

**MINUTES OF MEETING
PALERMO
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Palermo Community Development District was held on Friday, December 15, 2022, at 9:00 a.m., at the offices of Lennar Homes, LLC, 10481 Six Mile Cypress Parkway, Ft. Myers, Florida 33966.

Present:

Scott Edwards	Chairperson
Dalton Drake	Vice Chairperson
Barry Ernst	Assistant Secretary
Austin Borsos	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Steve Sanford	Bond Counsel, Greenburg Traurig, LLP

Audience:

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

Mr. James Ward called the meeting to order at approximately 9:00 a.m. He conducted roll call; all Members of the Board were present constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Resignation

Consideration of acceptance of the letter of resignation from Mr. Russell Smith, from Seat 1 whose term is set to expire November 2024, effective November 3, 2022, of the Board of Supervisors of the Island Lake Estates Community Development District

- I. Appointment of an individual to fill Seat 1 whose term will expire November 2026**
- II. Oath of Office**
- III. Guide to the Sunshine Law and Code of Ethics for Public Employees**
- IV. Form 1 – Statement of Financial Interests**

Mr. Ward called for a motion to accept the Letter of Resignation from Russell Smith.

On MOTION made by Mr. Dalton Drake, seconded by Mr. Barry Ernst, and with all in favor, the Letter of Resignation from Russell Smith was accepted for purposes of inclusion in the record.

Mr. Ward: The way this statute works is the balance of the remaining members of the Board can appoint someone to fill the unexpired term of Russ whose term was set to expire November 2024. All you have to do is discuss it and then appoint someone by motion and second.

On MOTION made by Mr. Scott Edwards, seconded by Mr. Barry Ernst, and with all in favor, Zane Zeidan was appointed to fill the unexpired term of Seat 1 set to expire November 2024.

Mr. Ward: I know Zane is on the phone with us, but I will need to swear him in, and we will do that at the next meeting. He can listen to the meeting today as he deems appropriate, and we will send an oath out to him and take care of that before your next meeting.

THIRD ORDER OF BUSINESS

Consideration of Minutes

August 19, 2022 – Regular Meeting

Mr. Ward asked if there were any additions, corrections, or deletions for the Minutes; hearing none, he called for a motion.

On MOTION made by Mr. Scott Edwards, seconded by Mr. Dalton Drake, and with all in favor, the August 19, 2022 Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2023-1

Consideration of Resolution 2023-1, a resolution of the Board of Supervisors (the “Board”) of the Palermo Community Development District (The “District”) Authorizing The Issuance of not exceeding \$14,000,000 Palermo Community Development District Special Assessment Bonds, Series 2023 (2023 Project) (the “2023 Bonds”) to finance certain public infrastructure within the District; determining the need for a negotiated Limited Offering of the 2023 Bonds and providing for a Delegated Award of such Bonds; appointing the Underwriter for the Limited Offering of the 2023 Bonds; approving the form of and authorizing the execution and delivery of a Bond Purchase Contract with respect to the 2023 Bonds; approving the use of that certain Master Trust Indenture previously approved by the Board with respect to the 2023 Bonds; approving the form of and authorizing the execution and delivery of a First Supplemental Trust Indenture governing the 2023 Bonds; approving the form of and authorizing the distribution of a Preliminary Limited Offering Memorandum; approving the execution and delivery of a Final Limited Offering Memorandum; approving the form of and authorizing the execution of a Continuing Disclosure Agreement, and appointing a Dissemination Agent; approving the application of Bond proceeds; authorizing certain modifications to the Assessment Methodology Report and Engineer’s Report; providing for the registration of the 2023 Bonds pursuant to the DTC Book-Entry only system; authorizing the proper Officials to do all things deemed necessary in

connection with the Issuance, Sale and Delivery of the 2023 Bonds; and providing for severability, conflicts and an effective date

Mr. Ward: Resolution 2023-1 is what I refer to as a delegation award resolution. This resolution will set the parameters for you for the issuance of your Series 2023 bonds. Mr. Sanford is on the phone with us today. I will ask him to take a moment or two and go through the resolution with you.

Mr. Steve Sanford: As Jim mentioned, this is called the delegation resolution and the reason why we call it that is we set forth certain parameters specifically in section 3, and when it comes time to market and price the bonds, if the terms are within the parameters set by the Board today, then the Chair or the Vice Chair is authorized to sign the bond purchase contract without the need to call a special meeting. The parameters are pretty simple. We are authorizing a principal amount of bonds not to exceed \$14 million. That is a very conservative number, I think. We are going to be well below that. It does not commit the Board to issue that amount of bonds and specifically we can't exceed the term of the bonds under Florida Law which is 30 years, not counting any capitalized interest period. Interest rate is set by statute. We can't exceed that, and the compensation of the underwriter is 98% which means the underwriter buys the bonds from the District at a discount and then turns around and sells the bonds to the investor at a par amount and that difference is the compensation to the underwriter. We are also asking the Board to approve certain documents. Mr. Sanford discussed the bond purchase contract and the process of finalization of the bonds. He discussed the draft copy of the preliminary Offering Memorandum, which was used to market the bonds. He discussed the continuing Disclosure Agreement which was required under SEC rules, and the form of the Supplemental Trust Indenture. He noted the Supplemental Trust Indenture was approved previously, but now there was a land bank and other significant changes and he wished to have the Trust Indenture reapproved. He indicated the Resolution also authorized any necessary changes to the Methodology Report and the Engineer's Report. He noted in Section 12, the Engineer's Report was listed as prepared by Banks Engineering; Banks Engineering changed its name, and this change would be reflected in the Resolution.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Scott Edwards, seconded by Mr. Barry Ernst, and with all in favor, Resolution 2023-1 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2023-2

Consideration of Resolution 2023-2, a resolution of the Board of Supervisors of Palermo Community Development District ratifying, confirming, and approving the execution of an Amendment to Temporary Easement Agreement

Mr. Urbancic: Essentially there was an existing temporary easement which had been granted to the CDD in relation to how property was platted and where the stormwater management areas were or would be. As a result of the need to file or record a new plat, the County was requiring an amendment to that, so essentially we had to do an amendment to the existing temporary easement agreement. That has been executed and recorded and it is here today for your ratification, just so we have it clear for the

record. Essentially, it will go away once everything is platted, and all the stormwater management has been transferred over.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Barry Ernst, seconded by Mr. Scott Edwards, and with all in favor, Resolution 2023-2 was adopted, and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-3

Consideration of Resolution 2023-3, a resolution of the Board of Supervisors of the Palermo Community Development District re-designating the officers of the Palermo Community Development District

Mr. Ward: I always put this on here after you have a new member come onto the Board. If you want to put Zane as an Assistant Secretary we can do it today, but if you want to put him as the Chairman or Vice Chairman I have to wait until he is actually sworn into office. Your current Chairman is Scott, the Vice Chairman is Dalton. I would suggest that you leave it as is and just add Zane as an Assistant Secretary.

The Board agreed.

On MOTION made by Mr. Scott Edwards, seconded by Mr. Barry Ernst, and with all in favor, Resolution 2023-3 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

No report.

II. District Engineer

No report.

III. District Manager

- a) Financial Statement for Period ending September 30, 2022 (unaudited)**
- b) Financial Statement for Period ending October 31, 2022 (unaudited)**
- c) Financial Statement for Period ending November 30, 2022 (unaudited)**

No report.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ward asked if there were any Supervisor's requests; there were none. He asked if there were any audience comments from audience members present in person, or via audio/video; there were none.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 9:13 a.m.

On MOTION made by Mr. Barry Ernst, seconded by Mr. Dalton Drake, and with all in favor, the Meeting was adjourned.

Palermo Community Development District


James P. Ward, Secretary


Scott Edwards, Chairperson