

**MINUTES OF MEETING
HERITAGE HARBOUR NORTH
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Heritage Harbour North Community Development District's Board of Supervisors was held on Tuesday, November 4, 2014, at 2:00 p.m., at the River Strand Golf and Country Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212.

Present and constituting a quorum were:

Anthony Burdett	Chairman
William Riley	Vice Chairman
Terrence Kirschner	Assistant Secretary
Dalton Drake	Assistant Secretary
Matt Morris	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel (Telephonic)
Shane Cooper	Banks Engineering
Brett Sealy	Bond Counsel, MBS Capital (Telephonic)
Russ Smith	Audience
David	Audience

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:32 p.m. The record will reflect that all members of the Board are present at roll call.

SECOND ORDER OF BUSINESS

Administration of the oath of office for the newly elected Supervisors from the Landowners' meeting held just prior to the regular meeting.

- I) Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employee
- II) Form 1 – Statement of Financial Interests

Mr. Ward stated item two is the administration of the oath of office for Mr. Kirschner, who was elected at the Landowners' meeting held just prior to today's regular meeting. For the record, I'm a notary in the state of Florida, and I'm going to take a moment and

administer this oath to you, and I'll ask that you repeat after me. Mr. Ward administered the oath of office to the newly elected Supervisor, Terrence Kirschner. I'll ask that you print your name in the appropriate spots, sign it, return it to me, I'll notarize it for you and make it a part of the permanent record.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2015-2, canvassing and certifying the results of the November 4, 2014, Landowners' meeting.

Mr. Ward stated Resolution 2015-2 canvasses and certifies the results of the Landowners' Election held pursuant to the Section 190.006(2). In seat one, we will insert Mr. Kirschner's name with 148 votes, and in seat two, we will fill in his name for the four-year term. With those additions, that resolution is in order and recommended for your consideration.

On MOTION by Mr. Burdett and seconded by Mr. Riley with all in favor of approving Resolution 2015-2, as amended.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2015-3, designating the officers of the Heritage Harbour North Community Development District.

Mr. Ward stated your current slate, Mr. Burdett is your Chairman, Mr. Riley is your Vice Chairman. The remaining members currently serve as assistant secretaries.. You may keep that seat, or you may change it as you deem appropriate. I will point out for the record that Mr. Burdett has, effective December 1st, resigned from his position as a member of the Board, so I might suggest that you might want to make another member Chairman for this period of time and we have two new members coming on board in the near future. I'll let you take it from here.

Mr. Burdett asked do we nominate or a motion?

Mr. Ward stated you can just tell me what you want to do.

Mr. Burdett stated I would move to make Terry Kirschner Chairman, and have Mr. Riley continue to be Vice.

Mr. Ward stated and we'll include Mr. Burdett as an assistant secretary at this point. With those additions, Resolution 2015-3 is in order.

On MOTION by Mr. Burdett and seconded by Mr. Riley with all in favor of approving Resolution 2015-3, appointing Mr. Kirschner as Chairman, Mr. Riley to remain as Vice Chairman, and Mr. Burdett appointed as an assistant secretary.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2015-4, declaring vacancies in seats one (1) and three (3), pursuant to Section 190.006(3)(b), and the incumbent Board member in each respective seat shall remain in office until such time as the Board nominates qualified electors to fill the vacancies

Mr. Ward stated seats one and seat three are currently held by Mr. Drake and Mr. Morris. In the backup material that we provided to you, those two seats were intended to be elected by qualified electors residing within the District. This year no one qualified for those two seats. The statute provides that the Board declare the vacancy, and then at a certain point, you all will appoint two qualified electors to serve for two four-year terms. We will do that, probably, at your December meeting. With that, if you have any questions with respect to the resolution, I'll be glad to answer them for you. Otherwise, it's in order.

On MOTION by Mr. Burdett and seconded by Mr. Riley with all in favor of approving Resolution 2015-4.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2015-5, amending Resolution 2014-1 adopted October 18, 2013, to modify Section 7(a), relating to the payment and collection of special assessments.

Mr. Ward stated I'll let Greg take a moment or two and go through this with you.

Mr. Urbancic stated this is a fairly minor change, in that we're amending the prior assessment resolution that you adopted, or at least suggesting that you amend. What we're

doing is, there's an opportunity when someone wants to pay off their assessment as provided in this Section 7(a). Previously, our resolution that we passed said that if a payment wasn't made within 45 days before the payment due date, that they had to pay you interest to the next payment due date. What we're doing is we're shortening that period down from 45 to 20 days, which makes it more favorable for a property owner who is looking to prepay, that they don't have to be so far out in front in order to make the payment date.

This coincides with the rest of our documents with respect to the bonds that will be issued and the assessments that were levied, so we're recommending that you make this change from 45 days to 20 days, as shown in that resolution.

Mr. Ward asked any questions from the Board? Hearing none, a motion to adopt the resolution would be in order.

On MOTION by Mr. Riley and seconded by Mr. Kirschner with all in favor of approving Resolution 2015-5.

SEVENTH ORDER OF BUSINESS

Consideration of agreement with US Bank to provide ongoing trustee services for the proposed Series 2014 Bonds.

Mr. Ward stated items seven and eight on your agenda are cleanup items. The first is the agreement with US Bank to continue as our trustee for the Series 2014 Bonds. The fee structures associated with trustee services is included in your agenda. If you have any questions, I'll be glad to answer them for you, otherwise, that agreement is in order.

On MOTION by Mr. Kirschner and seconded by Mr. Riley with all in favor of approving the agreement with US Bank to provide ongoing trustee services for the proposed Series 2014 Bonds.

EIGHTH ORDER OF BUSINESS

Consideration of revised agreement with Greenspoon Marder for bond counsel services for the Series 2014 Bonds.

Mr. Ward stated, essentially, all this really does is update the fee structure that is proposed by Greenspoon Marder to provide bond counsel services. It goes from \$50,000 flat fee to \$60,000. The reason for the change is simply because this bond issue has been

in the works for so long at this point in time, and there has just been a substantial amount of work that has been provided by the firm with respect to it. If you have any questions, I'll be glad to answer them, otherwise that agreement is in order and recommended.

On MOTION by Mr. Kirschner and seconded by Mr. Riley with all in favor of approving the revised agreement with Greenspoon Marder for bond counsel services for the Series 2014 Bonds.

NINTH ORDER OF BUSINESS

Staff Reports

a. Attorney

None

b. Engineer

Mr. Cooper asked do you need me to discuss the bills of sale?

Mr. Ward state yes.

Mr. Cooper stated, gentlemen, in front of you you'll see three separate bills of sale that have been prepared. These bills of sale effectively convey ownership of the infrastructure improvements that have been recently constructed in the portion of the District that we know of as Sub Phase J, and it includes the onsite utility systems, water and sewer, the irrigation systems, and the storm water management systems. Basically, it's all of the infrastructure that incorporates those systems in Sub Phase J Unit 1, and Sub Phase J Unit 2, which have both been platted subdivisions.

In addition to the platted areas, there is a grant of easement for specific drainage easements that were not described in those platted areas, for which conveyance piping needed to be situated within. That's basically the summary of the improvements.

Mr. Ward stated the purpose of the item is to have the Board accept the bill of sale on the grant of easement. It will permit the District to acquire the infrastructure from Lennar Homes when we close on our Series 2014 Bond, which is scheduled for next Wednesday and Thursday. So, with that, if you have any questions, I'll be glad to answer them, otherwise a motion to accept the bill of sales described by Mr. Cooper and the grant of easement would be in order.

On MOTION by Mr. Kirschner and seconded by Mr. Riley with all in favor of approving the acceptance of the bill of sales and the grant of easement as described by Mr. Cooper.

c. Manager

l) Financial statements for the period ending September 30, 2014

No discussion.

TENTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

Mr. Ward asked anything from the Board? Anything from the audience?

ELEVENTH ORDER OF BUSINESS

Adjournment

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

Mr. Sealy stated sorry to interrupt. I just thought it might be good for the Board to know that we did just complete the pricing, so the timing of this certainly worked out well. Just real quick, if you'd like, I can report the pricing back to the Board.

Mr. Ward stated sure.

Mr. Sealy stated, as the Board is aware, they had previously approved the delegation resolution which authorized my firm to mail an offering document and price the bonds, pursuant to certain parameters, and we have completed the pricing of the bonds. We ended up pricing a two-term bond: a term bond in 2034, which was priced at a five percent coupon; and we priced a 2045 term, which was priced at a **Unclear 11:30** deal 5.15, which resulted in a blended average coupon of 5.09. So we are very pleased as the result of the pricing, which was significantly better than we had been modeling over the course of the lengthy period of time that we've all been working on this transaction.

We will be distributing or have just distributed final numbers, and we would be looking to pre-close the transaction following a Board meeting scheduled for the 12th, and then fund the transaction on the 13th. With that, I don't have anything else. I just wanted to make sure the Board was up to date on the marketing and pricing activities.


Mr. Ward stated thank you, Brett. Any questions from the Board? What we'll do is we'll just go ahead and continue this meeting until that date and time, so we'll need a

motion to continue until November 12, 2014, which is a Wednesday, at 11:00 a.m. here at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida. That motion would be in order.

On MOTION by Mr. Kirschner and seconded by Mr. Burdett with all in favor of approving the continuation of the meeting to Wednesday, November 12, 2014, at 11:00 a.m.

The present meeting concluded at 2:45 p.m.


James P. Ward Secretary


Terrance Kirschner, Chairman

OATH OR AFFIRMATION OF OFFICE

I TERRANCE KIRCHNER, a citizen of the State of Florida and of the United States of America, and being an officer of the **Heritage Harbour North Community Development District** and a recipient of public funds as such officer, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully, honestly and impartially discharge the duties devolving upon me as a member of the Board of Supervisors of the **Heritage Harbour North Community Development District**, Manatee County, Florida.

Terrance Kirchner
Signature

Printed Name: Terrance Kirchner

STATE OF FLORIDA
COUNTY OF MANATEE

Sworn to (or affirmed) before me this 4TH day of NOVEMBER, 2014, by TERRANCE KIRCHNER, whose signature appears hereinabove, who is personally known to me or who produced _____ as identification.

James P. Ward
NOTARY PUBLIC
STATE OF FLORIDA

Print Name _____

My Commission Expires _____

