association agrees to maintain such records in accordance with the provisions of the law governing public records.

13. A waiver by either party of any provision of this Agreement shall not act as a waiver of any other provision of this Agreement. If any provision of this Agreement is for any reason declared invalid, illegal, or unenforceable, that declaration shall not affect the remainder of the provisions of this Agreement.

14. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Association.

15. This Agreement embraced the entire Agreement between the parties. No oral Agreement or representation concerning this Agreement shall be binding.

16. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue for any dispute shall be in a court of appropriate jurisdiction in Collier County, Florida.

17. The Association agrees that nothing contained in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability set forth in Section 768.28, Florida Statutes, and other law.

18. This Agreement may not be assigned by the Association without the prior written specific consent of the District, which consent may be withheld in the District's sole and absolute discretion.

19. Any notice, demand, consent, authorization, request, approval or other communication that any party is required, or may desire, to give to or make upon the other parties pursuant to this Agreement shall be effective and valid only if in writing, signed by the party giving notice and either (i) delivered personally to the other parties; (ii) sent by commercial overnight courier or delivery service; (iii) certified mail of the United States Postal Service, postage prepaid and return receipt requested; or (iv) email, addressed to the other parties at the addresses set forth below (or to such other place as any party may by notice to the others specify). Notice shall be deemed given when received, except that if delivery is not accepted, notice shall be deemed given on the date of such non-acceptance. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving notice would otherwise expire on a non-business day, the notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel may deliver notice on behalf of the party represented. Initial addresses for the Parties include:

Flow Way Community Development District

2041 NE 6th Terrace

Wilton Manors, Florida 33305

Attention: James P. Ward, District Manager

Ward9490@comcast.net

With a copy to:

Coleman, Yovanovich & Koester

4001 Tamiami Trail North, Suite 300

Naples, Florida 34103

Attention: Greg Urbancic

gurbancic@cyklawfirm.com

Esplanade Golf and Country Club of Naples, Inc.

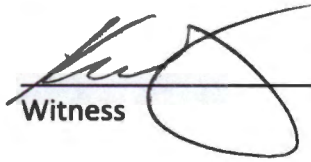
551 North Cattlemen Road, Suite 200, Sarasota, Florida 34232

Attention: John Asher, President

JAsher@taylormorrison.com

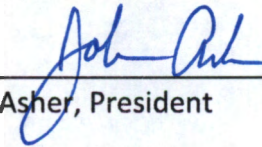
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ATTEST:



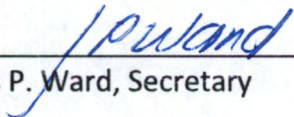
Witness

**Esplanade Golf and Country Club of
Naples, Inc.**



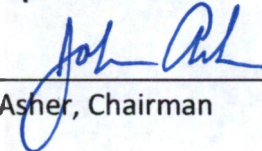
John Asher, President

ATTEST:



James P. Ward, Secretary

**Flow Way Community
Development District**



John Asher, Chairman



Flow Way CDD
Facility Maintenance

Surface Water Management System

The project's surface water management system shall be maintained in accordance with the requirements outlined in SFWMD ERP No. 11-02031-P.

Lakes – Per ERP No. 11-02031-P, Exhibit 2.2- Construction Pollution Prevention Plan, Lakes shall be inspected annually. During each annual inspection, the following items will be reviewed and corrected as necessary:

- A. Inspect the outfall structure and orifices to ensure free-flowing conditions and overall engineering stability of the outfall structure.
- B. Review the banks of the lakes to ensure proposed side slope stabilization and inspect for signs of excessive seepage that may indicate areas of excessive groundwater flow and possible subsurface channeling.
- C. Physically evaluate each lake for evidence of excessing sediment accumulation or erosion.
- D. Inspect the planted aquatic vegetation in the littoral zone to ensure that the desired vegetation species, percent coverage, and density maintained.

At the completion of the inspection, a written inspection report will be prepared, listing any deficiencies that need to be addressed or corrected by the owner. The owner will then fix each deficiency.

Dry Detention – Per ERP No. 11-02031-P, Exhibit 2.2 – Construction Pollution Prevention Plan, dry detention areas (aka, grassed storage areas)

- A. Regularly mowed.
- B. Visually inspected annually for erosion, sedimentation and debris. Erosion repairs and sediment/debris removal should be completed as needed.
- C. Healthy vegetation should be maintained on side slopes and bottom.
- D. Inspect the outfall structure and orifices to ensure free-flowing conditions and overall engineering stability of the outfall structure.

Irrigation Pump Station and Irrigation Mains

Pump Station – Perform inspections on mechanical components as recommend by the manufacturer.

Irrigation Mains – Irrigation mains are subsurface systems that have a service life of 30 or more years. It is recommended that visual observations be made in areas where mains exist for the presence of excessive moisture that may indicate pipe leaks.

Mitigation Areas

Mitigation Areas – Mitigation areas (also called preserves or conservation areas) must be maintained per the approved USACE (SAJ-2000-01929) and SFWMD ERP (11-02031-P). This generally requires a minimum of two exotic and nuisance plant removal events per year. However, based on the large size

of these mitigation areas the exotic and nuisance plant maintenance may need to occur on a continuous basis to cover all the areas.

The USACE permit requires annual monitoring reports that outline the conditions within the mitigation areas to be prepared. Specific requirements of the report are outlined under the Reporting Format section of the permit. These reports are required until a mitigation release is obtained. The requirements for mitigation release are also outlined within the permit.

The SFWMD permit requirements for the mitigation area are described within Exhibit Nos. 3.5 and 3.6 of the approved permit. Maintenance will be conducted in perpetuity to ensure conservation areas are maintained free from Category 1 and 2 exotic vegetation immediately following maintenance activities. Coverage of exotic and nuisance plant species shall not exceed 4% total cover in the internal preserve and 5% total cover in the external preserve, or 2% cover of any one stratum in all preserves between maintenance activities.

Mitigation monitoring shall also be performed in accordance with Exhibit Nos. 3.5 and 3.6. The monitoring program shall extend for 5 years, or until monitoring requirements are released by the SFWMD and USACE, with annual reports submitted to the District.

All permits should be reviewed to determine the exact maintenance requirements.

3:14 pm Nov 23, 2020

Via Email and Hand Delivery:

Office of the District Clerk
3301 Gun Club Road
West Palm Beach, Florida 33406
Email: clerk@sfwmd.gov

SOUTH FLORIDA
WATER MANAGEMENT DISTRICT



PETITION FOR ADMINISTRATIVE HEARING

COMES NOW the Petitioner, Flow Way Community Development District, by and through its undersigned counsel, and requests an administrative hearing in accordance with Sections 120.54(5)(b)(4), 120.569(2)(c), and 120.57 of the Florida Statutes, and Rules 28-106.201 and 28-106.301 of the Florida Administrative Code, as follows:

1. **Identification of Action Being Contested:** South Florida Water Management District's ("District") approval of the application for an Individual Environmental Resource Permit, relating to the Esplanade Project, Permit No. 11-02031-P, as modified by the permit modification, Application No. 200522-3512.

2. **Contact Information for Petitioner:**

Flow Way Community Development District
c/o Gregory N. Woods, Esq.
9045 Strada Stell Ct., Ste. 400
Naples, Florida 34109
Phone: 239-325-4070; Facsimile: 239-325-4080
Email: gwoods@lawfirmnaples.com

3. **Explanation of Substantial Interests Affected:** Petitioner is currently listed as the operating entity under the Individual Environmental Resource Permit No. 11-02031-P and therefore has a substantial interest in any modifications to said permit. Further, Petitioner was previously and improperly burdened with ownership of the Preserves and the maintenance obligations for said Preserves by Taylor Morrison Esplanade of Naples, LLC and/or Taylor Morrison of Florida, Inc. (collectively "TM") while the Flow Way Community Development District was under developer-control. The Preserves, and Petitioner's obligations therefor, remain affected by the Individual Environmental Resource Permit No. 11-02031-P, as modified. The

Flow Way Community Development District has since become a resident-majority Board, and Petitioner is contesting its ownership of the Preserves and TM's failure to comply with the terms of Permit No. 11-02031-P for the reasons set forth more fully in Paragraphs 5–6, below.

4. **Petitioner's Receipt of District's Decision:** Petitioner received notice of the agency action by letter sent from Melissa M. Roberts, P.E., dated November 5, 2020, a copy of which was distributed to Attorney Gregory N. Woods, Esq. on November 5, 2020.

5. **Statement of Disputed Issues of Material Fact:** Petitioner disputes that it should be considered the operating entity under Permit No. 11-02031-P, from its adoption through the recently approved modification, Application No. 200522-3512. Petitioner further disputes that TM has complied with all General and/or Special Conditions of Permit No. 11-02031-P, and contends that it prematurely transferred ownership of, and maintenance obligations to, the Preserves to Petitioner.

Special Condition No. 20 of the November 2012 Permit expressly states that “[a] mitigation program for Mirasol [now Esplanade] shall be implemented in accordance with Exhibit Nos. 3.5 and 3.6. ***The permittee shall preserve and enhance 127.92 acres of uplands and 995.96 acres of wetlands*** (1123.88 acres total).” (emphasis supplied). As TM is, and at all times relevant was, the “permittee” referred to by the Special Conditions, the obligations to operate and maintain the Preserves in question should remain with TM—not the CDD.

Special Condition No. 21 further clarifies that said maintenance by TM, as referred to above, shall be “in perpetuity”. Condition No. 25 also states as follows with respect to funding:

Should the permit be transferred from the construction to operational phase prior to the completion of the mitigation and monitoring program, it will be incumbent upon the original permittee to either keep the existing financial assurance in force or provide replacement financial assurance in the name of the operational entity. The existing financial assurance cannot be released until a replacement document is received and accepted by the District.

These “financial assurances” were presumably, initially provided by TM, as permittee; and, TM should not therefore be permitted to transfer such financial obligations onto another entity, contrary to the Special Condition requirements of the District Permit.

General Condition 7 of the Permit similarly provides as follows:

The operation phase of this permit shall not become effective: until the permittee has complied with the requirements of condition (6) above, and submitted a request for conversion of Environmental Resource Permit from Construction Phase to Operation Phase, Form No. 0920; the District determines the system to be in compliance with the permitted plans and specifications; and the entity approved by the District in accordance with Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit Applications within the South Florida Water Management District, accepts responsibility for operation and maintenance of the system. The permit shall not be transferred to such approved operation and maintenance entity until the operation phase of the permit becomes effective. Following inspection and approval of the permitted system by the District, the permittee shall initiate transfer of the permit to the approved

responsible operating entity if different from the permittee. Until the permit is transferred pursuant to Section 40E-1.6107, F.A.C., the permittee shall be liable for compliance with the terms of the permit.

TM should accordingly remain liable for compliance with the terms and conditions of its Permit at least until such time that an appropriate environmental group has been approved for the operation and maintenance of the subject Preserves, and the requisite financial assurances have been provided by said entity, as also required by the Special Conditions. Because these conditions have not occurred, and are not occurring, the permit modification request, as reflected by Application No. 200522-3512, should have been denied by the District, particularly as it relates to any purported "perpetual operation and maintenance" obligations of the SWM system and Preserves.

6. **Statement of Ultimate Facts Alleged, Including Those Warranting Reversal of the District's Proposed Action:** TM improperly and prematurely transferred ownership of the Preserves to Petitioner, while it was a developer-controlled Board. TM, as Permittee, was required to comply with all General and Special Conditions of Permit No. 11-02031-P, as modified, which include a requirement that the Permittee maintain and provide financial assurances for the maintenance of the Preserves. Petitioner is not a proper maintenance entity for the Preserves, particularly if the maintenance obligation is to extend into perpetuity.

The Mitigation, Monitoring, and Maintenance Plan ("MMM Plan"), as referenced in Application No. 200522-3512, further supports and exemplifies that TM prematurely transferred ownership of the Preserves to Petitioner. For example, the MMM Plan provides as follows:

[o]nce the exotic vegetation has been removed and the native vegetation restored, the intent of the applicant is to donate the preserve to CREW or another appropriate land management entity for perpetual preservation. Until such time

as that may happen however, it will be the responsibility of the CDD or homeowner's association to maintain the preserve.

See MMM Plan, revised November 26, 2012, at p. 8. It is necessary to point out that the responsibility to "maintain" is different from ownership.

This is evident by the next two sentences of that paragraph of the Maintenance Plan, which provides as follows:

*[i]n addition to meeting the success criteria of the preserve with respect to the exotic removal and native vegetation re-establishment and the future donation of the property to an appropriate land management entity, **the applicant will also establish a non-wasting escrow fund for the long-term maintenance of the preserve. The amount of the escrow fund will be determined at the time the preserve is turned over and be based on the expected long-term maintenance requirements.** It is felt that **the donation of the preserve to an entity specifically charged with property maintenance and preservation, in lieu of perpetual management by a homeowners association that may not be fully equipped or experienced in preservation management techniques, will be more appropriate for a preserve of this size.***

Id. (emphasis supplied).

It was also expressly noted in the MMM Plan "that the applicant will be responsible for reaching the success criteria outlined below **before** donation of the preserve occurs." *Id.* Yet, this proviso was also violated.

Page 12 of the MMM Plan further exemplifies these points by stating the following: "[t]he maintenance and management of the preserve areas will be the responsibility of the owner/developer in perpetuity. The responsibility for the preserve maintenance can be transferred to the property owners association or CDD once the project is 'turned-over' to the appropriate association." It is undisputed that turnover of the Association for the Esplanade community has yet to occur, thereby further supporting that any transfer of the Preserves to Petitioner at any time prior thereto was premature.

Accordingly, Petitioner should not be bound by any obligation requiring it to fund and/or maintain the Preserves, nor should it be deemed an operating entity under Permit No. 11-02031-P and as further modified by the permit modification, Application No. 200522-3512. The

Petitioner's Board is no longer developer-controlled, and any modification request submitted prior to this time was submitted by a developer-controlled Community Development District contrary to the terms and conditions of its own Permit. Petitioner will no longer be acting as an arm of TM, and any such prior authorization granted to Andrew Miller, as a representative of TM, and/or to Tim Hall of Turell, Hall & Associates has since been revoked by letter to the District, dated November 20, 2020. Petitioner hereby withdraws its participation in, and obligations under, the permit modification.

7. **Rules or Statutes Requiring Reversal or Modification of the District's Proposed Action:** Rule 40E-1.609(2) of the Florida Administrative Code provides that the "District may temporarily suspend or revoke a permit, in whole or in part, when it determines that the permittee or an agent of the permittee has: (a) [s]ubmitted false or inaccurate information on an application or operational report; . . . [or] (d) [v]iolated a condition of the permit." Rule 40E-1.609(3) further grants the District the authority to "revoke a permit or modify its terms and conditions when it determines such action is necessary to protect the public health, safety and welfare, prevent a public or private nuisance, or when the continued utilization of the permit becomes inconsistent with the objectives of the District."

8. **How the Alleged Facts Relate to the Above-Referenced Rules and/or Statutes:** The facts alleged in Paragraphs 5-6, above, demonstrate that TM has violated the terms and condition of Permit No. 11-02031-P and/or inaccurately listed the operating entity for the Preserves as Petitioner. Under Rules 40E-1.609(2) and 40E-1.609(3) of the Florida Administrative Code, the District has the authority to therefore revoke the Permit and/or the approval of its modification, Application No. 200522-3512.

9. **Statement of Relief Requested:** For the reasons stated herein, Petitioner requests reversal of the District's approval of the permit modification, Application No. 200522-3512, as it relates to the Individual Environmental Resource Permit more particularly described in

Paragraph 1, above. Alternatively, Petitioner requests an administrative hearing on the issues raised herein and that an administrative law judge be assigned to conduct the hearing.

Dated: November 23, 2020.

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