

**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 Wednesday, February 6, 2019 at 2:00 p.m., at the Offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

Present and constituting a quorum:

Andrew Miller	Chairperson
John Willard	Vice Chairperson
Adam Painter	Assistant Secretary
Ronald Miller	Assistant Secretary
Tom Kleck	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel

Audience:

Ed Stayley

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

FIRST ORDER OF BUSINESS

Call to Order

District Manager James P. Ward called the meeting to order at approximately 2:00 p.m. and all members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Administration of Oath of Office

Administration of Oath of Office for the newly elected Supervisor for Seat 1 from the Landowners Meeting held December 18, 2018.

- a) **Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- b) **Membership Obligations and Responsibilities**
- c) **Form 1 – Statement of Financial Interests**

Mr. Ward, as a Notary Public of the State of Florida, administered the Oath of Office to Mr. Andrew Miller. Following Administration of the Oath, Mr. Ward asked Mr. Andrew Miller to sign a copy of the Oath and return the signed copy to him for notarization. Mr. Ward stated he would assist Mr. Andrew Miller with the Form 1 and explain the Sunshine Amendment, Code of Ethics, Membership Obligations and Responsibilities later during the Meeting.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2019-1

Consideration of Resolution 2019-1 Canvassing and Certifying the Results of the December 18, 2018 Landowners Election.

Mr. Ward stated Mr. Andrew Miller was in seat 1 with 670 votes and would serve the final four year term.

On MOTION made by Mr. Andrew Miller, seconded by Mr. Adam Painter, and with all in favor, Resolution 2019-1 was adopted as above and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Acceptance of Resignation

Acceptance of Resignation of Christopher Nirenberg from Seat 5 and consideration of Replacement Member for Seat 5.

a) Acceptance of Resignation of Mr. Nirenberg.

Mr. Ward stated a copy of the Resignation Letter was enclosed in the Agenda package. He indicated it was effective, as a matter of law, on the date it was submitted.

On MOTION made by Mr. Andrew Miller, seconded by Mr. Adam Painter, and with all in favor, the Resignation of Christopher Nirenberg was accepted for the purpose of inclusion in the record.

b) Consideration of Replacement Member for Seat 5

Mr. Ward stated the balance of the Board could appoint someone to fill the unexpired term, which was effective through November of 2020.

On MOTION made by Mr. Andrew Miller, seconded by Mr. Adam Painter, and with all in favor, John Willard was appointed to fill the unexpired term of Seat 5.

c) Oath of Office (to be administered during the meeting)

Mr. Ward, as a Notary Public of the State of Florida, administered the Oath of Office to Mr. John Willard. Following Administration of the Oath, Mr. Ward asked Mr. John Willard to sign a copy of the Oath and return the signed copy to him for notarization.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2019-2

Consideration of Resolution 2019-2 declaring a vacancy in Seat 2 on the Board of Supervisors pursuant to Section 190.006(3)(b).

Mr. Ward stated Resolution 2019-2 declared a vacancy in Seat 2 on the Board of Supervisors which could then be filled.

On MOTION made by Mr. Andrew Miller, seconded by Mr. Adam Painter, and with all in favor, Resolution 2019-2 was adopted as above and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2019-3

Consideration of Resolution 2019-3 appointing a qualified elector to fill Seat 2 on the Board of Supervisors pursuant to Section 190.006(3)(b).

Mr. Andrew Miller stated Mr. Tom Kleck was appointed to fill Seat 2 through Resolution 2019-3.

On MOTION made by Mr. Andrew Miller, seconded by Mr. Ronald Miller, and with all in favor, Resolution 2019-3 was adopted as above and the Chair was authorized to sign.

a) Administration of the Oath of Office for the newly appointed Supervisor for Seat 2

Mr. Ward, as a Notary Public of the State of Florida, administered the Oath of Office to Mr. Tom Kleck. Following Administration of the Oath, Mr. Ward asked Mr. Tom Kleck to sign a copy of the Oath and return the signed copy to him for notarization.

b) Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees

Mr. Ward asked the newly elected Board Members to read through the Guide to the Sunshine Amendment and the Code of Ethics for Public Officers and Employees. He indicated he would be happy to answer any questions via email or phone call. He reported the Sunshine Amendment essentially stated no two public officials may do business outside of an open noticed public meeting, nor use staff or a member of the public to conduct business which may appear before the Board of Supervisors. He stated if there were any questions related to a matter which might be taken up at a future meeting, the best course of action was to call Mr. Ward or Mr. Urbancic, or hold said questions until a Board of Supervisors Meeting for discussion. He indicated a violation of the Code of Ethics was considered an Ethics Violation, and as such, the Directors and Officers Liability Insurance would not cover the violator for acts committed outside of spoken authority. He explained if a Board Member were charged with an Ethics Violation said Board Member would be required to deal with the issue personally and any cost associated would be the Board Member's responsibility. He noted he had never known a

Board Member to be charged with an Ethics Violation. He indicated a good rule of thumb was never to talk with other Board Members about District business outside of Board Meetings.

c) Membership Obligations and Responsibilities

He stated each Member of the Board was allowed to receive a \$200 dollar per meeting stipend. He noted the developer Board Members chose to forgo the receipt of that, and as such existing developer Board Members were no longer paid. He indicated most Board Members who were qualified electors chose to receive the \$200 dollar stipend. He asked if the qualified elector Board Members chose to receive the stipend. The qualified elector Board Members responded in the affirmative. Mr. Ward stated Staff would be in touch with further paperwork in this regard. A Board Member 13:59 asked how many Meetings were held annually. Mr. Ward responded approximately four Meetings were held annually. He discussed which meetings were typically held when and indicated, if a Member were out of town, said Member could call in for the Meeting.

d) Form 1 – Statement of Financial Interest

Mr. Ward indicated Form 1 was required to be filed with the Supervisor of Elections in Collier County within 30 days of today’s date. He explained if a Board Member were to file Form 1 late the Supervisor of Elections had the right to charge a daily fine. He strongly recommended filing Form 1 in a timely manner and keeping a copy of the filing, including the transmittal letter.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2019-4

Consideration of Resolution 2019-4 designating the officers of the Flow Way Community Development District.

Mr. Ward noted generally he acted as Secretary and Treasurer, which were administrative positions in nature. He directed the Board to discuss and determine who the Chairperson and Vice Chairperson would be and noted the remaining three Members would be Assistant Secretaries. Discussion ensued and it was determined Mr. Andrew Miller would serve as Chairperson, Mr. John Willard would serve as Vice Chairperson, Mr. Adam Painter, Mr. Tom Kleck, and Mr. Ronald Miller would serve as Assistant Secretaries, and Mr. Ward would serve as Secretary and Treasurer.

On MOTION made by Mr. John Willard, seconded by Mr. Andrew Miller, and with all in favor, Resolution 2019-4 was adopted as above and the Chair was authorized to sign.

EIGHTH ORDER OF BUSINESS

Consideration of Minutes

Mr. Ward stated there were two sets of Minutes: the September 19, 2018 Regular Meeting Minutes and the December 18, 2018 Landowner Meeting Minutes.

a) September 19, 2018 Regular Meeting Minutes

Mr. Ward asked if there were any additions, corrections or deletions for the September 19, 2018 Regular Meeting Minutes. Hearing none, he called for a motion.

On MOTION made by Mr. Andrew Miller, seconded by Mr. John Willard, and with all in favor, the Minutes from the September 19, 2018 Regular Meeting were accepted.

b) December 18, 2018 Landowner Meeting Minutes

Mr. Ward asked if there were any additions, corrections or deletions for the December 18, 2018 Landowner Meeting Minutes. Hearing none, he called for a motion.

On MOTION made by Mr. Andrew Miller, seconded by Mr. John Willard, and with all in favor, the Minutes from the December 18, 2018 Landowner Meeting were accepted.

NINTH ORDER OF BUSINESS

Staff Reports

Staff Reports

a) District Attorney

The District Attorney had no Staff Report.

b) District Engineer

The District Engineer had no Staff Report.

c) District Manager

- I. Financial Statements October 31, 2018 (Unaudited)**
- II. Financial Statements November 30, 2018 (Unaudited)**
- III. Financial Statements December 31, 2018 (Unaudited)**

Mr. Ward stated he regularly included Unaudited Financial Statements in the Agenda Packets. He explained he did not normally review the Unaudited Financial Statements, but would review the statements if requested. He indicated he would always point out any items within the Statements of a financial significance related to the CDD. He noted there was nothing of consequence within the current Unaudited Financial Statements. He explained books and records were subject to an Audit annually on September 30; the Audited Financial Statements would be included on the next Meeting Agenda and would be presented by the Auditor.

A Board Member 21:50 asked about the Balance Sheet and Bond Issues. Mr. Ward explained the General Fund was the account which paid general bills while Debt Service Funds and Capital Project Funds were related to the various Bond Issues. He explained the source of the

various funds and the various requirements for each account. He noted the Account Group section included outstanding debt.

Discussion ensued regarding the source of income being the CDD portion of the tax bill, tax bill payments, the debt associated with the bonds or general operations, operation and maintenance annual assessments, general operations assessment being \$487.68 annually and included on the tax bill. Mr. Ward explained the general operations assessment charge could be raised annually by the Board by up to 8%; this would be discussed and determined during Budget Meetings. He noted if the Board determined the general operations assessment needed to be raised more than 8%, notice was required to be sent to all residents and a public hearing was required to be held in this regard.

Discussion ensued regarding capital project funds, left over funds used to prepay Bonds, authorization being required for Bond prepayment, Capital Improvement Bonds, infrastructure from Capital Improvements owned by the District such as the water management system, berms, etc., the difference between the Debt Service Fund and Capital Project Fund, Bonds being sold at a discount or premium and how this affected the books, when Bonds were sold, mortgage payments, what the CDD was financially responsible for, what the Master HOA was financially responsible for, the Master HOA doing a good job with maintenance responsibilities, the CDD being ultimately responsible for maintenance if the Master HOA were remiss in its responsibilities, and the extreme difficulty of beautification of lake banks.

Discussion continued regarding Bonds, the various accounts, funds, reserve funds, when Bonds were paid, what Bonds were issued, annual assessments, principle and interest payments, SEC requirements, and the operations budget being relatively fixed.

TENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

There were no Supervisor's Requests.

Mr. Ed Stayley stated he understood the legal conveyance of the preserves and lakes had been made from Taylor Morrison to the CDD relatively recently. He asked if there was still maintenance work to be done by Taylor Morrison on the preserves and lakes. Mr. Ward responded in the negative; Taylor Morrison had fulfilled all responsibilities in regard to the preserves and lakes. Discussion ensued regarding a map of the preserves which was available on the CDD website.

ELEVENTH ORDER OF BUSINESS

Adjournment

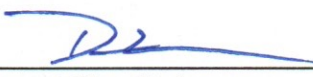
Mr. Ward adjourned the meeting at approximately 3:46 p.m.

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

Flow Way Community Development District



James P. Ward, Secretary



Andrew Miller, Chairperson