

**MINUTES OF MEETING
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Flow Way Community Development District's Board of Supervisors was held on Tuesday, June 10, 2014, at 1:30 p.m., at the Offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

Present and constituting a quorum were:

John Asher	Chairman
Keith Berg	Assistant Secretary
Don Milarsik	Assistant Secretary
Dennis Gilkey	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel
David Williams	District Engineer (Telephonic)

Audience present:

None

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 1:30 p.m. The record will reflect that all supervisors are present at roll call with the exception of Supervisor Berg.

SECOND ORDER OF BUSINESS

**Acceptance of the resignation of
Ethan Julian**

Mr. Ward stated I have enclosed in your agenda package a copy of his resignation letter. It is effective as a matter of law on the date submitted, which was March 21, 2014. I'll ask that you accept it for purposes of inclusion in the record only.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, the acceptance of the resignation of Ethan Julian was accepted for purposes of inclusion in the record.

THIRD ORDER OF BUSINESS

Consideration of the appointment of one (1) individual to fill the unexpired terms of office for seat 5 (Ethan Julian) – term expires November 2014

Mr. Ward stated Mr. Julian's term expired in November of this year. The way this statute works, the balance of the Board points an individual to fill his unexpired term. You may do that by simple motion, second and approval of the Board. I can swear the individual in at the next meeting. Your next meeting is scheduled for August 12. I'll leave it up to you, and you may either do it today and I can swear him in then, or you can appoint him at that meeting or her at that meeting, as the case may be.

Mr. Asher asked if we appoint him today, does he constitute a quorum at the next meeting if there were an issue, or does he have to be sworn in first? Who knows if one of you guys aren't here.

Mr. Milarcik stated, yes, that's a problem for me.

Mr. Ward stated he would constitute a quorum for that meeting.

Mr. Urbancic stated yes, we would just swear him in.

Mr. Asher stated just swear him in; okay, well then I would like to appoint Sal Simonetti.

Mr. Ward stated it would be a motion to appoint Sal Simonetti to serve the unexpired term of Mr. Julian.

On MOTION made by Mr. Asher and seconded by Mr. Milarsik, with all in favor, the appointment of Sal Simonetti to fill the unexpired terms of office for seat 5 (Ethan Julian) – term expires November 2014 was approved.

Mr. Asher stated Sal is our new area construction manager. He come from Toll Brothers, and a couple other builders, but he's knowledgeable.

Mr. Gilkey stated the name sounds familiar.

Mr. Asher stated he's been around the area, in and out.

FOURTH ORDER OF BUSINESS

Administration of oath of office for the newly appointed supervisor

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

Mr. Ward stated he's not here for purposes of the record, so I'll just add the oath of office to the next agenda and swear him at that point in time.

FIFTH ORDER OF BUSINESS

Approval of Minutes

- a) **December 10, 2013**

Mr. Ward stated you've all been previously distributed a copy. If there are any additions, corrections or deletions, it would be appropriate at this time to so indicate. Otherwise, a motion for their approval would be in order.

Mr. Asher asked Greg, you look at these and you're comfortable with them?

Mr. Urbancic stated I thought they looked fine.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, the December 10, 2013, minutes were approved as presented.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2014-5 adding the newly appointed supervisor as an assistant secretary of the Board of Supervisors; providing severability and invalid provision; providing for conflict and providing for an effective date.

Mr. Ward stated the intent was to add Mr. Simonetti as an Assistant Secretary to the Board. Since he doesn't have to be sworn in for purposes of being an Assistant Secretary, if you all are comfortable with it, in section one we'll add Sal J. Simonetti as the assistant secretary of the Board. That resolution is, therefore, in order and recommended for your consideration.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, Resolution 2014-5 with Mr. Sal J. Simonetti name inserted in the Resolution was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2014-6 of the Board of Supervisors of Flow Way Community Development District approving a proposed budget for Fiscal Year 2015 and setting a public hearing thereon pursuant to Florida law; providing for severability; providing for conflict and providing for an effective date.

Mr. Ward stated the primary purpose of your meeting today is consider the approval of your proposed Fiscal Year (FY) 2015 Budget, which runs from October 1, 2014, through September 30, 2015. It sets the public hearing for Tuesday, August 12, 2014, at 1:30 p.m. here at the Offices of Coleman, Yovanovich & Koester. The approval of the budget does not bind the Board to any of the services, programs or costs contained therein. It does, however, set the maximum assessment rates for the District, if and to the extent that there are any for next year.

Included in this budget is also the debt service fund for your Series 2013 Bonds that have recently been issued. In essence, for next year, 50 percent of the total debt service is funded from existing capitalized interest. The balance will be funded through an off-roll assessment to Taylor Morrison for next year, that will fund the November of 2015 payment that comes due for those bonds. The one issue that I'm waiting on a response from Taylor Morrison is whether or not there would be any unit owners that will be in the project, and if so, we will have some ability to put on the tax rolls for next year. At the moment, this budget is intended to be funded solely through an agreement with Taylor Morrison.

If and to the extent that you will start to have residents for next year, I will need to know that, so we can actually place those assessments on the roll. I will need to know that within the next few days in order to make the rolls for next year. If not, it will have to be funded by the developer.

Mr. Asher asked for a new resident to be on the roll, so to speak, when would they close by?

Mr. Ward stated this budget becomes effective October 1, 2014 through September 30, 2015, so anybody that's in that window, any units that are in that window, if you want them to get a tax bill for it, I would need to know that now.

Mr. Asher asked do you know how many or just the fact that there's going to be?

Mr. Milarsek asked can't you just do a projection, and if it changes a little bit, can't you make that adjustment?

Mr. Ward stated well, let me just ask the question. Have you all platted lots out there yet?

Mr. Asher stated yes, yes.

Mr. Ward stated because I haven't seen the tax rolls from the county yet, so any of those lots that I see on the tax rolls, we would be able to put an assessment on the rolls for those units, but only for those units.

Mr. Gilkey stated Phase I was platted.

Mr. Milarsek stated Phase II is not platted.

Mr. Gilkey stated Phase II was recorded, that's why it came out, but Phase I is what you're selling, so don't you have your closings till September.

Mr. Asher stated yes, we don't have any closings on the second one, yes.

Mr. Gilkey asked I guess the question is, if you close in September, will they show up on this next year's tax roll?

Mr. Ward stated yes, but automatically, because they'll get a tax bill in November, because they closed in September.

Mr. Gilkey stated so you'll get those from September to November.

Mr. Asher asked what if they close after January 1?

Mr. Ward stated you will get the tax bill as Taylor Morrison if I put them on the roll, but your title company is going to pick up that information when you close with the end user.

Mr. Asher stated right, and then they'll split it.

Mr. Ward stated right. My recommendation, since I kind of figured out the way you work all work on another project I deal with would be for you to put them on the roll, and do it that way, because I think, internally, that's kind of easier for you to do it.

Mr. Asher stated it is, it is.

Mr. Ward stated I'll go ahead and proceed, and as soon as I get the rolls, we'll go ahead and try to put this on the roll. It will require notification out to those units. If you haven't closed, basically, Taylor Morrison is going to get the notification that I have to do.

Mr. Asher stated right, that's fine.

Mr. Ward stated since we're doing that, let's go ahead and move this public hearing back to September. Your regular Board meeting is going to be the 9th of September.

Mr. Gilkey asked the 12th is out, now we're on the 9th of September?

Mr. Ward stated yes; I think that, a) it will give me more time to deal with it, since I don't even have the rolls yet from the County, and there is an individual mailed notice required for all of those units, I assume it's 322 or 300 and some odd units in Phase I.

Mr. Milarsek stated right, 320.

Mr. Gilkey stated there's closings for that; is that a problem?

Mr. Ward asked closings before?

Mr. Gilkey stated for September 11.

Mr. Ward stated no.

Mr. Urbancic asked have you closed any units yet?

Mr. Asher stated they haven't closed anything yet.

Mr. Milarcik stated I'm assuming Don is doing the agreement down with the county, since you platted and based on your exemptions where you are now, and then when they close, that will change the tax rate on that.

Mr. Asher stated right, well, it depends on when they close.

Mr. Milarcik stated because you're still exempt even though it's been platted at all, you're paying the exemption until it sells to that individual, then it will change to whatever you guys have agreed to.

Mr. Asher stated right, he's still working on it.

Mr. Ward stated okay, so we'll go ahead and do that. We'll get whatever it is, 322 units, on the tax rolls.

Mr. Ward noted for the record that Supervisor Berg has joined us.

Mr. Ward stated we'll get all those put on the rolls, and we'll get the notification out to the 322 units for your general fund. I'll also make plans the balance of the assessment for those 322 units for debt service for next year on the roll also.

Mr. Gilkey asked what would be the date of that Board meeting?

Mr. Ward stated September 9th at 1:30. If everybody is okay with that, then a motion to adopt Resolution 2014-6, changing the public hearing date to Tuesday, September 9, 2014, at the same time 1:30, at the same location, the Offices of Coleman, Yovanovich and Koester, would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, Resolution 2014-6 was approved as stated above.

EIGHT ORDER OF BUSINESS

Consideration of setting November 11, 2014, at 1:30 p.m. at the Offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103, as the location for the Landowners' meeting, along with the approval of the Landowners' instructions, sample ballot and proxy form for the Landowners' meeting.

Mr. Ward stated this would be for the upcoming election for three seats; those will be Mr. Gilkey's seat, Mr. Milarsik's seat, and the seat that was just appointed to Mr. Simonetti. I've also enclosed in your agenda package the required notices, pursuant to statute, and that's the instructions to the landowners, the form of official ballot, and the form of the landowners' proxy. If you have any questions, I'd be glad to answer them for you. Otherwise, a motion to set that date, time and location as your Landowners' election for November 2014 would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the setting of November 11, 2014, at 1:30 p.m. at the Offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103, as the location for the Landowners' meeting, along with the approval of the Landowners' instructions, sample ballot and proxy form for the Landowners' meeting was approved.

NINTH ORDER OF BUSINESS**Staff Reports****a) District Attorney**

Mr. Urbancic stated we're working with the District Engineer on some of the requisition stuff that we had done previously. The utilities acquired being transferred now to the county. They've required it to be piecemeal for whatever reason that David would know better than I. Other than that, no further report.

b) District Manager**l) Report on the number of registered voters in the District**

Mr. Ward stated the only thing that I had for you is a requirement under the law that the District determine on a yearly basis as of April 15 of each year the number of qualified electors or registered voters, as they're called, within the boundaries of the District. That information is secured from the Supervisor of Elections here in Collier County; the number is zero. It becomes significant when you hit two thresholds; the first is six years from the date of establishment, which you have clearly passed that date; and the second is when you reach 250 qualified electors. At that time, two seats at the next election will be up for those individuals that are residing within the District and are registered to vote here in Collier County. The third seat that is up at that election will be a four-year Landowners' elected seat, and then two years thereafter, there will be two other seats that will transition to a qualified elector.

There's no action required of the Board. If you have any questions, I'll be glad to answer them for you. The information is provided as a matter of law.

TENTH ORDER OF BUSINESS

Supervisors' Requests

Mr. Asher asked, as far as the Board is concerned in November, stay on, get off?

Mr. Gilkey stated I guess we just need to see what you all want us to do, Steve, and what the District wants to do.

Mr. Milarcik stated I want to talk to make sure what **Unclear 14:32**. I'll let you know what he's thinking.

Mr. Asher stated I don't know the exact contractual.

Mr. Milarcik stated there's nothing. It was just that we were sitting on a board. I don't think there was anything set for a time period or a number of closings.

Mr. Gilkey stated no.

Mr. Ward asked anything else from the Board?

ELEVENTH ORDER OF BUSINESS

Adjournment

Mr. Ward stated a motion to adjourn would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Gilkey, with all in favor, the meeting was adjourned at 1:49 p.m.

James P. Ward Secretary

John Asher, Chairman

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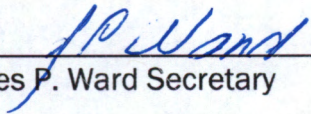
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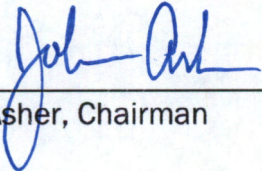
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John Asher, Chairman