

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT



REGULAR MEETING AGENDA

December 17, 2020

PREPARED BY:

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

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

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

December 10, 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, December 17, 2020 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 Board Members and Staff in attendance bring and wear masks during the meeting.

The venue is requiring the District to enforce the limitation on attendance for audience members.

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

Weblink:

<https://districts.webex.com/districts/onstage/g.php?MTID=e2c683efff9b16f07e8c1c6b18ec88656>

Access Code: **179 117 7468**

Event password: **Jpward**

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

Phone: **408-418-9388** and enter the access code **179 117 7468** to join the meeting.

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

The Agenda is as Follows:

1. Call to Order & Roll Call.
2. Public Comments for NON-Agenda items. (limited to Three (3) minutes)
 - I. Individuals are permitted to speak on items on the Agenda during that item and will be announced by the Chairperson.
3. Consideration of Minutes:
 - I. November 19, 2020 – Regular Meeting
4. 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.
5. 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.
6. Staff Reports
 - I. District Attorney – Woods, Weidemiller, Michetti, & Rudnick
 - II. District Engineer
 - III. District Manager – JPWard & Associates, LLC
 - a. Financial Statements for period ending November 30, 2020 (unaudited)
7. 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
 - IV. Litigation Matters
 - I. Petition for Administrative Hearing SFWMD Permit Modification transferring operations to the Flow Way CDD.
 - II. Memorandum/Complaint regarding Ownership and Maintenance responsibilities for the Main Preserve located within the boundaries of Flow Way CDD.
 - V. Environmental Consultant Services – Preserves
 - VI. Civil Engineer for Evaluation of Water Management System
 - I. Consideration of Forge Engineering Proposal

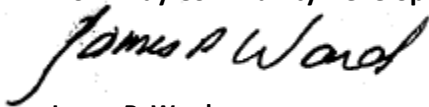
8. Supervisor's Requests
9. Audience Comments
10. Adjournment

The Second Order of Business is the consideration of the November 19, 2020 Regular Meeting Minutes.

In the way of background, 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 January 21, 2021.

The balance of the Agenda is standard in nature and I look forward to seeing you at the meeting, 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

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

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, November 19, 2020 at 1:00 p.m. in the Palm Room of the Hampton Inn Naples-Central, 3210 Tamiami Trail North, Naples, Florida 34103.

Present and constituting a quorum:

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

Also present were:

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

Audience:

Charles Cook	Carlo Racioppo
Karl Schneider	Gary Leiter
Diane Ford	Tom McLaughlin
C. Doyle-Hefferman	Jerry Peters
Marty Teperow	Jeremy Arnold
Howard Ready	John Hinnen
Bill Boscintini	Gail Neylan
Joanne Hahn	David Boguslawski
Ed Staley	Ron Fischer
Karen Bosse	Sam Miller
Tom Coffey	James Haderer
Joe Reis	John Kowalski
Barry Nelson	Jack Neylan (x2)
Marc Drolet	Bob Hennessy
Douglas Wells	Kirsten Howlett
John Nisson	

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**

District Manager James P. Ward called the meeting to order at approximately 1:03 p.m. He conducted roll call; all Members of the Board were present constituting a quorum.

SECOND ORDER OF BUSINESS**Administration of Oath of Office**

Appointment of qualified electors Mr. Zack Stamp and Mr. Martinn E. Winters to fill the vacancy in Seats (3) and (4) to the Board of Supervisors pursuant to Section 190.004 (4) Florida Statutes following the General Election.

a) Oath of Office.

Mr. Ward indicated he was a notary public with the State of Florida and authorized to administer the Oath. He administered the Oath of Office to the newly elected Board Members and asked said Board Members to sign the Oath of Office and return the signed Oath to himself for notarization and to be made part of the public record.

THIRD ORDER OF BUSINESS**Consideration of Resolution 2021-1**

Consideration of Resolution 2021-1 Re-Designating the Officers of the Flow Way Community Development District

Mr. Ward reported he generally served as Secretary and Treasurer. He asked how the Board wished to appoint the Officers of the Board. Discussion ensued: Mr. Zack Stamp was nominated to serve as Chairperson, Mr. Ron Miller was nominated to serve as Vice Chairperson, and Mr. Tom Kleck, and Mr. Martinn Winters were nominated to serve as Assistant Secretaries. Mr. Ward called for a motion.

On MOTION made by Mr. Tom Kleck, seconded by Mr. Ron Miller, and with all in favor, Resolution 2021-1 was adopted as above, and the Chairperson was authorized to sign.

Mr. Martinn Winters: Can we give Chairman Stamp the authority to designate Members of the Board, or assign duties, for tasks that are going to be coming before us?

Mr. Ward: No, not without making them formal committee members, so I would not suggest you do that.

Chairperson Zack Stamp: I want to "set the table" for what's happening here today and explain to the 15 listeners or whatever we have out there what's going on here, as well as the community at large. First, I would like to start by thanking the other members for their confidence in me by electing me chair. There is a lot of work in front of us, but I am very happy to undertake that. I would also like to thank Ron and Tom who have labored under a Taylor Morrison controlled board for these years when they couldn't really do much except show up and voice their objections. I can tell you that help has arrived and as you

know the balance has shifted. Taylor Morrison has for years, as we all know, with their Board control, systematically, repeatedly, improperly, prematurely, shifted their legal obligations to the residents of Esplanade. That ends today. Today we begin to slow down, stop, and reverse these actions by Taylor Morrison. I expect, and we should all prepare for Taylor Morrison with its vast resources and political connections, to strike back at court and with threats to the residents, the HOA turnover, and other developments back at our home community. The donations to the Esplanade Transition Fund, which Martinn if I could impose on you, how many donors do we have approximately?

Mr. Martinn Winters: 287.

Chairperson Stamp: 287 who have donated to the Esplanade Transition Fund, have allowed us to get a running start at the undertaking before us, but this is still going to take time at the best of times, and with COVID out there, these are not the best of times. We need to be prepared for a long hard slog. I want to tell the people, the residents, unlike the HOA and the ETF, the CDD is a unit of local government. A CDD is subject to the Sunshine laws and the ethics laws of the State of Florida. While the HOA and the ETF board members may feel free to talk to each other anytime, anywhere, about anything they want, the CDD Board cannot do that. The only time Members of the CDD Board can talk to each other is a scheduled Board Meeting given with all the proper legal notice. I cannot walk down the street two or three doors and ask Tom Kleck what he thinks about something at the CDD. It is just improper, and it's going to make things awkward. So, for the people out there listening, at times it may appear we are disorganized or unprepared, that comes from not being able to talk to each other and anticipate and prepare, but the State of Florida, and I'm not saying they are wrong, have traded efficiency for transparency. We will do everything we can to comply with the law. The law does, however, allow free and unlimited discussion between the residents and the Members of the Board at any time, on the golf course, at the tiki bar, wherever you run into us you are free to come up and talk to us, tell us what you think. Input and participation are very welcome. There may be some working groups or groups put together who will assist us in some of the things we are going to talk about. You are not bound by that; the Members are bound by that. Keep that in mind.

Okay, let's begin. I want to say there will be a period of public comment. Any time there is an item on the agenda, I will recognize anybody who wants to address that briefly, and then at the closing there will be another period for comment if we haven't talked about something that you want to address the Board about. So, with that, I'll start.

FOURTH ORDER OF BUSINESS

Consideration of Minutes

October 15, 2020 Regular Meeting Minutes

Chairperson Stamp called for a motion to approve the October 15, 2020 Regular Meeting Minutes.

On MOTION made by Mr. Tom Kleck, seconded by Mr. Martinn Winters, and with all in favor, the October 15, 2020 Regular Meeting Minutes were approved.

FIFTH 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 Mr. Ward to explain Resolution 2021-2 and Resolution 2021-3. He indicated he planned to recommend these Resolutions be postponed until the December Meeting.

Mr. Ward: In 2018 or 2019, the District had issued it's final series of special assessment bonds for the Flow Way Community Development District and within the constraints of that bond issue, there was certain land Taylor Morrison had purchased or had under contract more commonly known as the Hatcher Parcel, which pursuant to those bond documents was anticipated to be annexed into the District at some point in the near future at that time. That land was, as I said, subject to annexation. The Board approved the process to go through that annexation September or October of this year. That has gone through the process at the County Commission level and the Hatcher land is now annexed into the District. Once that was done the contemplation was that the District would go through the process of levying special assessments on the Hatcher land for the capital funds included in the last bond issue done by the District. Resolutions 2021-2 and 2021-3 are the two initial assessment resolutions that are required by the Board to consider for levying those capital assessments on only the Hatcher land. If you choose to move forward with this issue the public hearing is scheduled for January 21, 2020. There is a rather long period of time between adoption of these resolutions and your public hearing in order to meet all the advertising requirements and notice requirements pursuant to law. 60 days is not it, but it is generally about 40 days of time from the day you start you process until you finish it in order to get these special assessments in place.

Chairperson Stamp: It is my understanding doing these resolutions in December would not imperil or impede anything.

Mr. Ward: No. The drop-dead date on this is March 15, 2021. If they are not adopted on or before that date, then what's remaining in those construction funds automatically will get used to redeem bonds on May 1, 2021. As long as you get through that 40-day process before that date, and I have time to notice the trustee of that then you are fine.

Mr. Ron Miller: What are the consequences of failing to pass these resolutions?

Mr. Ward: The authority of a Board to levy special assessments is truly at your desire. You may choose to do this or not as the case may be. You certainly have that within your authority. The bond documents clearly contemplated that would be done. I have no clue what the Hatcher owners would do as a result of not adopting these assessments.

Mr. Ron Miller: I think I understand the concept, what happens in the event of inaction.

Mr. Ward: Nothing, other than the bond funds will transition to a redemption account and bonds will be called on May 1, 2021. That is the consequence of the inaction.

Mr. Ron Miller: I think I heard you say that continued inaction on these resolutions, ultimately would result in the funds that have been received, the sale of the bonds, being used to redeem the bonds per the indenture.

Mr. Ward: Correct. That's what inaction would mean to the District.

Mr. Ron Miller: With that inaction, and the redemption of those bonds, the actual property that would require those assessments does not happen and the CDD would simply be unable to purchase the infrastructure assets?

Mr. Ward: Let me separate the special assessments. The special assessments are two parts. One is a capital assessment for the construction of infrastructure and operating assessments, so it is within the boundaries of the District, with respect to future operating assessments, this Board would always have the authority to levy those on a year by year basis as you solely determine. With respect to capital assessments, it simply means that those funds within that existing bond issue would automatically go away as a result of the indenture requirements. It doesn't preclude you in the future from levying assessments, but I will tell you practically speaking, levying capital assessments and trying to do a bond issue for \$1 million dollars is not practical.

Mr. Ron Miller: So, then the consequences of the capital assessments to simply have continued inaction on the capital assessments, aside from the debt to the infrastructure...one or two things happen, some of the assets like water and sewer, those are dedicated over to the County. The other items such as the pond... (indecipherable 18:00).

Mr. Ward: Correct.

Mr. Ron Miller: I will just say what I have said in the past (indecipherable 18:32). I don't have an appetite for (indecipherable).

Mr. Drew Miller: There was an agreement (indecipherable 19:48). That doesn't mean that there won't be other consequences. It doesn't mean we don't have to take credit; it just means that the funds we don't pay taxes, I don't know that it means the CDD can refuse the infrastructure. The stormwater infrastructure, that is the property of the CDD. The Master Engineers Report contemplated the stormwater to be part of the CDD. So, to complete what the CDD's obligation is and as a whole to all of the previous bond sales, original ordinance, and master engineers reports were all contemplated with the CDD taking over (indecipherable). I don't know the answer, but I don't think it's just as simple as (indecipherable 21:13).

Chairperson Stamp: Drew, you keep saying there was an agreement. Who were the two parties of the agreement?

Mr. Drew Miller: The CDD and the developer and the party of the bond sale.

Mr. Tom Kleck: I don't think (indecipherable 21:50). Hatcher property was going to proceed whether we liked it or not, and why they should be segregated, or not part of the Esplanade neighborhood, was one of my concerns.

Chairperson Stamp: This is why I'm saying nothing is hurt by putting it off another month. Maybe we can figure out where we are at. And maybe we will be at inaction in a month.

Mr. Martinn Winters: If the CDD lacks the funds to purchase these assets, does that mean that the assets don't transfer or does some other party have to pay for these assets?

Mr. Ward: To the extent that any developer, not just Taylor Morrison, is developing the Hatcher property, obviously that infrastructure has to go in, in order to ensure the entitlements that they have under the development allow them to do that. The CDD is simply a mechanism to do the financing for all of that, so whatever Taylor Morrison decides, or any developer decides, on how they are going to provide infrastructure, that is obviously within their purview. Where it gets transferred to ultimately in this specific instance could be the HOA, the CDD, it could be an HOA that is just over Hatcher. It could be a number of entities, but water management permits are probably the most complicated because those are probably under a Master South Florida Water Management District permit that is either in this District's name or Taylor Morrison's name and has to get transferred somewhere at some point, so someone will have an obligation to maintain that drainage system at some point in the future. I would have no clue who that is because I am not privy to any of those existing South Florida permits for that drainage system.

Mr. Ron Miller: The assets that would under normal process would be dedicated over to the county. Wouldn't that process just go on?

Mr. Ward: Yes. That process just goes on.

Mr. Ron Miller: So those assets that are not dedicated to the County, those would be looking for a home.

Mr. Ward: They need a home, yes.

Mr. Winters: To follow up, mechanically the developer pays for the infrastructure cost that the CDD is later to reimburse the developer for. Is that mechanically how it works?

Mr. Ward: Yes. I would change a few of the words but generally speaking that is the way it happens.

Mr. Winters: So, if the developer is not reimbursed for these costs, do the assets still get transferred?

Mr. Ward: That is up to the developer. The District has no control over that. Whoever put the asset in would transfer it somewhere. As Mr. Ron Miller indicated, utilities are easy. That's going to go to Collier County, they will accept them as a matter of course. The drainage system is really the one that "needs a home" as Mr. Ron Miller indicated.

Mr. Ron Miller: It seems like afterwards, those assets could still be transferred to the CDD and the CDD could take over the maintenance.

Mr. Ward: Yes. Whatever home they go to, that homeowners needs to take it.

(Indecipherable 25:52 and unsure who is speaking)

Mr. Drew Miller: I would say we were (Indecipherable 26:19) not doing the agreements that we have in place to fund this infrastructure. What is our personal drive? You just took the oath of office, both of you, we all have now, what would be the – there is no CDD benefit to this. It doesn't benefit or hurt the CDD. It is all outside of the CDD. All motivations for that infrastructure. CDDs are created for this exact purpose. All motivations for ignoring the funding mechanism already in place is not in the best interest of the CDD, especially if you say we are going to take the infrastructure.

Chairperson Stamp: It is a little strange to hear you argue about the best interests of the CDD after dumping the preserves on them and saying that's consistent with your oath of office. If you want to argue Taylor Morrison needs the money that's fine, but don't come in here and say for the good of the CDD. You have been here to try to do everything you can to destroy or burden the CDD, so I don't accept that argument. I'm for putting it off for another month so we can talk about it, have a discussion to the extent we can talk through Jim and obtain information, but don't lecture us on being here for the good of the CDD. We know who you are here for.

Mr. Drew Miller: Again, CDDs are created for that function. What we did – when you read the original ordinance that this CDD was established by it was created for the purpose of building infrastructure.

Chairperson Stamp: But not the preserves.

Mr. Drew Miller: The preserves are the mitigation. I don't know that I see the difference there. I just think, and I would say, we put it in the original bond, it has been above board all the way through the process what the intention is (Indecipherable 28:22) just recently confirmed that they agree the CDD is the ultimate perpetual maintenance.

Chairperson Stamp: We will get to that in a minute. Let's just focus on what's in front of us.

Mr. Winters: If, the developer does not get reimbursed for this infrastructure, and the infrastructure gets transferred to the CDD, is it possible to go forward with the assessment, segregate the assessment, so that you strip out the portion that is allocable to the bond repayment portion of the assessment, and just do the assessment as it relates to the maintenance of the infrastructure so that the CDD doesn't get burdened with just the maintenance.

Mr. Ward: Yes. They are separate anyway as a matter of law, so the capital assessment stands on its own and you, each year, when you adopt the budget, can levy an operating assessment that would include Hatcher because it is now within the boundaries of the CDD.

Mr. Winters: So, we can approve the operating assessment as part of the CDD function but disapprove the bond portion of the assessment.

Mr. Ward: Yes.

Mr. Ron Miller: (Indecipherable 30:05.) I wasn't able – I didn't have the information available (Indecipherable), but I did take a look at this, (Indecipherable). I did the math for perspective of what it costs residents (Indecipherable). If the CDD were to (Indecipherable) the CDD is not going

(indecipherable) about \$9 dollars, so it is a very, very inconsequential number. The bigger issue (indecipherable).

Chairperson Stamp: We have a few people who want to speak.

Various individuals began speaking simultaneously, the audience was muted to enable the Chairperson to gain control of the meeting.

Mr. Ward: For those of you who are on audio with us today, you have the ability to “raise your hand” and ask to speak. I see Mr. Boguslawski has his hand raised and would like to speak.

Mr. Boguslawski: I will be very brief. I just wanted to give you some audio feedback. The table setting is apparently in a way where who I cannot here virtually at all is Ron Miller. Drew is hard to hear, Tom Kleck is hard to hear, but whatever you can do with the mic or whatever would help the audience. Thank you.

Chairperson Stamp: My recommendation is there is more discussion to be had on this and more research to be done. Nothing is harmed by waiting another 30 days or whenever the next meeting is, approximately 30 days. Let’s defer this.

Mr. Winters: My only comment to that is, how can we make any progress in the next 30 days if we cannot talk to each other.

Chairperson Stamp: If you have any questions, you will have to talk either to counsel, when we get a counsel, or to Jim and try to gain information. Yeah, it's going to be awkward.

Mr. Winters: Can we have a meeting ahead of time?

Chairperson Stamp: With notice.

Mr. Ward: Yes, 7 days in the paper, so I need 10 days to give notice.

Mr. Winters: So, we can have another meeting.

Chairperson Stamp: Right and we can also have another meeting after the next meeting because there is no magic – we can probably have it in early January. The point is, I don’t want to run to the wrong decision when we don’t have to make a decision at all today. Okay?

Mr. Ward: So, this item will stand deferred.

Chairperson Stamp: Deferred. Both of them.

This Item was deferred until the next Board Meeting.

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

This Item was deferred until the next Board Meeting.

SEVENTH ORDER OF BUSINESS

Staff Reports

Staff Reports

I. District Attorney

Mr. Ward: I think I sent to you this morning the letter from Mr. Urbancic resigning as general counsel from the District effective immediately with the submittal of his resignation. As a Board with respect to your professional team, you have the ability to decide as you deem appropriate to retain any law firm that you would like to handle the general affairs and any other matters that you have for the District. Since I just got the letter late last night, I will let you all discuss how you would like to handle that at this point.

Mr. Ron Miller: Do we need to take any action on that?

Mr. Ward: No. His resignation is effective as a matter of law as noted in his resignation letter. I just made it a part of the record, so you are fine.

Chairperson Stamp: My suggestion would be that you authorize me to engage legal counsel. I can say that Martinn and I through the ETF have been working with counsel which we are very comfortable recommending assume this role, as well as be litigation counsel. We put \$100,000 dollars in the budget for litigation and I would propose doing two agreements if you would give me that ability.

Mr. Ron Miller: So moved to authorized the Chairman to engage counsel.

Mr. Ward: I think the Chairman was saying authorization to engage counsel immediately, whoever he desires that to be, and that would give me the authority to engage that professional as he deems appropriate.

Mr. Kleck: Can we do the negotiation with an attorney as a group or as a meeting or separate outside?

Mr. Ward: No, you cannot do that at all. If you are going to negotiate with someone, I am the only one who can do that outside of the context of the Sunshine Law. If you want to give your Chairman individually the authority to do that, that's fine, but he may talk to any of you about that process. That's what the motion just did.

Mr. Ron Miller: (Indecipherable 38:10) we would rank the consultants (indecipherable).

Mr. Winters: Is this motion going to authorize Zack Stamp to pursue action against Taylor Morrison or just to engage the attorney to represent the CDD.

Mr. Ward: The motion was just to engage the attorney. The attorney can be for all matters as you choose it to be. It doesn't have to be limited to just general counsel. It can be counsel. We can separate that into whatever kind of counsel you want it to be, so if he engages counsel, or this District engages counsel, the form of it is not material.

Mr. Winters: So, are we giving Supervisor Stamp the authority then to engage in whatever legal action he deems necessary or would that be a separate motion.

Mr. Ward: That would be a separate action.

Chairperson Stamp: If this motion passes, we would engage the counsel. They are here sitting in front of you as a matter of fact. Then we would have a general discussion about how we would proceed on litigation, but I would not be comfortable, and I do not think you should be comfortable with me going out and authorizing litigation. I think the appropriate thing would be for me to come back at the next meeting ideally with a draft complaint and a memorandum supporting that litigation and let the Board vote on going forward. I am not asking for and do not want the authority. Now, if I continue in this role, I may ask for authority at some point on motions and that kind of thing, but not this step.

Mr. Kleck: Could we have some discussion about doing a financial audit?

Chairperson Stamp: We will get to that.

On MOTION made by Mr. Ron Miller, seconded by Mr. Tom Kleck, and with 4 in favor and 1 against, Mr. Zack Stamp was given the authority to engage legal counsel. Mr. Andrew Miller votes against the motion.

Chairperson Stamp: The firm that the CDD is going to engage through Mr. Ward is the Woods Law Firm (Woods, Weidenmiller, Michetti, & Rudnick) which the ETF engaged, and Greg Woods is the principle partner, sitting in front of you. I will ask him to say a little bit about his firm and introduce one of his staff attorneys.

Mr. Greg Woods: Greg Woods of Woods, Weidenmiller, Michetti & Rudnick. I have been in Naples 20 years. My firm has top 14 top lawyers. I do all kinds of complex commercial litigation and outside trial counsel for Collier County for the last 10 years, so I have familiarity with a lot of governmental,

environmental, and other issues. With me today is my qualified associate Jesse Tolin who works with me on county matters.

Mr. Ron Miller: (indecipherable 42:36) counsel would come back to you or us with a complaint (indecipherable). In order to get that process (indecipherable 43:41).

Chairperson Stamp: I don't think so.

Mr. Ward: No.

Chairperson Stamp: Just for the record, what I envision here is for them to review the situation and the law. They have done a lot of this work with ETF (Esplanade Transition Fund) already. And to see what remedies we have with Taylor Morrison, possibly Tim Hall, and almost certainly the Taylor Morrison Director of the Board and President. Those would be the three things, there might be four or five, but I can report through Jim if we have preliminary draft or something to be shared and can take it from there. I think I have all the authority I need.

II. District Engineer

No report.

III. District Manager

a) Financial Statements ending October 31, 2020 (Unaudited)

Mr. Ward welcomed Chairperson Stamp. He indicated he had no report.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

- I. Review of third-party consultants**
- II. Authorize communication of any changes to affected third parties**
- III. Discussion of HOA maintenance Agreements**
- IV. Discussion of Future Funding of preserve mitigation and maintenance**
- V. Request of full accounting of preserve mitigation and maintenance expenses through Fiscal Year 2020**
- VI. Authorization of communication with Esplanade residents regarding the current resident Board of Supervisors for the Flow Way Community Development District**
- VII. Discussion regarding change of venue for future Board meetings**

Mr. Ron Miller: I have a couple of things. I'd like to make a motion to remove Drew Miller's authority in any capacity.

Chairperson Stamp: Obviously, he can always represent himself as a Board Member, but he has no authority.

On MOTION made by Mr. Ron Miller, seconded by Mr. Martinn Winters, and with 4 in favor and 1 opposed, Mr. Drew Miller was stripped of his CDD Board Member authority. Mr. Drew Miller voted against the motion.

Mr. Ron Miller: The next thing I would like to do is make a motion to terminate Tim Hall and his firm and part of that motion would be to discontinue all activities/services related to the District.

Mr. Winters: Second.

Mr. Drew Miller: What is this exactly is all activities/services.

Chairperson Stamp: I can answer for Ron. I think we don't know and that's part of the problem.

Mr. Drew Miller: the Contract is for monitoring of the preserves only.

Mr. Ward: Monitoring of the preserves and it would not permit him to make any representations on behalf of the CDD.

Mr. Tom Kleck: Are there other companies that do this or is this something we can do without?

Mr. Ward: With as many preserves the answer is no, you cannot do without it, and yes there are other firms that do this work.

Discussion ensued regarding finding a new company to monitor the preserves and discussing this at a future meeting.

On MOTION made by Mr. Ron Miller, seconded by Mr. Martinn Winters, and with 4 in favor and 1 opposed, Tim Hall and his firm was terminated.

Mr. Ron Miller: I've got one more. This is not a motion, but a good idea, just to belay any possible apprehension about the Manager. Mr. Ward has done an incredible job of being fair and impartial in his counsel to the District Board.

Discussion ensued regarding Mr. Ward and his good work.

Chairperson Stamp: Okay, notifying the third parties, we've got on here as authorize communication changes to third parties. Obviously, South Florida Water Management District, South Florida, and I will come to that more specifically, the Corp, other groups, that there has been a change in the Board, that we are no longer a Taylor Morrison Board, but a resident Board, and they need to be notified. Any permits, anything in process, on hold. Does anybody know of anything out there pending? I would take a blanket motion to have Jim authorized to let anybody know.

Mr. Winters: I don't think we have a full accounting of Tim Hall's activities, so we don't really know what all permits Tim Hall has been up to or trying to modify.

Mr. Ward: I'm only aware of South Florida and the Corp of Engineer's, but we can verify that as we move forward. There can't be any more than that anyway, but I will verify with Tim. I will work with your attorney on the notification and get that ready for you all.

Chairperson Stamp: Which brings me to the status of the South Florida Water Management. Can you tell us what has happened there and what you propose to do going forward?

Mr. Greg Woods: The South Florida Water Management District has issued a notice of action letter. The time to appeal that letter is November 24. The notice to appeal is a fairly simple process, so if the Board wants to contest that latest action approving the permit transferring to the CDD you need to do that prior to Tuesday. If you want to authorize us to get to work on that notice.

Mr. Ward: That would require Board authorization.

Chairperson Stamp: There are two things, right? There is the appeal and then there is just to notify them, well, as co-app permittee we want to withdraw.

Mr. Woods: That is true. If you wanted to do just a notice letter. I would probably do a quick (indecipherable 52:00).

Chairperson Stamp: I just want to make it clear we are talking about two separate actions here in the same motion unless someone wants to divide the motion. I assume everybody is going to vote yes or no on the motions combined, but if somebody wants to split the motion that's something they are entitled to. So, I move that our counsel engage to one, file an appeal, and two, to notify the Water Management District that as a co-permittee we object to the issuance of the permit and do not comply with it and withdraw it.

Mr. Ron Miller: I'm all in favor, but have the (indecipherable 52:47)

Chairperson Stamp: Yes, we do.

Mr. Ron Miller: Then, second.

On MOTION made by Mr. Zack Stamp, seconded by Mr. Ron Miller, and with 4 in favor and 1 opposed, counsel was engaged to one, file an appeal, and two, to notify the Water Management District that as a co-permittee the CDD objects to the issuance of the permit and do not comply with it and withdraw it. Mr. Drew Miller voted against the motion.

Chairperson Stamp: The HOA maintenance agreement. There has been some discussion about whether we should get out of that, stay in that, what we should do with that. Here again I am going to suggest that we have a general discussion, but defer it until December and let legal counsel weigh in on what exactly they think we should be doing on that or we can thump it today, but that's going to be my recommendation. Thoughts?

Mr. Ron Miller: I essentially agree with you, but that contract, this contract item (Indecipherable 54:35). The other comment I would throw out there is that, I think it would make sense if we wanted to have this discussion to invite Dave Boguslawski to our CDD Meeting, so we can get some HOA perspective on this.

Chairperson Stamp: And probably the HOA counsel as well.

Mr. Ron Miller: Yes, so we are not acting unilaterally.

Chairperson Stamp: Okay, so the consensus is we defer. I know there had been some discussion a couple of months ago about what we ought to do with the funding of the preserves. Anybody have any thoughts on that?

Mr. Winters: I think we should put the third parties on notice that the way this new Board sees the funding of the maintenance of the preserves as an open question and that we would like these third parties, namely the Army Corp of Engineers, Fish and Wildlife, South Florida Water Management District to be partners with us in coming up with a resolution for this because the future funding of it is in jeopardy, that we don't discontinue funding immediately, but we do have a conversation about what is the limit of our willingness to continue to fund the maintenance and the mitigation of the external preserves.

Chairperson Stamp: Do we need a motion on that?

Mr. Ward: No. The only thing I will tell you, the maintenance contracts we have with that vendor I believe the work starts again next summer. May or June sticks in my head, so there is no money being spent on that existing vendor until May of next year, so we will have to come up with a solution since we just got rid of Mr. Hall, we have to come up with a solution for that piece of it by then if we are going to continue to engage that vendor or terminate that contract before that date, but I will look at that further in the next month or two.

Mr. Winters: I guess the question is, who is authorized to speak to these third parties and what is the form and format of those conversations?

Mr. Ward: If you would like to give that authority to myself and your attorney, we would both have the authority to do that.

Mr. Winters: Would a Board Member be allowed to have those conversations?

Mr. Ward: If you appoint him as a full Board, he becomes a committee of one, so no, but as the Chair he could help with that process with your attorney and myself, or the Vice Chair could do that. But as an appointed person to do something, that constitutes a committee in my world.

Mr. Winters: So, what is the best way to advance the conversation with these third-party permit holders.

Mr. Ward: I think we have the authorization already to do that. I think you are on solid ground.

Chairperson Stamp: And I can be around in my position.

Mr. Ward: Correct.

Mr. Winters: *Do we need a motion for that?*

Mr. Ward: *No.*

Chairperson Stamp: *Accounting firm has come up a couple of times today and has come up previously in the community: where people want to know if we are going to get some sort of accounting. Whats has actually been spent by the CDD on maintenance going back to the owners of the CDD. Martin you seem to have a better handle on this.*

Mr. Winters: *Well, I'm recommending that we do a full forensic accounting of all the expenses that have been paid by the CDD for mitigation and maintenance going back to fiscal 2014. I noticed that in the forward funding there was \$258,000 dollars taken in mitigation expense in 2015 simultaneous with the transfer of the external preserves to the CDD, so it appears that the CDD through a bond fund reimbursed Taylor Morrison for its mitigation expense. I would like all the direct operating expenses to be captured historically and put on the letterhead of our accounting firm certifying how much retroactively and through the current fiscal year has been spent for external preserve mitigation and maintenance expense including the expenses paid through bond funds. I would also like a legal opinion as to whether or not it is appropriate for bond funding to pay for external preserve mitigation maintenance expense since it has nothing to do with internal waterways, infrastructure, the development itself.*

Mr. Ron Miller: *I have an additional comment. When investigating (Indecipherable 1:00:10.)*

Chairperson Stamp: *Is it in my authority to appoint Martinn to be the lead person on that?*

Mr. Ward: *You cannot appoint anybody to do anything as a Board Member. You could ask him to do that.*

Chairperson Stamp: *Martinn will you?*

Mr. Winters: *I would be happy to.*

Mr. Ron Miller: *I wish I would have thought of this earlier, but I didn't. I would like accounting to look at unfunded liabilities and I'm going to talk a bit here and draw an analogy from my own personal experience. (Indecipherable 1:02:19.)* Mr. Ron Miller discussed Taylor Morrison, unfunded liabilities, and the external preserves as an unfunded liability.

Mr. Ward: *I can ask.*

Chairperson Stamp: *The lakes and littorals, I thought we should have a conversation about. Again, Martinn you seem to have spent a lot of time on that.*

Mr. Martinn Winters: *We have some outstanding performance bonds; Taylor Morrison has outstanding performance bonds on the lakes and littorals. There are also some outstanding performance bonds until mitigation is reached on the external preserves. The developer Taylor Morrison is currently involved in trying to bring the lakes and littorals up to a proper standard so they can get those performance bonds released. The HOA is looking at it from their side. I think we should look at it from our side because the*

CDD is going to be the recipient of these lakes and littorals once those performance bonds are released. They are going to try to transfer those assets over to the CDD. I think we should hire an engineer to work in tandem with Collier County before those performance bonds are released and do a full evaluation of the lakes and waterways to make sure they are up to proper standards before Taylor Morrison tries to transfer those assets over to the CDD.

Mr. Tom Kleck: I agree with that. My previous experience as a CDD member was that the littorals in particular need a chance to grow if they will grow. We had spent thousands of dollars in Vasari on the lake banks, and they didn't survive #1, and all the money that we spent was for naught. I guess, how long do we have to make it right if someone says it's okay, how much time is out there before we have to give them the money so to speak? Are there any guarantees?

Mr. Ward: Let's separate the issues. With respect to the performance bonds, those are between Taylor Morrison and Collier County. We have no input into that process. Well, you have input into that process all you want, but the county will do what it does. If you want to get the separate inspections by an engineer that Mr. Winters had raised, that certainly is a possibility. As far as the ownership of those things, the District has paid for and does already own that drainage system, the littorals, the lake banks, those things. The underlying fee title to the land, however, I believe most of it is still in the name of Taylor Morrison with an easement over top of it which grants the District the right to operate and maintain its drainage system, so your drainage system. If that clears it up for you any.

Chairperson Stamp: Can they turn over part of the water system? It seems like if you have an integrated water system, it seems like giving like half a bathtub.

Mr. Ward: The county permits are different. I am unfamiliar with the performance bonds Taylor Morrison has, or any development has, with the county. It is not my forte. With respect to your drainage permits. Generally, the regulatory agencies will let you turn those permits over at certain stages. It may or may not be completed at 100% at that time. Whoever it is going to turn it over to, that agency has to accept the operation and maintenance responsibility and that's where the rubber meets the road so to speak. If those permits are still in the developer's name, or somebody else's name for that matter, before that could come to the CDD you all would have to sign off on that.

Mr. Winters: If Taylor Morrison decides to deed these underlying assets over to the CDD, does the CDD have to receive them? Are we required to accept them?

Mr. Ward: It doesn't matter. You have an easement over them for operations and maintenance, so if you own the underlying title it makes no difference to you, but you don't have to take it because you already have an easement. From our perspective, it doesn't matter. You already have the rights to do whatever you want to do. They are going to want to obviously get that property out of their name at some point to some agency. It needs a home. At some point, that land needs a home to go to.

Chairperson Stamp: Will you look into this a little more?

Mr. Winters: I will be happy to.

Mr. Ward: I'm around all weekend if you need me.

Chairperson Stamp: *Next, communications to Esplanade. If you will let them know that there is a “new sheriff in town” and things are going to be different and to kind of give them an update on what’s happening today. Let’s talk about what we want to do, what we can do. I know what we can’t do. We can’t all sit down and write a newsletter together because that violates Sunshine, but I’m not sure what we can do.*

Mr. Winters: *Can we send an email blast out to the homeowners about the meeting, what was discussed, the minutes of the meeting?*

Mr. Ward: *Let’s talk about that. What’s important to recognize is if you as an individual place your email with a governmental agency it is in fact a governmental record and disclosable if I’m asked for that, so I do not keep, other than all of you who may have given me your email addresses, I don’t keep email addresses of your entire community and I would have actually no way to do that if you said for me to do that. The only way for me to get information to your community if I don’t have access to that is by direct mail. Direct mail being prepare a newsletter the old-fashioned way and mail it out to everybody. Or by sending it to the homeowner’s association and asking them to email blast it out to everybody.*

Discussion ensued regarding posting information on the HOA website, communication being important, Taylor Morrison refusing to allow communications, and submitting a synopsis of the meeting to the advisory committee.

Chairperson Stamp: *Tom, you mentioned this earlier, to replace Tim Hall. I know there is a process to do that in Statute which ties into what you said about ranking people specifically. The two questions are, do we want to do it and if so, what parameters do we have to do?*

Mr. Ward: *There are a number of statutes that you are required to abide by obviously. Under Chapter 190 there is no requirement for that. Chapter 287 is what we call the Consultants Competitive Negotiation Act. That controls the process to retain civil engineers, or any kind of an engineering firm, auditors, that kind of a thing and the auditors actually have their own statute for that, but an environmental consultant doesn’t fall under that statute because he is not acting as an engineer. He is acting as a different person. I don’t fall under that statute. The attorney doesn’t fall under that statute. Those kinds of things, so you can simply identify firms that do that work and I could get proposals from them, or do that on my own in concert with Greg and who might be able to do that, and bring those back to you, but for that particular service there is no specific statute that we need to follow. Especially if we limit it to just preserve consulting, and not engineering.*

Mr. Tom Kleck: *Can we set up contracts with vendors with a 30-day cancellation?*

Mr. Ward: *We do that all the time.*

Mr. Martinn Winters: *What’s the process for identifying environmental engineers, getting quotes from them, vetting them, etc.*

Mr. Greg Woods: *One of you could do that or you can ask Jim or I or both of us to put together a list.*

Mr. Ward: *Yeah, we can do that.*

Mr. Winters: *To me, it's also an open ended question about do we need approval for somebody to interview engineers to look at the lakes and the waterways, in addition to somebody who is going to do preserve maintenance. I would be happy to volunteer to that if you ask me to do that. I've already had some conversations and preliminary interviews with engineers. I know the HOA has gotten an RFP. The Advisory Committee to the HOA has gotten proposals back from an engineering firm to do both the infrastructure and the lakes and littorals. They are going to segregate those two contracts. We could interview that same engineering firm to do the lakes and littorals under our purview and then also I've had some conversations with some engineers about doing the ongoing maintenance for the external preserves. I would be happy to continue in that role if the Board wants me to.*

Mr. Ward: *I think that's fine to do that. That way –*

Mr. Tom Kleck: *The one other thing I think I would request is if we have a vendor who we are focusing on, that we bring the vendor in and let him pitch the Board so to speak. That way we can ask them questions if we've got them.*

Mr. Ward: *Why don't you let us identify them, and identify a scope and a fee structure, and then we can take it to the next step when we get to that point and you can interview them or not as the case may be. You may not need to. We may not have a lot of people who want to do that. We will work with Martin on identifying that. He seems to have done a lot of work in that regard already. No need to retry that whole issue. We will get with you and do that.*

Mr. Ron Miller: *I think I heard Jim earlier say that we do have some time. That there really isn't any need to work with this until summer.*

Mr. Ward: *Correct. Well, early summer, May.*

Mr. Kleck: *we wouldn't be behind the eight ball, but the littorals that could be more urgent than the preserves.*

Mr. Ward: *That is a little more urgent, and that's a civil engineer, but the Statute does give us the authority to spend, I think, up to \$20,000 or \$25,000 without going through the request for qualification process which it should clearly not cost that much money to do that.*

Mr. Martinn Winters: *I would like to have someone identified and brought before the Board at the next meeting, just to make a decision on them.*

Mr. Ward: *Why don't you get with us. The next meeting is a little short to do that because it is only basically a two-week time schedule to get that all in and on the agenda for December, so it might be January. I really don't see falling to January being a major problem, but we will work on that with you.*

Chairperson Stamp: *On my list of things, is the change of venue. Obviously, we are not going back to Urbancic's firm. Woods' firm is available. They've got a conference room. I would like to eventually go back to the development, but I think that's not going to happen until Taylor Morrison is out of there. I understand when we tried to have a meeting there before they were totally uncooperative in scheduling and facilities and everything else.*

Discussion ensued regarding a venue to hold future meetings.

Mr. Woods: *Our offices are at the Airport Vanderbilt in the galleria area.*

Chairperson Stamp: *I talked with Jim about this a little bit. I think I speak for everybody. I don't know where exactly our boundaries are. I've never been the preserves. I know we don't have access to the preserves even though we are supposed to have equestrian events out there according to the newsletter. I was thinking you could set up some kind of a tour and have us go one at a time with somebody and drive around and see. I would like to see what's –*

Discussion ensued regarding the possibility of meeting as a group to drive through the preserves.

Mr. Ward: *That constitutes a meeting, so it has to be noticed, you have to advertise it, it has to be transcribed, and the whole kit and caboodle. So, one at a time please.*

Mr. Drew Miller: *Just for the record, this Board said you cannot access it.*

Chairperson Stamp: *This Board has changed dramatically in case you haven't noticed, but I think there are some permits that prohibit us from going out there.*

Discussion ensued regarding which Board Members did and did not want to visit the preserves.

Chairperson Stamp: *That is all I had. Does anyone have any other items they wanted to cover?*

Mr. Ron Miller: *Have we approved/reviewed the contract with US Fish and SW Florida?*

Chairperson Stamp: *I think we implicitly did.*

Mr. Ward: *You have given the authority to staff to proceed to do that. We can clearly, as your staff, talk to the Chair as we deem appropriate.* He noted Chairperson Stamp had the authority to work with SW Florida.

Mr. Charles Cook: *I have spoken with some of you before. I'm with Taylor Morrison and helping to transition various points, particularly with the Flow Way CDD and with the regulatory agencies. If you need a point of contact, if I can be of help, I am happy to make myself available. I am local, unlike Drew who is in Tampa.*

Mr. Ward attempted to unmute the audience to allow for audience comments; however, this was not possible due to various audience members speaking in the background and creating too much background noise to hear individual speakers. Mr. Boguslawski “raised his hand” to request to speak. Mr. Ward un-muted Mr. Boguslawski individually.

Mr. Dave Boguslawski: *I just wanted to mention two things. First of all, I do like the discussion on the communications. I think this is where you landed, but I just wanted to confirm. I'll make it as a statement as opposed to a question. I think if you work from the CDD's side, developing product to communicate, we can help with the distribution thereof, with or without Taylor Morrison's support. Second thing, I think Martinn asked the questions I was going to ask regarding the engineering study. As I understand it, that is being left in a way where Martinn is going to do some work, come back to the group in the December meeting, and it will be up to the Board to decide whether to go ahead and hire*

somebody with whatever limit there is I guess Jim as you were noting. I think it's been left in a good place. I just wanted to confirm that that's where things are.

Mr. Ward: That is confirmed other than it may take until January just because we only have two weeks between now and the next meeting for me to produce an agenda. We will do the best – it is not urgent, especially on the preserves. The civil engineering may be a little different.

Mr. Boguslawski: Thank you, and lastly, I wanted to compliment the Board members. I thought this was a very good Board Meeting.

Mr. Ward: That is the only audience member I see who has raised his or her hand.

Chairperson Stamp: One other thing I did think of, and this is just for clarification, some of us talked again, when we could talk, about advisory committees, or putting together a group of CPA accountants or some of the environmental engineering people to assist the various Board Members in doing something. You had some guidelines. I thought you said don't call them a committee, don't call them a subcommittee, I don't know what the magic word is here, if you have directions on how to do that.

Mr. Ward: What I essentially indicated, the Sunshine law covers the Board, it does not include me or the attorney. If you appoint either one of us, or both of us to a committee, then that law applies to us at the same time, so we never want to be a committee. As a Board Member you may go do whatever it is you want to do. If you appoint, as a Board, individuals outside of the five of you to go do something, those people constitute a legal committee. They are then subject to the Sunshine law. They have to notice their meetings. They have to take minutes. They cannot talk to each other. They can't do anything – the same requirements that you all have sitting here today. What I suggest is if somebody wants to go do something, go do it. If you have a group of residents that wants to go do something, they can go do what they want and bring things back to you, give it to Greg or I and we can vet it for you before it ever gets to you. Whatever you want to do. But when you formally move to appoint people to whatever committee you want it to be it then becomes subject to the public records law, the Sunshine law, communications laws, all of those laws that you all have to abide by.

Mr. Tim Hall: How is it that Tim Hall was able to not do that when he was engaged by Taylor Morrison to represent the District

Mr. Ward: You appointed Drew individually to do that. What he did beyond that, which was as Taylor Morrison, engaged Turrell and Associates, to do that work. That's totally outside of our purview. Tim wasn't appointed to a committee. Drew wasn't a committee. He was just appointed as an individual to do something.

Mr. Winters: So, if I have a resident of Esplanade who volunteers to assist in interviewing engineers on an ad hoc basis, does that fall under any Sunshine laws?

Mr. Ward: No. You can do whatever you want.

Chairperson Stamp: Any comments or questions? If not, I need a motion to adjourn.

Mr. Ward adjourned the meeting at approximately 2:30 p.m.

**On MOTION made by Mr. Zack Stamp, seconded by Mr. Tom Kleck,
and with all in favor, the Meeting was adjourned.**

ATTEST:

Flow Way Community Development District

James P. Ward, Secretary

Zack Stamp, Chairperson

Draft

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 17th day of December, 2020.

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

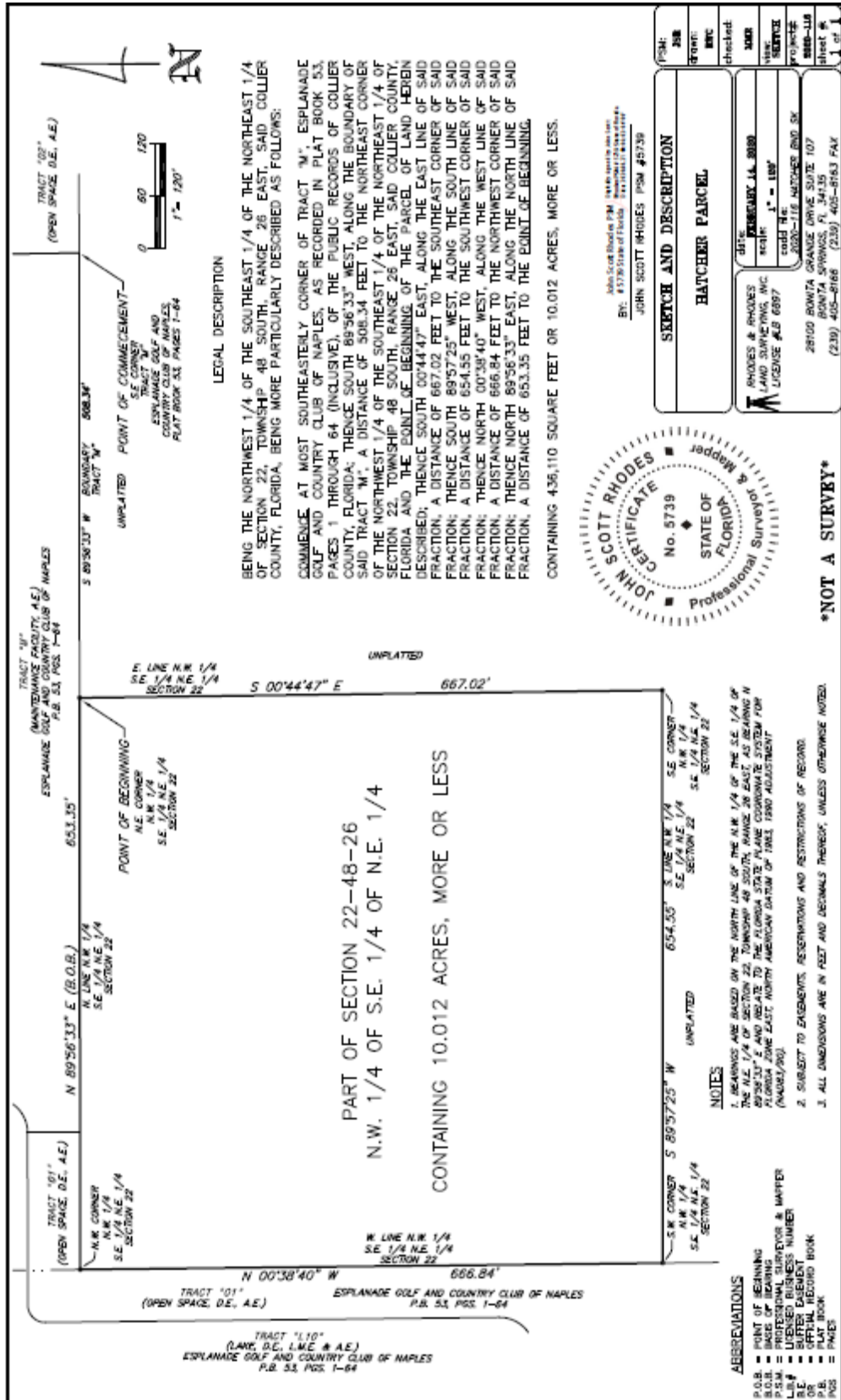
Zack Stamp, Chairman

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

TABLE OF CONTENTS

1.0	INTRODUCTION	1
1.1	Overview of District.....	1
1.2	Purpose and Scope of this Report	2
2.0	DISTRICT BOUNDARY AND PROPERTY SERVED	3
2.1	District Boundary	3
2.2	Existing Infrastructure.....	3
3.0	COST ALLOCATION OF CAPITAL IMPROVEMENT PLAN.....	5
3.1	Surface Water Management.....	6
3.2	Water & Wastewater Systems.....	8
3.3	Irrigation Distribution System	9
3.4	Exterior Landscaping	11
3.5	Offsite Improvements	12
3.6	Environmental Mitigation.....	13
3.7	Professional & Permit Fees.....	15
4.0	SUMMARY OF ALLOCATION OF CONSTRUCTION COSTS	16
5.0	CONCLUSION.....	19

TABLES

Table 1 - Master Land Use Summary within the District Boundaries.....	2
Table 2 - Surface Water Management - ERU Value Calculation.....	7
Table 3 - Phase 8 Surface Water Management System Cost Allocation.....	7
Table 4 - Water & Wastewater - ERU Value Calculation.....	8
Table 5 - Water & Wastewater – Cost Allocation	9
Table 6 - Irrigation System - ERU Value Calculation.....	10
Table 7 - Project Irrigation System - Property Cost.....	10
Table 8 - Exterior Landscaping - ERU Value Calculations.....	11
Table 9 - Project Exterior Landscaping - Property Cost.....	12
Table 10 - Offsite Improvements - ERU Value Calculation.....	12
Table 11 - Project Offsite Improvements - Property Cost.....	13
Table 12 - Environmental Mitigation - ERU Value Calculation.....	14
Table 13 - Project Environmental Mitigation - Property Cost.....	14
Table 14 - Professional & Permit Fees - ERU Value Calculation.....	15
Table 15 - Project Professional & Permit Fees - Property Cost.....	16
Table 16 - Total Cost Allocated to Each Parcel Type.....	17
Table 17 - Phase 8 Proportional Cost Per Unit.....	18

EXHIBITS

- EXHIBIT 1 - Location Map
- EXHIBIT 2 - District Boundary
- EXHIBIT 3 - District Development
- EXHIBIT 4 - Phased District Potable Water Facilities
- EXHIBIT 5 - Phased District Wastewater Facilities
- 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.

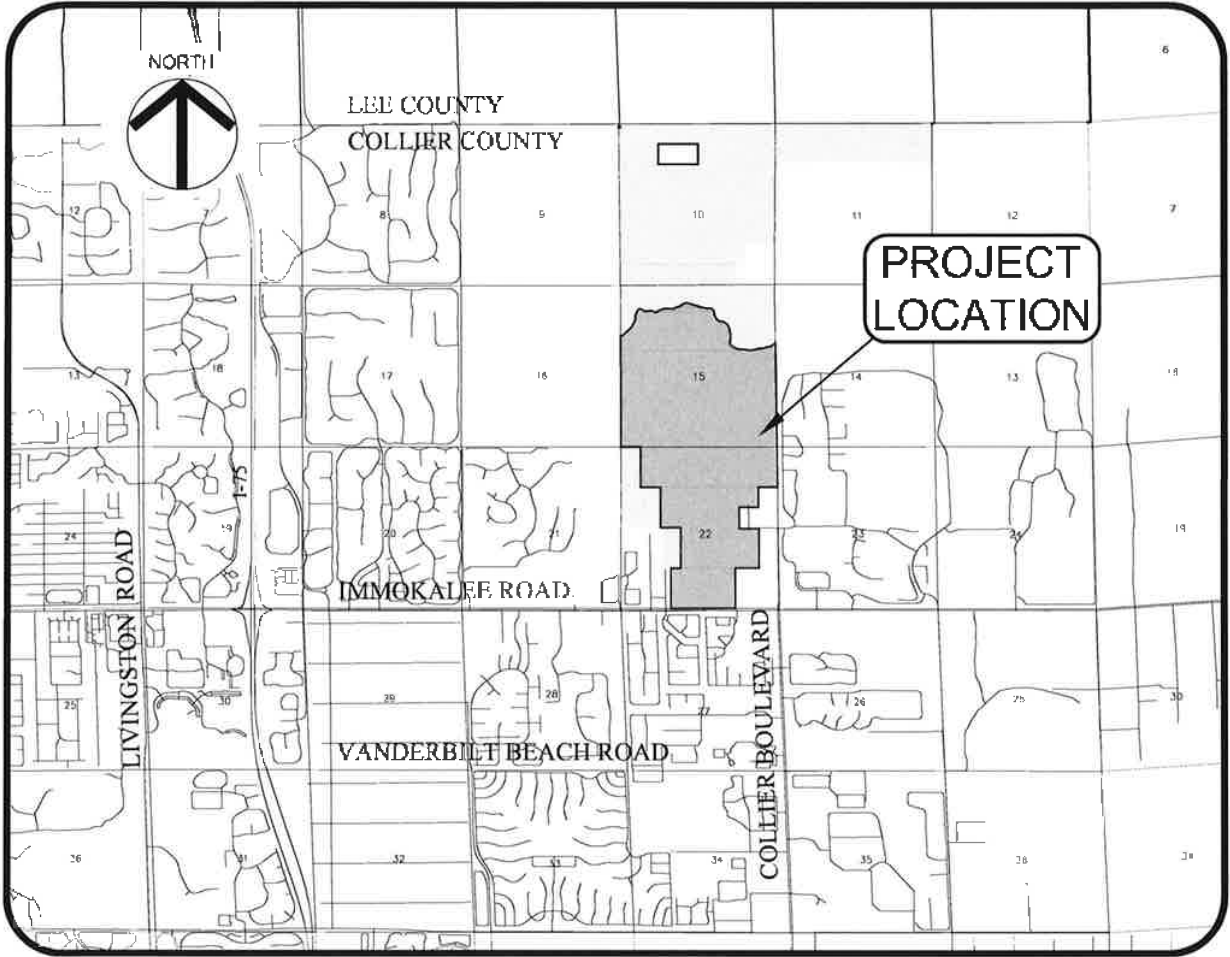
The Improvements, as outlined in this report, are necessary for the functional development of the lands of the District as required by the applicable independent unit of local government. The planning and design of these Improvements is in accordance with current governmental regulatory requirements. 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

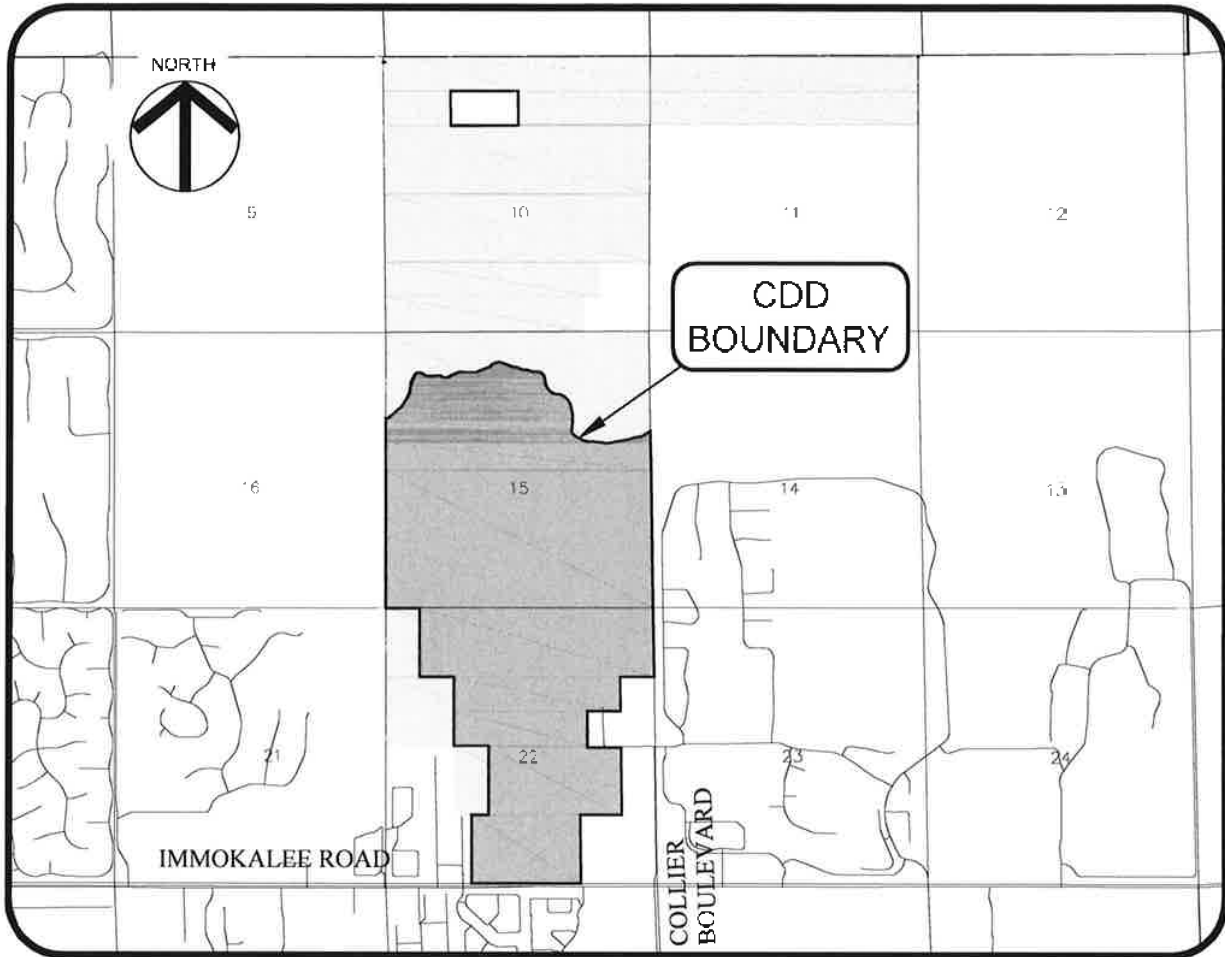
LOCATION MAP
 EXHIBIT

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**

CIVIL ENGINEERING & LAND
 DEVELOPMENT CONSULTANTS

1103 MARIBELLA PLAZA DRIVE
 TAMPA, FL 33619

P: 813-443-8282 F: 813-443-8285
 EMAIL: info@waldropengineering.com

FLORIDA CERTIFICATE OF PROFESSIONAL ENGINEERING

**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: 05/13/2013
 PROJECT: WINDY HILLS
 SHEET: 13

PREPARED FOR:
 BOARD OF DIRECTORS
 WINDY HILLS
 HOA

SCALE: AS SHOWN
 DATE: 05/13/2013

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)

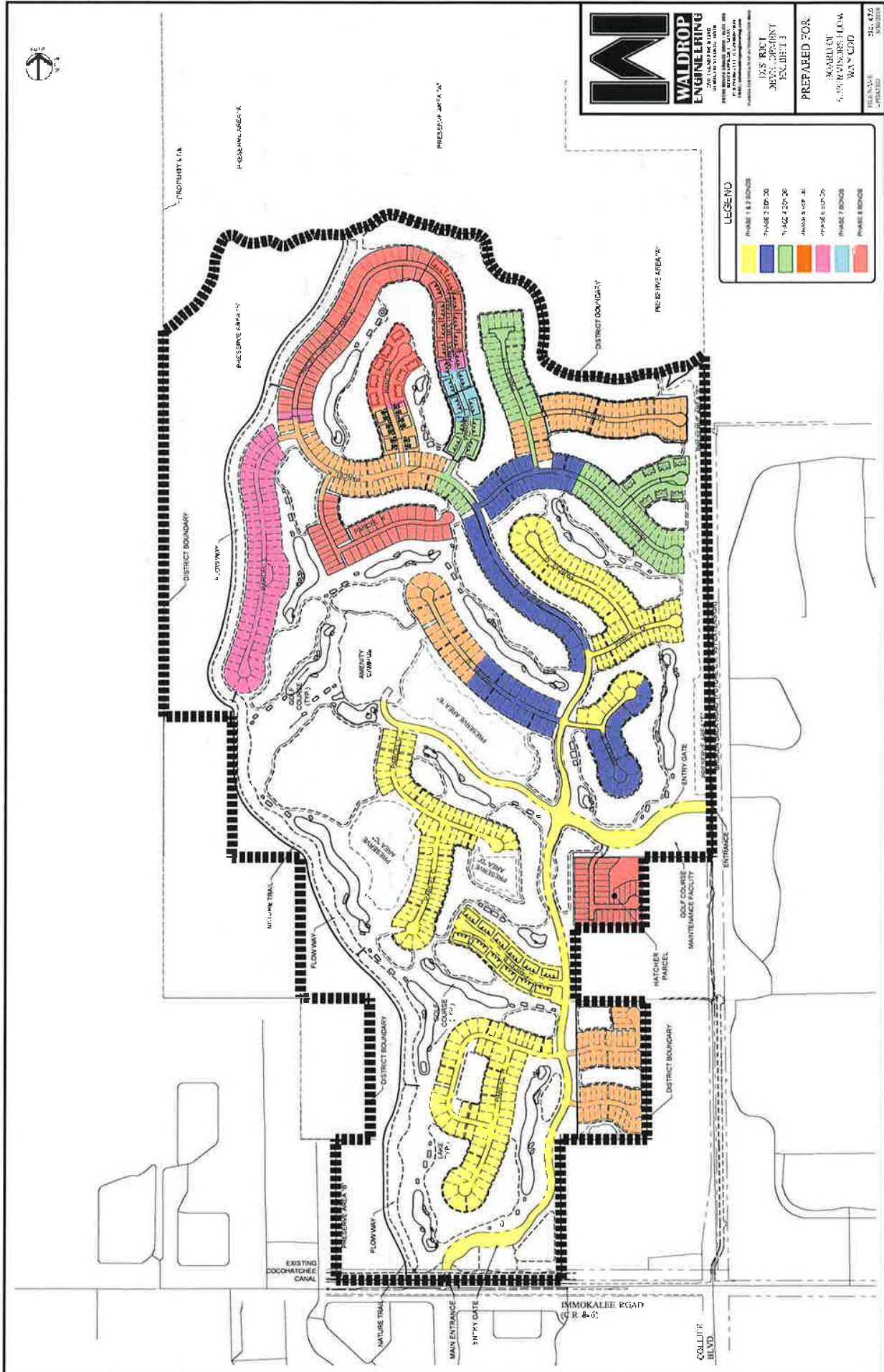


EXHIBIT 4 - Phased District Potable Water Facilities



WALDROP ENGINEERING
 11000 W. 11TH AVENUE, SUITE 100
 DENVER, COLORADO 80233
 TEL: 303.751.1000
 FAX: 303.751.1001
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 BOARD OF SUPERVISORS PLACE
 WAYCROSS
 PREPARED BY:
 W. WALDROP
 DATE: 11/14/14

LEGEND

Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6
Phase 7	Phase 8	Phase 9	Phase 10	Phase 11	Phase 12
Phase 13	Phase 14	Phase 15	Phase 16	Phase 17	Phase 18
Phase 19	Phase 20	Phase 21	Phase 22	Phase 23	Phase 24
Phase 25	Phase 26	Phase 27	Phase 28	Phase 29	Phase 30
Phase 31	Phase 32	Phase 33	Phase 34	Phase 35	Phase 36
Phase 37	Phase 38	Phase 39	Phase 40	Phase 41	Phase 42
Phase 43	Phase 44	Phase 45	Phase 46	Phase 47	Phase 48
Phase 49	Phase 50	Phase 51	Phase 52	Phase 53	Phase 54
Phase 55	Phase 56	Phase 57	Phase 58	Phase 59	Phase 60
Phase 61	Phase 62	Phase 63	Phase 64	Phase 65	Phase 66
Phase 67	Phase 68	Phase 69	Phase 70	Phase 71	Phase 72
Phase 73	Phase 74	Phase 75	Phase 76	Phase 77	Phase 78
Phase 79	Phase 80	Phase 81	Phase 82	Phase 83	Phase 84
Phase 85	Phase 86	Phase 87	Phase 88	Phase 89	Phase 90
Phase 91	Phase 92	Phase 93	Phase 94	Phase 95	Phase 96
Phase 97	Phase 98	Phase 99	Phase 100	Phase 101	Phase 102
Phase 103	Phase 104	Phase 105	Phase 106	Phase 107	Phase 108
Phase 109	Phase 110	Phase 111	Phase 112	Phase 113	Phase 114
Phase 115	Phase 116	Phase 117	Phase 118	Phase 119	Phase 120
Phase 121	Phase 122	Phase 123	Phase 124	Phase 125	Phase 126
Phase 127	Phase 128	Phase 129	Phase 130	Phase 131	Phase 132
Phase 133	Phase 134	Phase 135	Phase 136	Phase 137	Phase 138
Phase 139	Phase 140	Phase 141	Phase 142	Phase 143	Phase 144
Phase 145	Phase 146	Phase 147	Phase 148	Phase 149	Phase 150
Phase 151	Phase 152	Phase 153	Phase 154	Phase 155	Phase 156
Phase 157	Phase 158	Phase 159	Phase 160	Phase 161	Phase 162
Phase 163	Phase 164	Phase 165	Phase 166	Phase 167	Phase 168
Phase 169	Phase 170	Phase 171	Phase 172	Phase 173	Phase 174
Phase 175	Phase 176	Phase 177	Phase 178	Phase 179	Phase 180
Phase 181	Phase 182	Phase 183	Phase 184	Phase 185	Phase 186
Phase 187	Phase 188	Phase 189	Phase 190	Phase 191	Phase 192
Phase 193	Phase 194	Phase 195	Phase 196	Phase 197	Phase 198
Phase 199	Phase 200	Phase 201	Phase 202	Phase 203	Phase 204
Phase 205	Phase 206	Phase 207	Phase 208	Phase 209	Phase 210
Phase 211	Phase 212	Phase 213	Phase 214	Phase 215	Phase 216
Phase 217	Phase 218	Phase 219	Phase 220	Phase 221	Phase 222
Phase 223	Phase 224	Phase 225	Phase 226	Phase 227	Phase 228
Phase 229	Phase 230	Phase 231	Phase 232	Phase 233	Phase 234
Phase 235	Phase 236	Phase 237	Phase 238	Phase 239	Phase 240
Phase 241	Phase 242	Phase 243	Phase 244	Phase 245	Phase 246
Phase 247	Phase 248	Phase 249	Phase 250	Phase 251	Phase 252
Phase 253	Phase 254	Phase 255	Phase 256	Phase 257	Phase 258
Phase 259	Phase 260	Phase 261	Phase 262	Phase 263	Phase 264
Phase 265	Phase 266	Phase 267	Phase 268	Phase 269	Phase 270
Phase 271	Phase 272	Phase 273	Phase 274	Phase 275	Phase 276
Phase 277	Phase 278	Phase 279	Phase 280	Phase 281	Phase 282
Phase 283	Phase 284	Phase 285	Phase 286	Phase 287	Phase 288
Phase 289	Phase 290	Phase 291	Phase 292	Phase 293	Phase 294
Phase 295	Phase 296	Phase 297	Phase 298	Phase 299	Phase 300

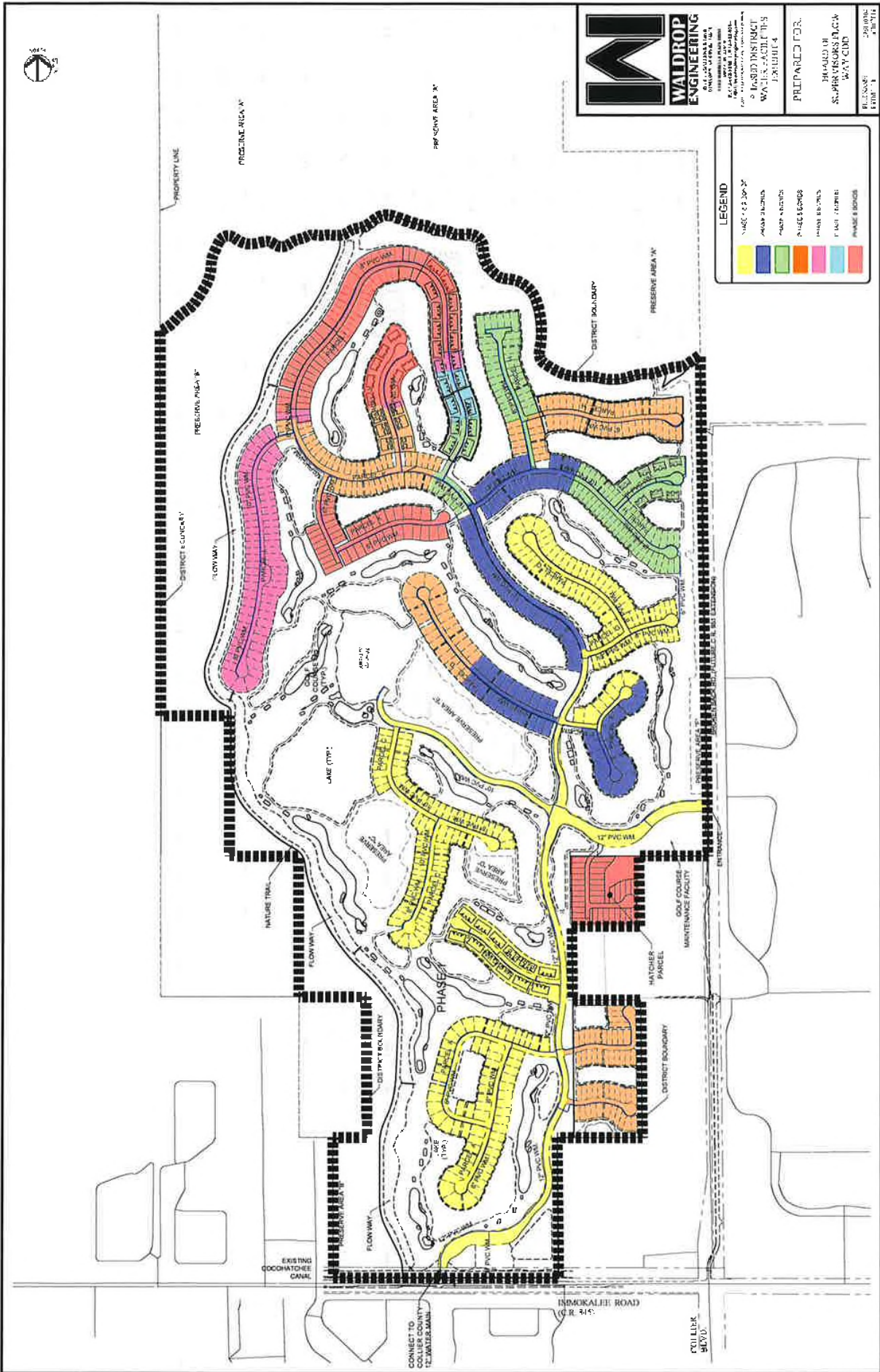


EXHIBIT 5 - Phased District Wastewater Facilities



WALDROP ENGINEERING
 4015 W. STATE ROAD 100, SUITE 100
 TAMPA, FL 33611
 TEL: 813.888.8888
 FAX: 813.888.8889
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 HIGHLAND
 SUBDIVISION
 FLOW WAY CDS

DATE: 01/15/2014
 DRAWN BY: J. SMITH
 CHECKED BY: M. SMITH

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

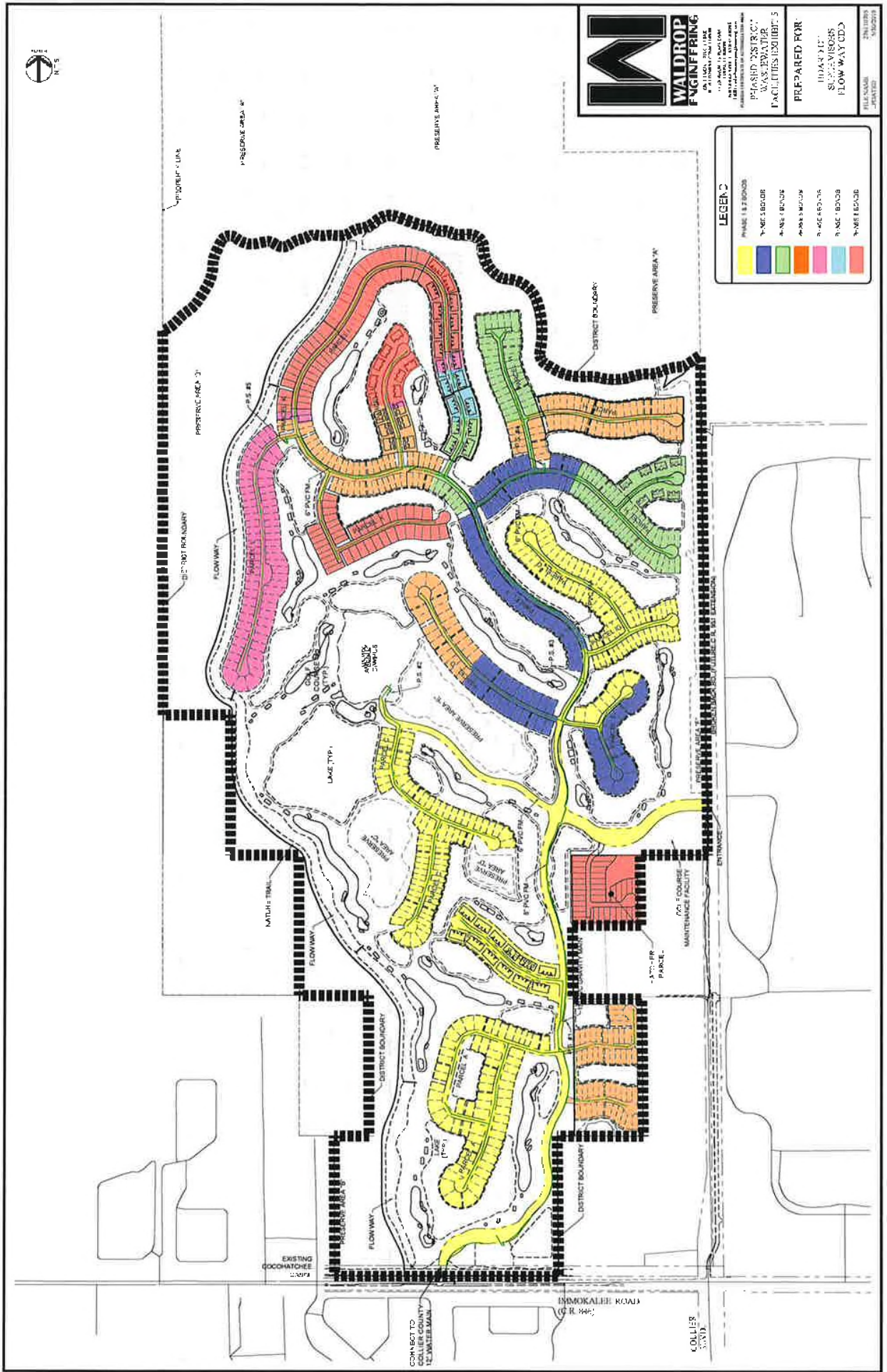


EXHIBIT 6 - Phased District Irrigation Facilities



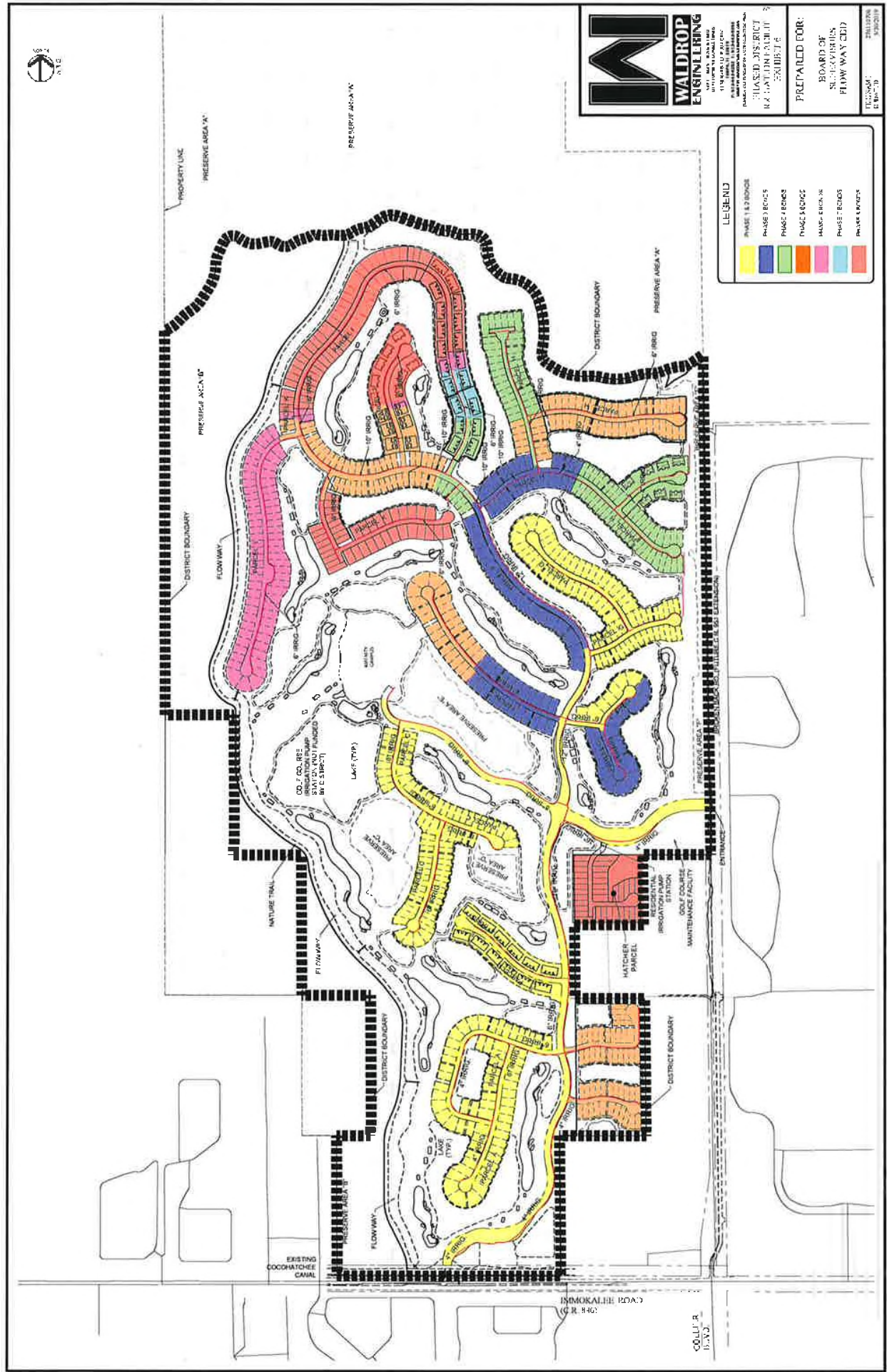
WALDROP ENGINEERING
 101 W. BROADWAY
 SUITE 100
 FORT WORTH, TEXAS 76102
 PHONE: 817.335.1111
 FAX: 817.335.1112
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 BOARD OF SUPERVISORS
 FLOWWAY CITY

PROJECT NO. 15-001
 SHEET NO. 15-001-01

LEGEND

Phase 1 & 2 Bldgs
Phase 3 Bldgs
Phase 4 Bldgs
Phase 5 Bldgs
Phase 6 Bldgs
Phase 7 Bldgs
Phase 8 Bldgs
Phase 9 Bldgs
Phase 10 Bldgs



COLLIER
 15-001

DISMORALHE BDA
 15-001

*EXHIBIT 7 - Phased District Surface Water Management
Facilities*



WALDROP ENGINEERING
 1001 W. 10th St., Suite 100
 Fort Worth, TX 76102
 P: 817.335.1111
 F: 817.335.1112
 www.waldrop-engineering.com

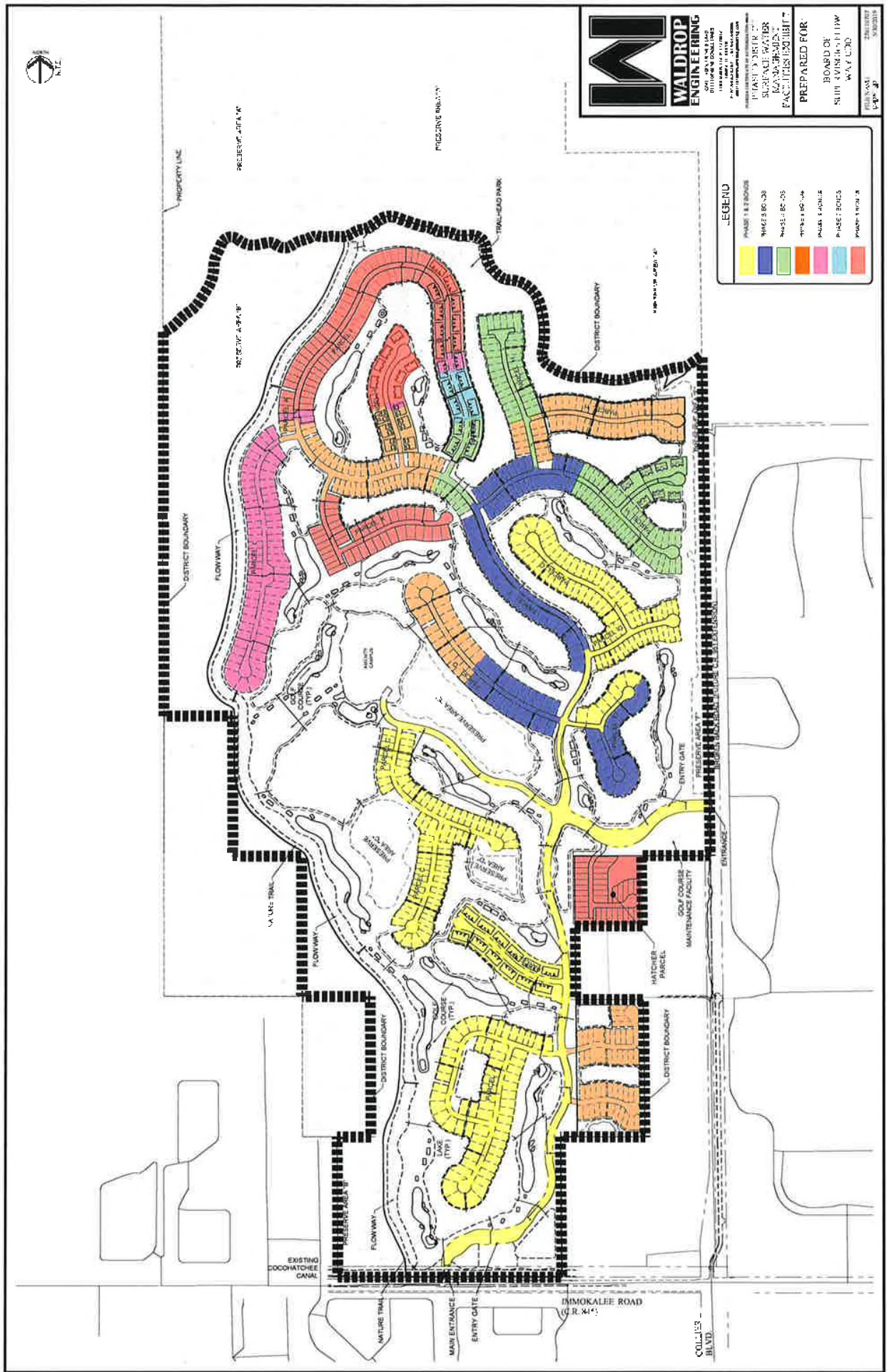
PROJECT NO. 1001
 SURFACE WATER
 MANAGEMENT
 FACILITIES EXHIBIT 1

PREPARED FOR:
 BOARD OF
 SUPERVISORS
 CITY OF FORT WORTH

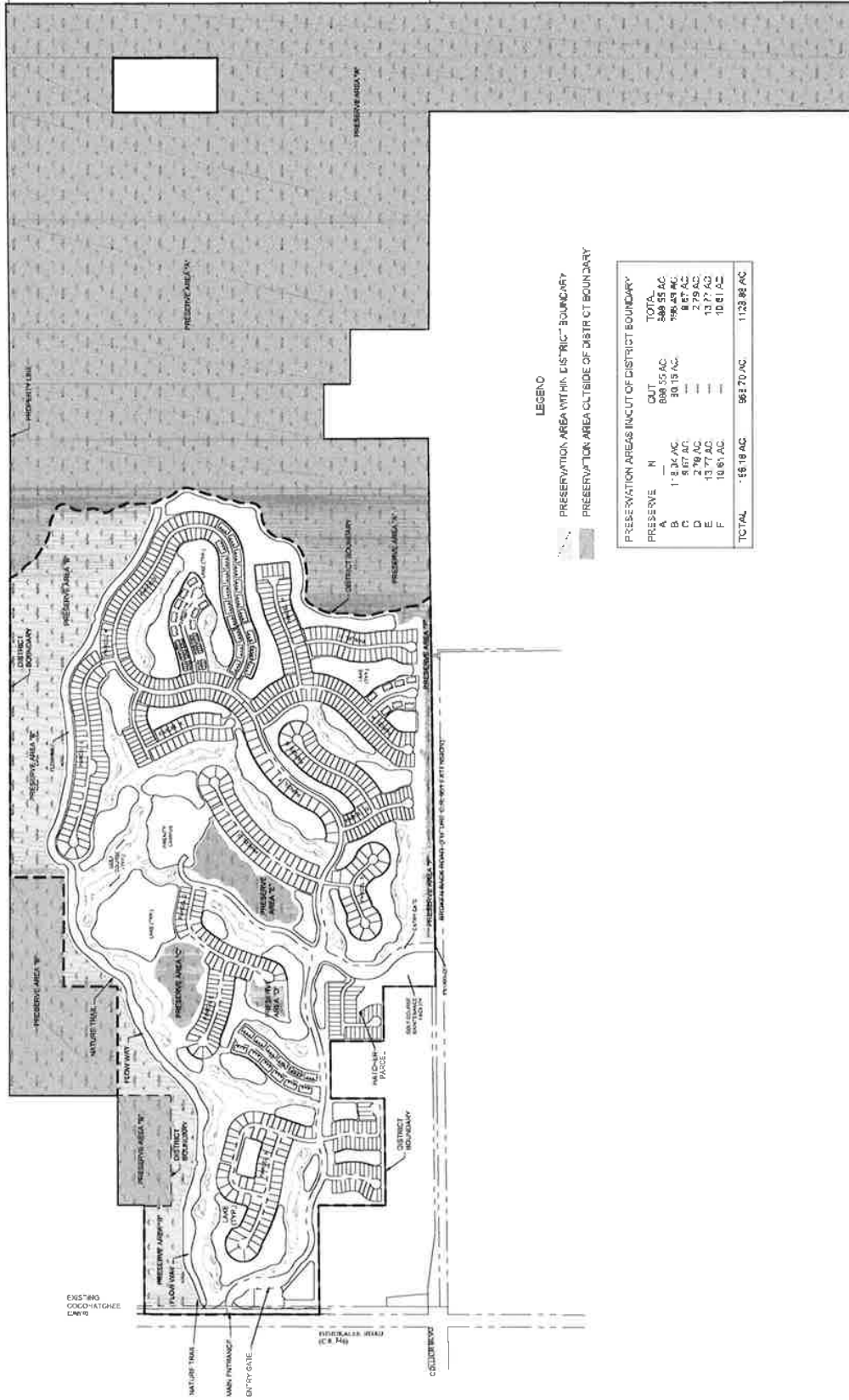
DATE: 05/11/11
 SHEET NO. 1001-1
 OF 10

LEGEND

[Yellow Box]	PHASE 1 - 1001-01
[Blue Box]	PHASE 2 - 1001-02
[Green Box]	PHASE 3 - 1001-03
[Orange Box]	PHASE 4 - 1001-04
[Pink Box]	PHASE 5 - 1001-05
[Light Blue Box]	PHASE 6 - 1001-06
[Red Box]	PHASE 7 - 1001-07



*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	66.18 AC	962.70 AC	1,028.88 AC



WALDROP ENGINEERING
 ENVIRONMENTAL
 PRESERVATION & LAND
 USE CONSULTING & PLANNING
 1100 W. UNIVERSITY AVENUE
 SUITE 100
 ANN ARBOR, MI 48106-1000
 TEL: 734.769.1100
 FAX: 734.769.1101
 WWW.WALDROPENGINEERING.COM

PREPARED FOR:
 HOWARD H. SUPERVISOR
 FLOW WAY CDD

DATE: 05/11/11
 DRAWING NO.: 110001-001

SCALE: AS SHOWN

*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

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88100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34135
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

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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.

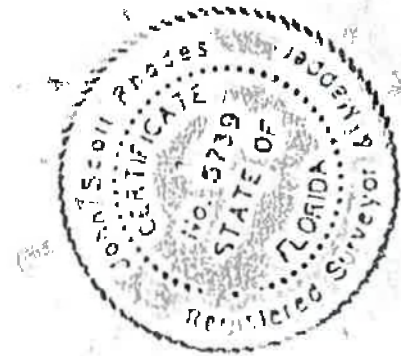
***29100 BONITA GRANDE DRIVE, SUITE 107
BONITA SPRINGS, FL 34136
PHONE (239) 406-8100 FAX (239) 406-8103***

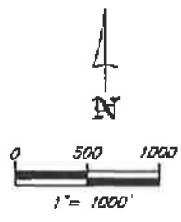
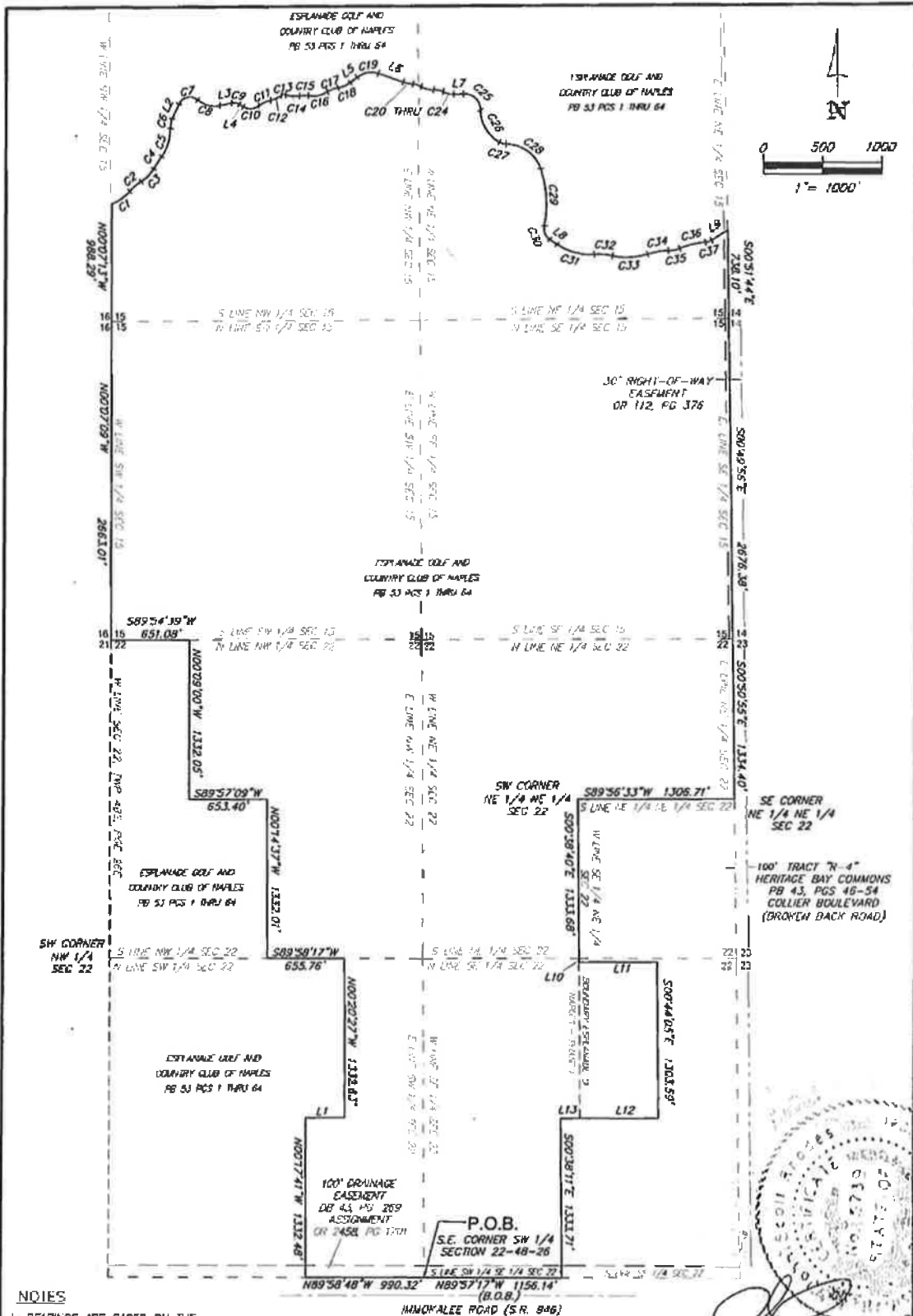
30.52 FEET; THENCE NORTH 89°59'08" EAST, A DISTANCE OF 655.79 FEET; THENCE SOUTH 00°44'05" EAST, A DISTANCE OF 1,303.59 FEET; THENCE NORTH 89°59'29" WEST, A DISTANCE OF 658.03 FEET TO AN INTERSECTION WITH SAID EASTERLY BOUNDARY OF THE PLAT OF ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES; THENCE CONTINUE 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

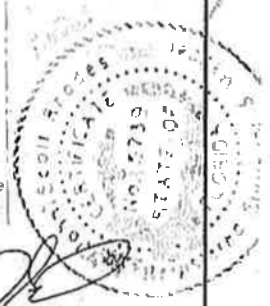
1. BEARINGS ARE BASED ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, SECTION 22, TOWNSHIP 48 SOUTH, RANGE 26 EAST, ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, 53, PAGES 1 THROUGH 64 (INCLUSIVE), AS BEING NORTH 89°57'17" WEST AND RELATE TO THE FLORIDA STATE PLANE COORDINATE SYSTEM 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 = OFFSET EASEMENT
- P.B. = PLAT BOOK
- P.S. = PAGES


BY: 
 JOHN SCOTT RHODES PSM #5739

SKETCH AND DESCRIPTION		PSM:
FLOW WAY CDD - ESPLANADE SKETCH		JSR
		drawn: CLJ
		checked: MMR
		view: SKETCH
		project#: 2012-03
		sheet #: 5 of 6
date: SEPTEMBER 2, 2016 scale: 1" = 1000' cadd 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

JAMES P. WARD, Chief Operating Officer

954.658.4900

JIMWARD@JPWARDASSOCIATES.COM

7/10/2019

*2900 NORTHEAST 12TH TERRACE
SUITE 1
OAKLAND PARK
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	Cost Allocation	Percent of Cost			Allocation by use & Enjoyment		Allocation by Unit
				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 Acre	Property Owner	Assessment by Acre	Total Assessment by Folio	Planned Units by Folio Number								Total Units		
							52'	57'	62'	76'	90'	MF (Esplanade)	MF (Vercelli)	MF (Vercelli)		MF (LARGE)	
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 Acre	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 1830	\$ -	\$ 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		Patt 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	36

Phase 8																	
Future Development Tract Number	Combined Folio #	Phase 7/8 Acreage Unallocated	Total Unallocated Acre	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	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 FEBRUARY 18, 2021 AT 1:00 P.M. AT A LOCATION TO BE DETERMINED DURING THE DECEMBER 17, 2020 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; 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 February 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 17th day of December 2020.

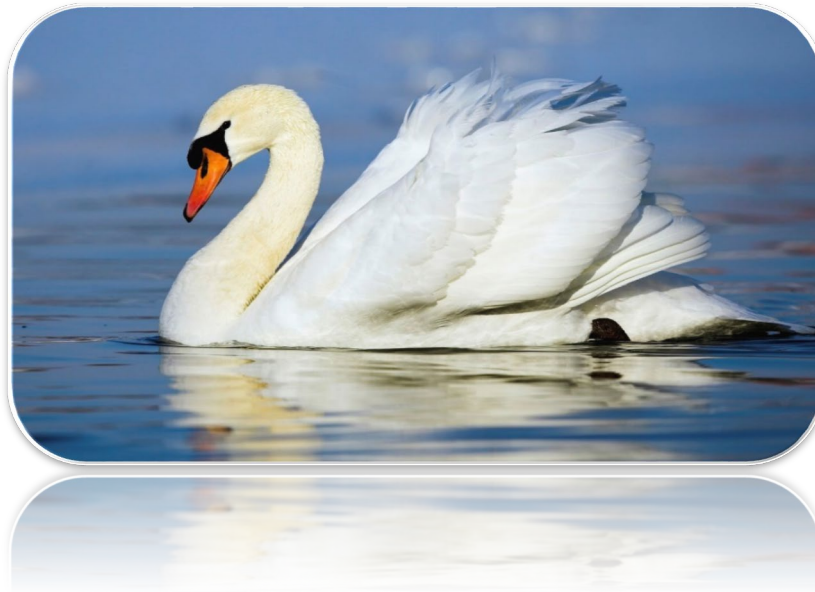
**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

Zack Stamp, Chairman

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS - NOVEMBER 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

Table of Contents

	<i>Page</i>
<i>Balance Sheet—All Funds</i>	<i>1-2</i>
<i>Statement of Revenue, Expenditures and Changes in Fund Balance</i>	
<i>General Fund</i>	<i>3-6</i>
<i>Debt Service Fund</i>	
<i>Series 2013 Bonds</i>	<i>7</i>
<i>Series 2015 Bonds (Phase 3)</i>	<i>8</i>
<i>Series 2015 Bonds (Phase 4)</i>	<i>9</i>
<i>Series 2016 Bonds (Phase 5)</i>	<i>10</i>
<i>Series 2017 Bonds (Phase 6)</i>	<i>11</i>
<i>Series 2019 Bonds (Phase 7, Phase 8, Hatcher)</i>	<i>12</i>
<i>Capital Project Fund</i>	
<i>Series 2016 Bonds (Phase 5)</i>	<i>13</i>
<i>Series 2017 Bonds (Phase 6)</i>	<i>14</i>
<i>Series 2019 Bonds (Phase 7, Phase 8, Hatcher)</i>	<i>15</i>

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

**Flowway Community Development District
Balance Sheet
for the Period Ending November 30, 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	\$ 1,521,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,521,543
Debt Service Fund												
Interest Account	-	-	-	-	-	-	-	-	-	-	-	-
Sinking Account	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Account	-	539,000	246,188	161,930	174,589	118,375	289,387	-	-	-	-	1,529,468
Revenue	-	105,853	88,196	30,616	38,992	16,510	6,472	-	-	-	-	286,639
Prepayment Account	-	-	0	-	-	-	-	-	-	-	-	0
General Redemption Account	-	-	-	2,471	-	-	-	-	-	-	-	2,471
Construction	-	-	-	-	-	-	-	19,947	12,974	33,249	-	66,170
Cost of Issuance	-	-	-	-	-	-	-	-	-	-	-	-
Retainage Account	-	-	-	-	-	-	-	-	-	1,037,083	-	1,037,083
Due from Other Funds												
General Fund	-	232,943	110,460	93,439	151,169	101,890	249,964	-	-	-	-	939,866
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Market Valuation Adjustments												
Accrued Interest Receivable												
Assessments Receivable/Deposits												
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	2,521,669	2,521,669
Amount to be Provided by Debt Service Funds	-	-	-	-	-	-	-	-	-	-	28,213,331	28,213,331
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 1,521,543	\$ 877,797	\$ 444,844	\$ 288,456	\$ 364,749	\$ 236,776	\$ 545,823	\$ 19,947	\$ 12,974	\$ 1,070,332	\$ 30,735,000	\$ 36,118,241

**Flowway Community Development District
Balance Sheet
for the Period Ending November 30, 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)	939,866	-	-	-	-	-	-	-	-	-	-	-	-	939,866
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>\$ 939,866</u>	<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>\$ 31,674,866</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	236,776	671,391	18,059	11,693	1,070,321	-	-	-	4,236,500
Results from Current Operations	-	(83,147)	(42,148)	(57,546)	(69,574)	-	(125,568)	1,889	1,281	11	-	-	-	(374,802)
Unassigned														
Beginning: October 1, 2020 (Unaudited)	366,305	-	-	-	-	-	-	-	-	-	-	-	-	366,305
Results from Current Operations	215,372	-	-	-	-	-	-	-	-	-	-	-	-	215,372
Total Fund Equity and Other Credits	<u>\$ 581,677</u>	<u>\$ 877,797</u>	<u>\$ 444,844</u>	<u>\$ 288,456</u>	<u>\$ 364,749</u>	<u>\$ 236,776</u>	<u>\$ 545,823</u>	<u>\$ 19,947</u>	<u>\$ 12,974</u>	<u>\$ 1,070,332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,443,375</u>	
Total Liabilities, Fund Equity and Other Credits	<u>\$ 1,521,543</u>	<u>\$ 877,797</u>	<u>\$ 444,844</u>	<u>\$ 288,456</u>	<u>\$ 364,749</u>	<u>\$ 236,776</u>	<u>\$ 545,823</u>	<u>\$ 19,947</u>	<u>\$ 12,974</u>	<u>\$ 1,070,332</u>	<u>\$ 30,735,000</u>	<u>\$ 36,118,241</u>		

**Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020**

Description	October	November	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	254,299	579,690	44%
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	254,299	\$ 679,690	37%
Expenditures and Other Uses					
Legislative					
Board of Supervisor's Fees	-	-	-	2,400	0%
Executive					
Professional Management	3,333	3,333	6,667	40,000	17%
Financial and Administrative					
Audit Services	-	-	-	4,400	0%
Accounting Services	1,333	1,333	2,667	16,000	17%
Assessment Roll Services	1,333	1,333	2,667	16,000	17%
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 November 30, 2020**

Description	October	November	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	-	19	600	3%
Rentals & Leases					
Meeting Room Rental	-	-	-	-	N/A
Computer Services - Website Development	50	50	100	2,000	5%
Insurance	6,503	-	6,503	6,300	103%
Printing & Binding	-	-	-	750	0%
Office Supplies	-	-	-	-	N/A
Subscription & Memberships	175	-	175	175	100%
Legal Services					
Legal - General Counsel	2,135	-	2,135	10,000	21%
Boundary Expansion	-	-	-	-	N/A
Requisitions	-	-	-	-	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 November 30, 2020

Description	October	November	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 November 30, 2020

Description	October	November	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	38,927	679,690	6%
Total Expenditures and Other Uses:	\$ 31,098	\$ 7,829	\$ 38,927	\$ 679,690	6%
Net Increase/ (Decrease) in Fund Balance	(27,240)	242,612	215,372	-	
Fund Balance - Beginning	366,305	339,065	366,305	-	
Fund Balance - Ending	\$ 339,065	\$ 581,677	581,677	\$ -	

Flowway Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	8	1%
Sinking Fund	-	0	0	-	N/A
Reserve Account	1	5,830	5,830	1,600	364%
Prepayment Account	-	-	-	-	N/A
Revenue Account	2	2	3	975	0%
Special Assessment Revenue					
Special Assessments - On-Roll	3,589	232,943	236,532	539,344	44%
Special Assessments - Off-Roll	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,591	\$ 238,774	242,366	\$ 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)	(83,147)	9,352	
Fund Balance - Beginning	960,943	964,535	960,943		
Fund Balance - Ending	\$ 964,535	\$ 877,797	877,797	\$ 9,352	

Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 3)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	-	N/A
Sinking Fund	-	0	0	-	N/A
Reserve Account	0	2,663	2,663	550	484%
Prepayment Account	-	-	-	-	N/A
Revenue Account	1	1	2	300	1%
Special Assessment Revenue					
Special Assessments - On-Roll	1,702	110,460	112,162	255,873	44%
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	114,827	\$ 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)	(42,148)	14,260	
Fund Balance - Beginning	486,992	488,695	486,992	-	
Fund Balance - Ending	\$ 488,695	\$ 444,844	444,844	\$ 14,260	

Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 4)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	-	N/A
Sinking Fund	-	0	0	-	N/A
Reserve Account	0	1,751	1,752	500	350%
Prepayment Account	0	0	0	-	N/A
Revenue Account	1	1	1	400	0%
General Redemption Account	0	0	0	-	N/A
Special Assessment Revenue					
Special Assessments - On-Roll	1,440	93,439	94,879	216,250	44%
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	96,632	\$ 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)	(57,546)	4,894	
Fund Balance - Beginning	346,002	347,443	346,002		
Fund Balance - Ending	\$ 347,443	\$ 288,456	288,456	\$ 4,894	

Flowway Community Development District
Debt Service Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	2	2%
Sinking Fund	-	0	0	-	N/A
Reserve Account	0	1,888	1,889	345	547%
Prepayment Account	-	-	-	-	N/A
Revenue Account	1	1	2	220	1%
Special Assessment Revenue					
Special Assessments - On-Roll	2,329	151,169	153,498	350,060	44%
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	155,389	\$ 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	1,889	-	N/A
Total Expenditures and Other Uses:	\$ 0	\$ 224,962	224,962	\$ 342,763	N/A
Net Increase/ (Decrease) in Fund Balance	2,330	(71,904)	(69,574)	7,864	
Fund Balance - Beginning	434,323	436,653	434,323		
Fund Balance - Ending	\$ 436,653	\$ 364,749	364,749	\$ 7,864	

Flowway Community Development District
Debt Service Fund - Series 2017 (Phase 6)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	-	N/A
Sinking Fund	-	0	0	-	N/A
Reserve Account	0	1,280	1,280	2,200	58%
Prepayment Account	-	-	-	-	N/A
Revenue Account	1	1	1	1,100	0%
Special Assessment Revenue					
Special Assessments - On-Roll	1,570	101,890	103,460	235,848	44%
Special Assessments - Off-Roll	-	-	-	-	N/A
Debt Proceeds					
-	-	-	-	-	N/A
Operating Transfers In (To Other Funds)					
-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,571	\$ 103,171	104,742	\$ 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					
-	-	-	-	-	N/A
Operating Transfers Out (To Other Funds)					
-	0	1,280	1,280	-	N/A
Total Expenditures and Other Uses:	\$ 0	\$ 150,130	150,130	\$ 231,563	N/A
Net Increase/ (Decrease) in Fund Balance	1,570	(46,959)	(45,389)	7,585	
Fund Balance - Beginning	282,164	283,735	282,164		
Fund Balance - Ending	\$ 283,735	\$ 236,776	236,776	\$ 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 November 30, 2020

Description	October	November	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward - Capitalized Interest	\$ -	\$ -	-	\$ -	N/A
Interest Income					
Interest Account	-	0	0	-	N/A
Sinking Account	-	0	0	-	N/A
Reserve Account	1	1	2	2,700	0%
Prepayment Account	-	-	-	-	N/A
Revenue Account	2	2	3	1,100	0%
Special Assessment Revenue					
Special Assessments - On-Roll	3,851	249,964	253,815	578,774	44%
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	253,821	\$ 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					
Operating Transfers Out (To Other Funds)	1	1	2	-	N/A
Total Expenditures and Other Uses:	\$ 1	\$ 379,388	379,389	\$ 575,759	N/A
Net Increase/ (Decrease) in Fund Balance	3,853	(129,421)	(125,568)	6,815	
Fund Balance - Beginning	671,391	675,244	671,391		
Fund Balance - Ending	\$ 675,244	\$ 545,823	545,823	\$ 6,815	

**Flowway Community Development District
Capital Project Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through November 30, 2020**

Description	October	November	Year to Date	Total Annual Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	-	\$ -
Interest Income				
Construction Account	0	0	0	-
Cost of Issuance	-	-	-	-
Debt Proceeds				
		-	\$ -	-
Operating Transfers In (From Other Funds)	0	1,888	1,889	-
Total Revenue and Other Sources:	\$ 0	\$ 1,888	\$ 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	\$ 1,889	-
Fund Balance - Beginning	18,059	18,059	18,059	-
Fund Balance - Ending	\$ 18,059	\$ 19,947	\$ 19,947	\$ -

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 November 30, 2020**

Description	October	November	Year to Date	Total Annual Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	-	\$ -
Interest Income				
Construction Account	0	0	0	-
Cost of Issuance	-	-	-	-
Debt Proceeds				
Operating Transfers In (From Other Funds)	0	1,280	1,280	-
Total Revenue and Other Sources:	\$ 0	\$ 1,280	\$ 1,281	\$ -
Expenditures and Other Uses				
Executive				
Professional Management	-	-	\$ -	\$ -
Other Contractual Services				
Trustee Services	-	-	\$ -	\$ -
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	-	-	\$ -	-
Cost of Issuance				
Series 2017 Bonds (Phase 6)	-	-	-	\$ -
Underwriter's Discount				
	-	-	\$ -	-
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	-
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	0	1,280	\$ 1,281	-
Fund Balance - Beginning	11,693	11,693	11,693	-
Fund Balance - Ending	\$ 11,693	\$ 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 November 30, 2020

Description	October	November	Year to Date	Total Annual Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	-	\$ -
Interest Income				
Construction Account	0	0	0	-
Cost of Issuance	-	-	-	-
Retainage Account	4	4	9	-
Debt Proceeds		-	-	-
Contributions from Private Sources		-	-	-
Operating Transfers In (From Other Funds)	1	1	2	-
Total Revenue and Other Sources:	\$ 6	\$ 6	\$ 11	\$ -
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	\$ 11	-
Fund Balance - Beginning	1,070,321	1,070,326	1,070,321	-
Fund Balance - Ending	\$ 1,070,326	\$ 1,070,332	\$ 1,070,332	\$ -

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.

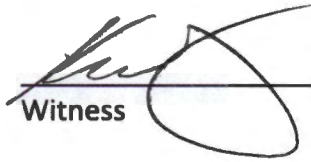
551 North Cattlemen Road, Suite 200, Sarasota, Florida 34232

Attention: John Asher, President

JAsher@taylormorrison.com

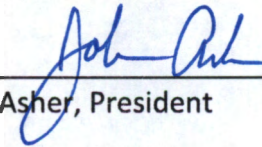
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ATTEST:



Witness

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



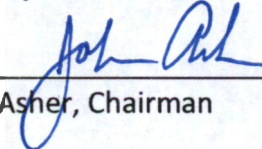
John Asher, President

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

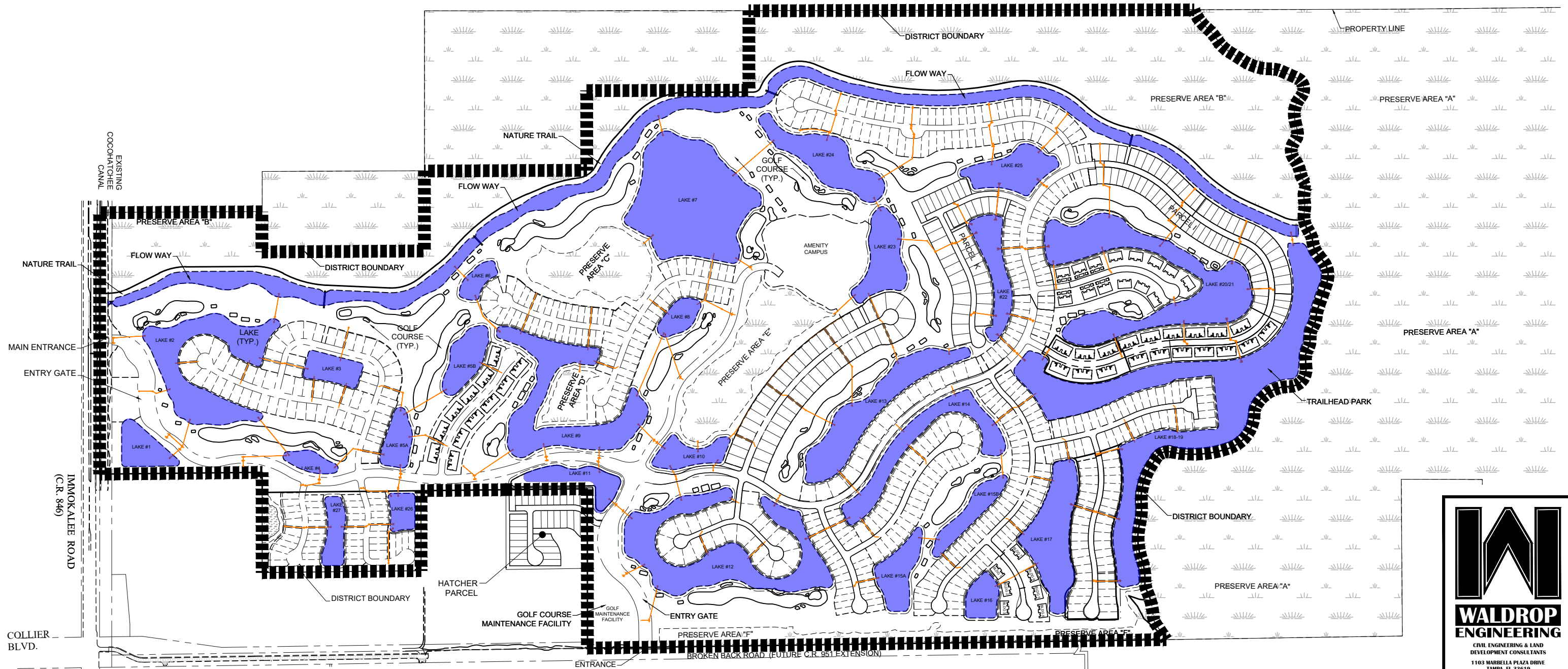
of these mitigation areas the exotic and nuisance plant maintenance may need to occur on a continuous basis to cover all the areas.

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.



**WALDROP
ENGINEERING**

CIVIL ENGINEERING & LAND
DEVELOPMENT CONSULTANTS
1103 MARBELLA PLAZA DRIVE
TAMPA, FL 33619
P: 813-443-8282 F: 813-443-8285
EMAIL: info@waldropengineering.com

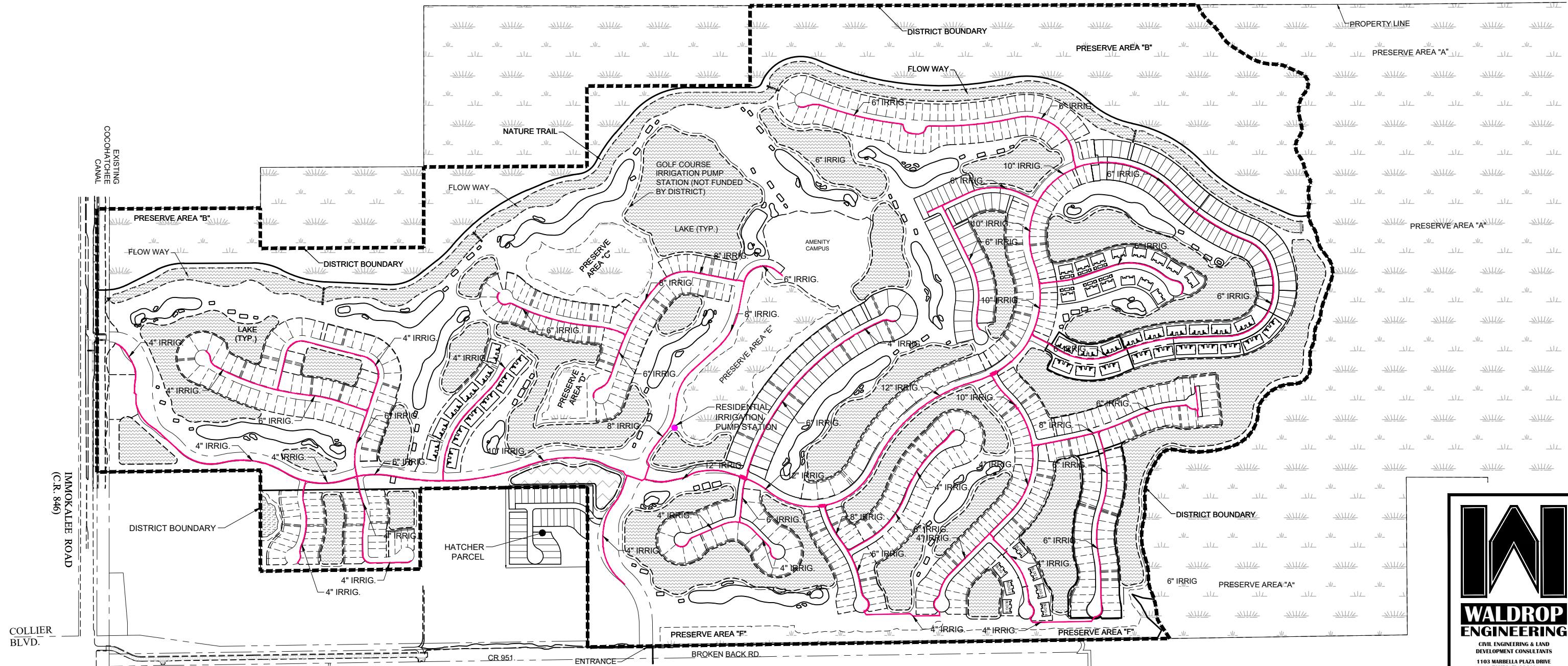
FLORIDA CERTIFICATE OF AUTHORIZATION #8636

PHASED DISTRICT
SURFACE WATER
MANAGEMENT
FACILITIES EXHIBIT 7

PREPARED FOR:

BOARD OF
SUPERVISORS FLOW
WAY CDD

FILE NAME: 276110707
UPDATED: 4/16/2020



**WALDROP
ENGINEERING**

CIVIL ENGINEERING & LAND
DEVELOPMENT CONSULTANTS
1103 MARBELLA PLAZA DRIVE
TAMPA, FL 33619
P: 813-443-8282 F: 813-443-8285
EMAIL: info@waldropengineering.com
FLORIDA CERTIFICATE OF AUTHORIZATION #6036

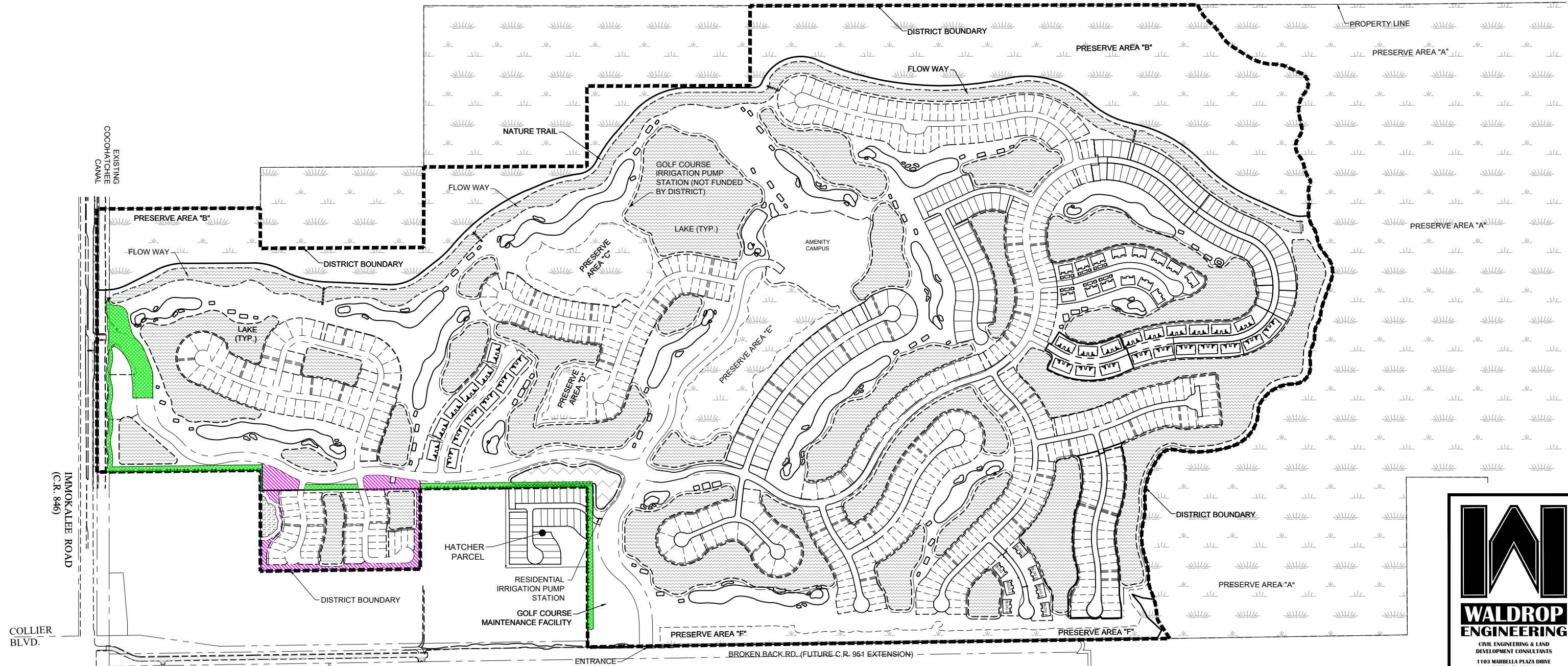
IRRIGATION
FACILITIES
EXHIBIT

PREPARED FOR:

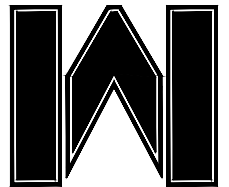
BOARD OF
SUPERVISORS
FLOW WAY CDD

FILE NAME: 276110709
UPDATED: 5/5/2020

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LEGEND	
	LANDSCAPE EASEMENT (PHASE 3 REQUISITION 4) (TRACTS O1, O2, AND M PLAT BOOK 53 PAGE 1 - 64)
	DEEDED LANDSCAPE BUFFER TRACT (PHASE 6 REQUISITIONS 6 AND 7) (TRACT O1A PLAT BOOK 61 PAGE 73 - 76)



**WALDROP
ENGINEERING**

CIVIL ENGINEERING & LAND
DEVELOPMENT CONSULTANTS
1103 MARBELLA PLAZA DRIVE
TAMPA, FL 33619
P: 813-443-8282 F: 813-443-8285
EMAIL: info@waldropengineering.com
FLORIDA CERTIFICATE OF AUTHORIZATION #6636

LANDSCAPE
MAINTENANCE
EXHIBIT

PREPARED FOR:

BOARD OF
SUPERVISORS
FLOW WAY CDD

FILE NAME: 276110706
UPDATED: 4/30/2020

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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.

**WOODS, WEIDENMILLER, MICHETTI &
RUDNICK, LLP**

By: 

Gregory N. Woods

Florida Bar No. 175500

Jessica F. Tolin

Florida Bar No. 124266

9045 Strada Stell Court, Suite 400

Naples, FL 34109

(239) 325-4070 – Telephone

(239) 325-4080 – Facsimile

Primary Email: gwoods@lawfirmnaples.com

Secondary Email: jtolin@lawfirmnaples.com

Secondary Email: mdipalma@lawfirmnaples.com

Secondary Email: service@lawfirmnaples.com

Attorneys for the Petitioner Flow Way CDD

MEMORANDUM ON LEGAL ISSUES

This memorandum shall provide an outline of the claims presented in the draft Complaint enclosed herewith.

I. KEY LEGAL ISSUES FOR DETERMINATION

1. Whether the transfer of the ownership and maintenance responsibility of the Main Preserve to the CDD was premature and in violation of the applicable Permits;
2. Whether the ownership of, and maintenance responsibility (including any and all associated costs) for, the Main Preserve must lie with the Flow Way CDD in perpetuity. If not in perpetuity, whether there is a limitation to the interim responsibilities of the CDD to maintain and/or manage the Preserves until a permanent transfer is made to another entity.
3. Whether the Developer is required to set up an escrow fund to fully finance the maintenance of the Preserve, even if maintained or owned by the CDD in the interim.
4. If ownership and maintenance of the Main Preserve is offered to CREW or another appropriate entity, and that entity accepts ownership and maintenance thereof, whether the Developer has an obligation to set up an escrow fund to fully finance the maintenance costs for that entity, as set forth in the Permit documentation.

II. CAUSES OF ACTION

With respect to the foregoing issues, our position will be that TM did prematurely transfer the Preserves in violation of the specific conditions set forth within the applicable Corps and SFWMD Permits.

We believe the causes of action available to the CDD include the following:

1. Declaratory Judgment (*CDD v. TM*) –

- a. That prior to turnover, TM Esplanade is required to create an escrow fund for the maintenance of the Preserves and make an offer to another “appropriate” land management entity for long-term ownership and maintenance of the Preserves;
- b. That the Flow Way CDD is not an appropriate land management entity for long-term ownership and maintenance of the Preserves;
- c. That even if the CDD is deemed an appropriate land management entity, or, alternatively, is obligated to maintain and own the Preserves in an interim period, TM is still required to fund the maintenance of the Preserves in perpetuity; and

- d. That, in any event, the transfer of ownership of, and maintenance obligations for, the Preserves to the CDD was premature.
2. **Claim for Damages (*CDD v. TM*)** – The CDD could also seek damages from TM for reimbursement in having to fund the maintenance of the Preserves, thus far.
 3. **Breach of Fiduciary Duty (*CDD v. Developer board members and Tim Hall/his firm*)**
 - a. TM directors and/or Tim Hall owed a fiduciary duty to the CDD to act in its best interest;
 - b. They breached that duty in acting in TM’s best interest and improperly placing a long-term financial and maintenance obligation on the CDD; and
 - c. The CDD was accordingly damaged and will continue to suffer damages.
 4. **Breach of Contract (*CDD v. HOA*)** – The CDD and the HOA entered into the Flow Way Agreement for Inspection and Maintenance Services, dated August 19, 2014, pursuant to which, the Association agreed to be responsible for the “day-to-day maintenance of the District Improvements,” including the Preserves. As that Agreement has not yet been rescinded, the CDD could also allege a breach of the Agreement for failing to perform its maintenance obligations.

While we could file suit in state circuit court, if we can get the Corps to participate, either as a plaintiff or a nominal third-party defendant, the appropriate forum to file a lawsuit asserting the foregoing claims would then be federal court. Under that circumstance, we would file in the Middle District of Florida. Specifically, we would be requesting action with the Corps, pursuant to 33 C.F.R. § 325.7, to establish and enforce TM’s obligations to find and reach an agreement with an environmental group; to fully fund the perpetual maintenance of the preserves; and to further establish that the CDD does not have those obligations.

**IN THE CIRCUIT COURT OF THE TWENTIETH JUDICIAL CIRCUIT
IN AND FOR COLLIER COUNTY, FLORIDA
CIVIL ACTION**

FLOW WAY COMMUNITY DEVELOPMENT
DISTRICT,

Plaintiff,

v.

Case No. 20-CA-_____

TAYLOR MORRISON OF FLORIDA, INC.,
TAYLOR MORRISON ESPLANADE NAPLES,
LLC, TIM HALL, TURRELL, HALL & ASSOCIATES,
INC., ANTHONY BURDETT, STEPHEN REITER,
DAVID TRUXTON, ADAM PAINTER, and
CHRISTOPHER NIRENBERG,

Defendants.

COMPLAINT

Plaintiff, FLOW WAY COMMUNITY DEVELOPMENT DISTRICT (“the CDD”), by and through its undersigned counsel, and in accordance with the Florida Rules of Civil Procedure, hereby files this Complaint against Defendants, TAYLOR MORRISON OF FLORIDA, INC. (“TM”), TAYLOR MORRISON ESPLANADE NAPLES, LLC (“TM Esplanade”, and collectively with TM, “TM Defendants”), TIM HALL (“Hall”), TURRELL, HALL & ASSOCIATES, INC. (“THA”), ANTHONY BURDETT (“Burdett”), STEPHEN REITER (“Reiter”), DAVID TRUXTON (“Truxton”), ADAM PAINTER (“Painter”), and CHRISTOPHER NIRENBERG (“Nirenberg”), and alleges as follows:

JURISDICTION AND VENUE

1. This is an action for declaratory relief and damages in excess of \$30,000.00, exclusive of interest and costs.
2. Venue is proper in Collier County, Florida, because the TM Defendants conduct business in Collier County, Florida; the real property that is subject to the instant litigation is

located within Collier County, Florida; and the causes of action alleged herein accrued in Collier County, Florida.

PARTIES

3. Plaintiff, the CDD, is a community development district located in Collier County, Florida, and which was established by Collier County Ordinance No. 02–09.

4. Defendant TM is a Florida for-profit corporation that conducts business in Collier County, Florida.

5. Defendant TM Esplanade is a Florida limited liability company that conducts business in Collier County, Florida.

6. Defendant Hall is an adult individual, *sui juris*, who, upon information and belief, resides in Collier County, Florida, and who is the senior ecologist and principal at Defendant THA.

7. Defendant THA is a Florida for-profit corporation that conducts business in Collier County, Florida, and which has its principal place of business in Collier County, Florida.

8. Defendant Burdett is an adult individual, *sui juris*, who formerly served as a board member for the Flow Way CDD in 2018, and who, upon information and belief, resides in Collier County, Florida.

9. Defendant Reiter is an adult individual, *sui juris*, who formerly served as a board member for the Flow Way CDD in 2018, and who, upon information and belief, resides in Collier County, Florida.

10. Defendant Truxton is an adult individual, *sui juris*, who formerly served as a board member for the Flow Way CDD from 2018 to November 2020, and who, upon information and belief, resides in Collier County, Florida.

11. Defendant Painter is an adult individual, *sui juris*, who formerly served as a board member for the Flow Way CDD in 2018, and who, upon information and belief, resides in Collier County, Florida.

12. Defendant Nirenberg is an adult individual, *sui juris*, who formerly served as a board member for the Flow Way CDD from 2018 to November 2020, and who, upon information and belief, resides in Collier County, Florida. Defendants, Burdett, Reiter, Truxton, Painter, and Nirenberg, shall collectively be referred to herein as “TM Directors”.

GENERAL ALLEGATIONS

13. The Esplanade Golf and Country Club of Naples (“Esplanade”) is a residential community within Naples, Collier County, Florida, which was developed by TM.

14. To the north and along the western boundary of Esplanade are approximately 1,087 acres of preserve land, referred to herein as the “Preserves”, and which are the subject of the instant dispute.

15. The Preserves consist of five (5) areas as follows:

- a. Area 1/Wading Birds (totaling approximately 31.86 acres);
- b. Area 2/Internal Preserves within Esplanade (totaling approximately 38 acres);
- c. Area 3/Western Preserve, which is located along the western border of Esplanade (totaling approximately 167 acres);
- d. Area 4/Northern Preserve, which is the largest of the offsite preserves (totaling approximately 730 acres); and
- e. Area 5/Section 11 Preserve, which is located to the east and north of Esplanade along the Collier and Lee County line (totaling approximately 160 acres).

16. Areas 1, 3, 4, and 5 of the Preserves comprise the “Main Preserve”, as that term is frequently used throughout the relevant permit documentation discussed below in more detail.

A. THE DEVELOPMENT

17. In 2001, Collier County adopted Ordinance No. 01-20, which created the Mirasol PUD for the development of the initially proposed residential community of Mirasol.

18. TM changed the name of the development to Esplanade through amendment of the above-referenced PUD Ordinance by way of Collier County Ordinance No. 14-36.

19. The CDD was created by Collier County Ordinance No. 02-09 in or around March 2002 as an independent district subject to Chapter 190 of the Florida Statutes.

20. With the ongoing development of Esplanade, the CDD board remained developer controlled up through November 2020, when a transition occurred. Only recently did the CDD board attain a 4:1 resident majority, thereby no longer making it developer-controlled.

B. THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT PERMIT

21. In connection with its initial development of Mirasol, TM obtained Permit No. 11–02031–P from the South Florida Water Management District (“SFWMD”).

22. The SFWMD Permit No. 11–02031–P underwent modifications, with the last modification having been made and approved in November 2012 (“SFWMD Permit”). A copy of the SFWMD Permit is attached hereto as **Exhibit “[REDACTED]”**.

23. At all times relevant, the TM Defendants were, and remain, a permittee of the SFWMD Permit.

24. The SFWMD Permit specifically required as follows: “[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).” See Exhibit [REDACTED], at Special Condition 20 (emphasis supplied).

25. Special Condition 21 further clarifies that the above-required maintenance by TM Defendants shall be “in perpetuity”.

26. Special Condition 25 of the SFWMD Permit 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.

27. The TM Defendants provided financial assurances and committed to financial obligations, which could not be transferred onto another entity prematurely and without proper acceptance by SFWMD.

28. General Condition 7 of the SFWMD Permit similarly explains 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.

29. The TM Defendants were therefore also to remain liable for compliance with the terms of the SFWMD Permit at least until such time that an appropriate environmental group was approved for the operation and maintenance of the Preserves.

30. Contrary to these above-delineated Special and General Conditions set forth in the SFWMD Permit, the TM Defendants prematurely transferred ownership of the Preserves to the CDD, thereby also attempting to shift the TM Defendants' maintenance and funding obligations concerning the Preserves to the CDD.

31. As an attempt to try and retroactively have its improper actions approved, Tim Hall, acting on behalf of the CDD (through prior developer authorization) submitted a modification request to the SFWMD on or about May 22, 2020, seeking the following:

- a. To amend the co-permittee for the Hatcher addition (Application No. 190726-11) from TM to TM Esplanade;
- b. To amend the Mitigation, Monitoring, and Maintenance Plan ("MMM Plan") for the Internal Preserves to, inter alia, identify the CDD as a maintenance entity alongside Esplanade Golf and Country Club, Inc. ("HOA");

- c. To amend the MMM Plan for the Main Preserve **to identify the CDD as the long-term maintenance entity for the Main Preserve**; and
- d. To amend Exhibit 3.8 to the SFWMD Permit to include Dilillo and Hatcher parcel preserve areas.

32. On November 5, 2020, SFWMD issued its notice that the modification request was approved. A copy of the Notice is attached hereto as **Exhibit “ [REDACTED] ”**.

33. On or about November 20, 2020, the CDD, through counsel, sent correspondence to SFWMD revoking any authority of Andrew Miller (as former chairperson of the CDD board) and Tim Hall to act on behalf of the CDD, and advising of its intent to appeal the approval of the modification request.

34. The Petition for Administrative Hearing regarding the modification request was filed with the SFWMD on November 23, 2020. A copy of the Petition is also attached hereto as **Exhibit “ [REDACTED] ”**.

C. THE U.S. ARMY CORPS OF ENGINEERS PERMIT

35. TM was also issued a permit by the U.S. Army Corps of Engineers (“Corps”) as Permit No. SAJ-2000-01926 in connection with its initial development of Mirasol in 2007 (“Original Corps Permit”), and which was subsequently modified. The latest modification occurred on December 7, 2012 (“Modified Corps Permit”). Copies of both versions of the Permit are attached hereto as **Composite Exhibit “ [REDACTED] ”**.

36. Special Condition 12 of the Original Corps Permit provided as follows:

[t]he permittee shall maintain and monitor the 883.71-acre preserve in accordance with this permit until such time that the permittee transfers the ownership of the parcel to the Corskscrew Regional Ecosystem Watershed (CREW) Land Trust. The transfer of ownership shall include an endowment fund to ensure the perpetual maintenance and management of the main preserve as a natural area.

37. Special Condition 13 further provided that “[t]he cost per acre and total amount of the endowment fund is to be determined by CREW at the time of land transfer.”

38. Thus, from the issuance of the Original Corps Permit, it was made clear that the Permittee(s)—the TM Defendants—shall transfer ownership of the Main Preserve to CREW and shall establish an endowment fund for perpetual maintenance of the Main Preserve.

39. These directives did not change with the subsequent modification, as the Modified Corps Permit similarly provides that the Corp was to be “be notified in writing of any intention to reassign the conservation easement to a new grantee and shall approve the selection of the grantee” (see Special Condition 12), and further states as follows:

[a]t such time as the permittee proposes to transfer Preserve Areas A & B to CREW or another acceptable land conservation entity, a permit modification application shall be submitted to the Corps for review and approval in accordance with the terms and conditions of the attached Biological Opinion (USFWS) requiring approval of the perpetual maintenance fund and management entity proposed by the permittee.

See Special Condition 17 of the Modified Corps Permit.

40. The TM Defendants did not comply with the foregoing Permit conditions, as they failed to obtain the mandated approval of the transfer of the Preserves to the CDD from the Corps and the Fish & Wildlife Service (“FWS”).

41. Even the language of the MMM Plan establishes that the TM Defendants’ transfer of the Preserves to the CDD was inappropriate, as it expressly 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, a copy of which is attached hereto as **Exhibit “[REDACTED]”**, at p. 8 (emphasis supplied).

42. It then further explains 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).

43. Neither the HOA nor the CDD are appropriate entities under the Modified Corps Permit to be burdened with the long-term maintenance and/or funding of the maintenance of the Preserves.

44. Further, the Modified Corps Permit, in conjunction with the MMM Plan, requires that the TM Defendants, as the applicants and permittees, establish a fund for the perpetual maintenance of the Preserves.

45. Such requirement exists irrespective of whether the Preserves are transferred to CREW or another appropriate entity.

46. This is exemplified by page 12 of the MMM Plan, which states that “[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.”

47. The MMM Plan further provides as follows:

This may entail the property owner’s association or CDD acquiring ownership of the preserve prior to the CREW transfer. The maintenance and management responsibilities for the preserves will transfer to that entity. At this time the said associations shall assume responsibility for the perpetual maintenance and management of the preserve and retained areas. Association documents will indicate the responsibilities, restrictions and limitations associated with the conservation areas. Once the restoration activities have met the success criteria, the Preserve will be offered to CREW (or another suitable land management entity) along with the escrow funds to perpetually maintain the preserve.

Id.

48. No turnover has occurred with respect to the HOA, yet.

49. Turnover is not anticipated to occur until near the summer of 2021.

50. Thus, any transfer of the Preserves by the TM Defendants at any time prior to turnover was both premature and improper.

51. This is further demonstrated by the MMM Plan, where it expressly states that “the applicant will be responsible for reaching the success criteria outlined below before donation of the preserve occurs.” *Id.* at p. 8.

52. FWS’ approval of the entity acquiring the obligation to maintain the preserves is also required. Specifically, the U.S. Fish and Wildlife Service Biological Opinion Amendment, Dated September 18, 2012, a copy of which is attached hereto as **Exhibit “_____”**, expressly provides as follows:

Once the exotic vegetation has been removed and the native vegetation restored, the preserve lands outside of the development footprint (about 1,089 ac) are to be **maintained** by the applicant or the homeowner’s association until they can be donated to the CREW Trust, or another appropriate public entity capable of providing such services, ***and approved by the Service***. The land transfer to the public management entity is to be completed within 6 months of final agency sign-off on the mitigation activities referenced in the Corps/District permit applications

In addition to the donation of the property to an appropriate entity, a non-wasting escrow fund for the perpetual maintenance and monitoring of the preserve ***shall be established***. The amount of the endowment will be determined at the time the preserve is transferred to the public management entity, and will be based on the perpetual management, maintenance and monitoring needs as determined and approved through coordinated discussions with the land recipient and the Service at the time of the proposed transfer. The amount of the endowment funds and the entity to receive the funds must be determined prior to the final agency sign-off on the mitigation activities referenced in the Corps/South Florida Water Management District Permit applications. ***The monies generated from the non-wasting endowment fund will be sufficient to fund all management costs including: site fencing and fire break maintenance, taxes, liability insurance (if necessary), site management and maintenance, monitoring reports, escrow holder handling fee, and a 10 percent contingency.*** A capitalization rate will be determined in coordination with, and approved by, the Service at the time the property is turned over to insure the endowment fund is non-wasting.

(emphasis supplied).

53. In an effort to try and retroactively have their improper actions approved, the TM Defendants, and/or Tim Hall acting on behalf of the developer-controlled CDD at the time, submitted a request to modify the Modified Corps Permit on or around October 9, 2019.

54. However, the Corps declined to modify the Modified Corps Permit, per its response sent on December 20, 2019.

D. DEFENDANTS' ACTIONS

55. Contrary to the above-referenced terms and conditions set forth in the SFWMD Permit, the Modified Corps Permit, and the MMM Plan, the TM Defendants prematurely transferred a small area of the Preserves (Tract P5) to the CDD by way of a Special Warranty Deed and Quitclaim Deed, copies of which are attached hereto as **Composite Exhibit “ [REDACTED] ”**, in 2015.

56. Simultaneously with this improper transfer, the TM Defendants also charged mitigation expenses for this Preserve area to the CDD in an attempt to avoid its own financial obligations.

57. Then, the TM Defendants prematurely transferred the remaining areas of the Main Preserve to the CDD by way of a Special Warranty and Quitclaim Deed, recorded on March 12, 2019, thereby attempting to alleviate themselves of all maintenance and funding obligations of the Preserves in their entirety. Copies of each of these deeds are attached hereto as **Composite Exhibit “ [REDACTED] ”**.

58. The TM Defendants have unequivocally stated, through their CDD board representatives, that they will never establish the fund to maintain the Preserves in perpetuity.

59. As a result of the TM Defendants' improper actions, in conjunction with those of developer representatives previously on the CDD board, the CDD has been forced into a position of ownership of the Preserves, without the requisite preconditions having first been satisfied by TM and/or TM Esplanade, as applicable.

60. Such improper actions by the TM Defendants has, and will, cost the CDD hundreds of thousands of dollars in maintenance and funding obligations, if the TM Defendants are not required to comply with the SFWMD and Modified Corps Permit conditions.

61. Further, the CDD is not an appropriate entity to maintain the Preserves in perpetuity, as has already been expressed by the Corps and is further reflected in the applicable Permits and MMM Plan.

62. While the TM Defendants and/or their former representatives on the CDD Board initially proposed a transfer of the Preserves to CREW, they failed to make a formal offer as required, and subsequently took no actions to find a suitable alternative to CREW, once CREW advised of its unwillingness to maintain the Preserves.

63. The CDD contests ownership of the Preserves, as the decision effectuating such ownership was made in the best interests of the TM Defendants, while they controlled the Board for the CDD, and was not made in the best interest of the CDD.

64. TM has failed to comply with all terms and conditions as set forth in the SFWMD Permit; failed to comply with all terms and conditions of the Modified Corps Permit; and failed to obtain the mandated approval of the transfer of the Preserves from the Fish & Wildlife Service.

COUNT I
DECLARATORY JUDGMENT
(The CDD v. TM Defendants)

65. The CDD hereby restates and incorporates paragraph 1 through of the Complaint, above, as if set forth herein in full.

66. This is an action for declaratory relief brought pursuant to Chapter 86 of the Florida Statutes against the TM Defendants.

67. The CDD contends that the TM Defendants prematurely transferred ownership of the Main Preserve to the CDD; that the CDD is not an appropriate entity for long-term maintenance and/or funding of the Preserves, and particularly the Main Preserve; and that the TM Defendants are required to establish an escrow fund for financing the maintenance of the

Main Preserve in perpetuity and to secure an appropriate land management entity for the long-term maintenance, and ultimate transfer of ownership of, the Preserves.

68. The TM Defendants incorrectly contend that the CDD is an appropriate land management entity for the long-term maintenance and perpetual funding of the Preserves, and particularly the Main Preserve; that it does not have an obligation to establish an escrow fund for maintenance of the Preserves, contrary to the SFWMD and Modified Corps Permit Conditions; and that it properly, and timely, transferred ownership of the Preserves, despite the fact that turnover of the HOA had yet to occur and not all SFWMD and Modified Corps Permit conditions had been satisfied.

69. There is a bona fide, actual, present, and practical need for the declaration sought herein.

70. The declaration sought deals with a present, ascertained or ascertainable state of facts or present controversy as to a state of facts.

71. Some immunity, power, privilege or right of the Parties is dependent upon the facts or law applicable to those facts.

72. The Parties have an actual, present, adverse, and antagonistic interest in the subject matter, either in fact or law.

73. The antagonistic and adverse interests are all before the Court on proper process.

74. The relief sought herein is not merely the giving of legal advice by the Court or the answer to questions propounded from curiosity.

75. The CDD does not have an adequate remedy at law.

76. The CDD has suffered, and will continue to suffer, immediate and irreparable injury, loss, and damages unless or until a declaration is rendered as to the relief sought herein.

77. All conditions precedent to the bringing of this action have occurred or been waived.

WHEREFORE, Plaintiff, FLOW WAY COMMUNITY DEVELOPMENT DISTRICT, hereby respectfully requests the entry of a declaration as follows:

- a. That prior to turnover of the HOA, TM is required to create an escrow fund for the perpetual maintenance of the Preserves;
- b. That TM is required to make an offer to an appropriate land management entity with funding, or entities as may be necessary, to secure long-term ownership and maintenance of the Preserves by an entity, other than the CDD;
- c. That, if the CDD is alternatively deemed to be an appropriate land management entity or otherwise found obligated to maintain and own the Preserves in an interim period until such that an appropriate land management entity is secured, TM is required to fund the maintenance of the Preserves in perpetuity, including, but not limited to, for the interim holding period;
- d. That that transfer of the Preserves, including ownership of and/or any maintenance obligations therefor, to the CDD by TM was premature; and
- e. That the CDD is entitled to be reimbursed by TM for costs and expenses incurred in having to undertake ownership and/or maintenance of the Preserves, together with an award of pre- and post-judgment interest, costs, and all such other and further relief as the Court deems just and proper.

COUNT II
BREACH OF FIDUCIARY DUTY
(The CDD v. TM Directors)

78. The CDD hereby restates and incorporates paragraph 1 through [REDACTED] of the Complaint, above, as if set forth herein in full.

79. This is an action for breach of fiduciary duty against the TM Directors, as a result of their improper authorization of a premature transfer of the Preserves to the CDD.

80. As members on the Board for the CDD, the TM Directors owed fiduciary duties of good faith and loyalty to the CDD, including to act in the best interests of the CDD and its constituents.

81. By accepting the transfer of the Preserves to the CDD, contrary to the mandates of the terms and conditions set forth in the SFWMD Permit and the Modified Corps Permit, the TM Directors were acting in the best interests of their employer and initial landowner, TM, and not the CDD.

82. Indeed, by shifting the significant maintenance costs onto the CDD, TM was able to save hundreds of thousands of dollars, while the CDD became improperly burdened with long-term financial and maintenance obligations that it is not even qualified to undertake.

83. By disregarding the interests of the CDD and voting in favor of prematurely transferring ownership of the Preserves, the TM Directors breached their fiduciary duties to the CDD and its constituents.

84. As a result of the TM Directors' respective breaches of fiduciary duty, the CDD has been damaged and will continue to suffer damages.

WHEREFORE, Plaintiff, FLOW WAY COMMUNITY DEVELOPMENT DISTRICT, hereby respectfully requests the entry of a judgment in its favor, and against Defendants, ANTHONY BURDETT, STEPHEN REITER, DAVID TRUXTON, ADAM PAINTER, and CHRISTOPHER NIRENBERG, for all damages, pre- and post-judgment interest, and costs, together with all such other and further relief as the Court deems just and proper.

COUNT III
BREACH OF FIDUCIARY DUTY
(The CDD v. THA and Hall)

85. The CDD hereby restates and incorporates paragraph 1 through [REDACTED] of the Complaint, above, as if set forth herein in full.

86. This is an action for breach of fiduciary duty against Defendants, THA and Hall.

87. Hall was hired by the CDD, when it was developer-controlled, to serve as the CDD's environmental consultant and assist the CDD with permitting requirements for the Preserves, including preparing the MMM Plan for same.

88. Hall was provided with the authority to speak on behalf of TM with respect to its SFWMD Permit and Modified Corps Permit.

89. Though hired by the CDD, Hall was essentially serving as a representative on behalf of the developer and landowner—the TM Defendants.

90. Hall, individually and acting on behalf of his company, THA, owed the CDD a duty to act in its best interests in advising on environmental issues and with respect to the permitting of the Preserves.

91. However, Hall breached that duty by acting for the benefit of the TM Defendants, and assisting in the premature transfer of ownership of, and long-term maintenance obligations for, the Preserves to the CDD.

92. At all times relevant, Hall knew, or should have known, that the CDD was not a proper or appropriate long-term maintenance entity for the Preserves—particularly given the vast size of the Preserves and expressed intent of the permitting authorities that the Preserves be maintained by an entity such as CREW or one similar thereto.

93. Even after the premature transfers occurred, Hall continued to make modification requests of the SFWMD Permit (on or about May 22, 2020) and of the Modified Corps Permit (on or about October 9, 2019), for the benefit of the TM Defendants.

94. The modification request to the SFWMD was recently approved, and is currently being contested by the CDD, now that it is a resident-majority board.

95. As a result of the foregoing breaches of fiduciary duty, the CDD has been damaged and will continue to suffer damages.

96. All conditions precedent to the bringing of the instant action have occurred or been waived.

WHEREFORE, Plaintiff, FLOW WAY COMMUNITY DEVELOPMENT DISTRICT, hereby respectfully requests the entry of a judgment in its favor, and against Defendants, TURRELL, HALL & ASSOCIATES, INC. and TIM HALL, for all damages, pre- and post-judgment interest, and costs, together with all such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

The CDD hereby demands a jury trial with respect to Counts II and III of the Complaint, above.

Dated this ____ day of December, 2020.

**WOODS, WEIDENMILLER, MICHETTI &
RUDNICK, LLP**

By: /s/ _____

Gregory N. Woods

Florida Bar No. 175500

Jessica F. Tolin

Florida Bar No. 124266

9045 Strada Stell Court, Suite 400

Naples, FL 34109

(239) 325-4070 – Telephone

(239) 325-4080 – Facsimile

Primary Email: gwoods@lawfirmnaples.com

Secondary Email: jtolin@lawfirmnaples.com

Secondary Email: mdipalma@lawfirmnaples.com

Secondary Email: service@lawfirmnaples.com

Attorneys for the CDD

DRAFT



Lake & Littoral Evaluation Proposal

**Esplanade Golf & Country Club of Naples Inc.
Flow Way CDD**

8916 Torre Vista Lane
Naples, Florida 34119

Forge Engineering Proposal Number 5911-001.01P



December 1, 2020

FLOW WAY CDD

Attn: Martinn Winters – CDD Board Member
2900 Northeast 12th Terrace, Suite 1
Oakland Park, Florida 33334
Email: martinnwinters@gmail.com

Subject: Proposal for Engineering Consulting Services
LAKE & LITTORAL EVALUATION FOR TURNOVER
Esplanade Golf & Country Club of Naples, Inc.
8916 Torre Vista Lane
Naples, Florida 34119
Forge Engineering Proposal No. 5911-001.01P

Forge Engineering Inc. (FORGE) is pleased to present this proposal for providing engineering consulting services related to performing a development Lake and Littoral Study for Flow Way CDD at Esplanade Golf & Country Club of Naples, Inc. (Flow Way CDD). Included in this proposal is the project information provided to us, our proposed scope of services, our projected schedule, and our fee schedule for these services.

Project Information

Our understanding of your needs for this project is based on information provided by you together with our experience on similar projects. We understand that control of the CDD infrastructure within Esplanade Golf & Country Club will be turned over from the developer (Taylor Morrison) to the CDD Board by the end of May of 2021. Therefore, the CDD Board would like to have a study performed in general accordance with generally accepted guidelines, and sound engineering judgment. The scope includes the review of the lakes and littoral zones of the development.

Esplanade Golf & Country Club is a Master Association that is responsible for the common elements that are shared by 1,184 residences and various sub-associations located east of I-75, and on the north side of Immokalee Road in Naples, Collier County, Florida. The Flow Way CDD is a quasi-governmental body responsible for the infrastructure within the development. Following the review of available aeriels, and historic public records we understand that the CDD was formed in 2002 and amended in 2016 but site development of the common elements began circa 2013. We understand that Esplanade Golf & Country Club includes 1,798 Acres, however the Flow Way CDD contains 829.74 acres within the development footprint. We understand that there are 1,000 acres of conservation areas that are within the Association.

PO Box 113040 ~ Naples, FL 34108 ~ 239.514.4100 ~ Fax 239.514.4161

www.ForgeEng.com

Site Overview



Image obtained from Google Maps.
Development boundary as we understand outlined in red.

Proposed Scope of Services

Considering the project information outlined above and our previous experience with similar developments, we have developed a scope of services that should meet your needs. Our services are outlined below:

Forge will conduct a review of the lakes and littoral zones during this study following engineering personnel performing a search of the county records and the South Florida Water Management District (SFWMD) website for available construction documents, including both permit design and as-built plans of the lakes and littoral zones. Once we have obtained the available construction documents engineering personnel will review the available construction documents and will perform site observations to determine and document the general condition of the development lakes and littoral zones. It will be the Association/CDD responsibility to provide engineering



personnel with access to a golf cart through the duration of the review of the lakes and littoral zones.

Our inspections will not include any destructive or invasive testing. If destructive/invasive testing is deemed necessary or requested, we will contact you for approval prior to performing any testing. If destructive/invasive testing is approved we will attempt to limit damage to the site, however the costs of any restoration of the site or repair utilities unknown to us will be invoiced to you.

To properly evaluate the condition of the existing stormwater drainage system, FORGE recommends that Esplanade Golf & Country Club Flow Way CDD hire a specialty contractor to camera the interior of the stormwater drainage system. Once the existing stormwater drainage system has been documented, personnel from our firm will review the collected video to evaluate the condition of the existing system.

If during the course of our work Forge thinks it is prudent to gather topographic data of existing conditions as they relate to designed and permitted conditions we will consult with you regarding a surveyor to gather this information.

Once our fieldwork has been completed, FORGE will include our evaluation of the lakes and littoral zones along with recommendations within a report.

Schedule

Upon receiving and accepting written authorization from you, we expect we can begin our scope of services within twenty (20) business days. We anticipate that we will require ten (10) to fifteen (15) business days to conduct our research to obtain available construction documents. Once we have obtained the construction documents, we will contact you to schedule our site visit(s). We anticipate that our field services for the study would be completed within 21 working days (assumes free access). Once our inspection services have been completed, we estimate our analysis and report will require 25 business days to complete. If this schedule does not meet your needs, we would be happy to discuss an alternative schedule.

Please note that this proposal is only valid for a period of 60 days. Scheduling times and unit rates are subject to change beyond that period. ***Our schedule is subject to change based on directives of state and federal government in response to the declared national emergency.***

Fee

We will provide the scope of services outlined in this proposal on a time and material basis.

For budgetary purposes we recommend that the Association budget an amount of \$10,665 for our services. If the services of a surveyor, pipeline videographer or environmental consultant are needed we will arrange for those services on a cost plus 15% basis. If the CDD has preferred firms and wishes to arrange those additional services directly we will coordinate those services.



We will invoice you based on the following unit rates:

Field Engineer	\$110/hour
Staff Engineer	\$135/hour
Project Engineer	\$165/hour
Senior Engineer	\$190/hour
Principal Engineer	\$270/hour
Senior Principal Engineer	\$300/hour
Reimbursable Expenses	Cost plus 15%

Additional services outside the scope of this study outlined above will be billed on a time and material basis. We will notify the Association of additional service fees before they are performed. We will submit an invoice monthly and/or at the completion of our scope of service. Each invoice is due within 10 days of receipt. Late payments will be invoiced at a rate of 1.5% per month, together with collection fees. We reserve the right to suspend services, as well as dispose of any documentation that we have agreed to retain, in the event that your account becomes delinquent.

In the event litigation is brought concerning this Agreement, to enforce the obligations under this Agreement, and/or to interpret the terms of this Agreement, the prevailing party in any such litigation shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees, costs and expenses incurred in the litigation, including, but not limited to, attorneys' fees and costs incurred in litigating entitlement to attorneys' fees and costs and the amounts to be awarded, all through any level of appeal.

Limit of Liability

We will maintain insurance coverage in effect during our scheduled duration of involvement with this project. All of the services performed in this study will be governed by the applicable laws of the State of Florida. Forge Engineering Inc., its officers, directors, employees, partners, agents, and subconsultants' aggregate limit of liability on this project is \$45,000 or our fee, whichever is greater. This limit applies to every legal theory or cause of action including negligence, errors, omissions, breach of contract, and warranty. This limit is enforceable to the fullest extent permitted by law. Should you desire to increase our limit of liability please contact us before signing this proposal.

PURSUANT TO FS SECTION 558.0035(1)(c) AN INDIVIDUAL EMPLOYEE OR AGENT OF FORGE MAY NOT BE HELD INDIVIDUALLY LIABLE FOR NEGLIGENCE.



Authorization

To authorize our services and to make this proposal the contract between us please indicate your acceptance on the signature sheet of this proposal and return to us a copy for our files. We appreciate the opportunity to submit this proposal and look forward to working with you on this project and future opportunities.

Sincerely,
Forge Engineering, Inc.

Joel Garcia

Joel Garcia, E.I.
Staff Engineer

Thomas E. Conrecode

Thomas E. Conrecode, P.E.
Principal Engineer

Distribution: 1 – Addressee (via email)
1 - File

Proposal Accepted By: _____

Typed/Printed Name: _____

Firm Name: _____

Date: _____

