MINUTES OF MEETING
DEERING PARK STEWARDSHIP DISTRICT

The Board of Supervisors of the Deering Park Stewardship District held a Public Hearing and Regular Meeting on August 29, 2023 at 2:30 p.m., at the Storch Law Firm, located at 420 S. Nova Road, Daytona Beach, Florida 32114-4514.

Present were:

Glenn Storch	Chair
Robbie Lee	Vice Chair
Earl Underhill (via telephone)	Assistant Secretary
James (Jim) Boyd	Assistant Secretary

Also present:

Cindy Cerbone	District Manager
Andrew Kantarzhi	Wrathell, Hunt and Associates, LLC (WHA)
Michael Hoyos	Wrathell, Hunt and Associates, LLC (WHA)
Jonathan Johnson (via telephone)	District Counsel
Chris Washaw	District Engineer
Misty Taylor	Bond Counsel
Sarah Warren (via telephone)	Bryant Miller Olive
Helen Hutchens (via telephone)	Miami Corporation Management, LLC

FIRST ORDER OF BUSINESS **Call to Order/Roll Call**

Ms. Cerbone called the meeting to order at 2:31 p.m. Supervisors Storch, Boyd and Lee were present. Supervisor Underhill attended via telephone. One seat was vacant.

SECOND ORDER OF BUSINESS **Public Comments**

No members of the public spoke.

THIRD ORDER OF BUSINESS **Consider Appointment to Fill Unexpired Term of Seat 5; Term Expires November 2026**

- **Administration of Oath of Office to Appointed Supervisor (the following to be provided in a separate package)**

A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

B. Membership, Obligations and Responsibilities

C. Financial Disclosure Forms

I. Form 1: Statement of Financial Interests

II. Form 1X: Amendment to Form 1, Statement of Financial Interests

III. Form 1F: Final Statement of Financial Interests

D. Form 8B – Memorandum of Voting Conflict

This item was deferred.

FOURTH ORDER OF BUSINESS **Consideration of Resolution 2023-05, Designating Certain Officers of the District, and Providing for an Effective Date**

This item was deferred.

FIFTH ORDER OF BUSINESS **Public Hearing on Adoption of Fiscal Year 2023/2024 Budget**

A. Affidavit of Publication

The affidavit of publication was included for informational purposes.

On MOTION by Mr. Storch and seconded by Mr. Lee, with all in favor, the Public Hearing was opened.

Ms. Cerbone presented the proposed Fiscal Year 2024 budget, which is unchanged since it was last presented. It is a Landowner-funded budget, with expenses funded as they are incurred. While the full Management Fees of $48,000 are budgeted in anticipation of bond issuance on or prior to October, the reduced monthly fee will apply until bonds are issued.

No members of the public spoke.

On MOTION by Mr. Lee and seconded by Mr. Boyd, with all in favor, the Public Hearing was closed.

B. Consideration of Resolution 2023-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

Ms. Cerbone presented Resolution 2023-06.

On MOTION by Mr. Storch and seconded by Mr. Lee, with all in favor, Resolution 2023-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS **Consideration of Fiscal Year 2023/2024 Budget Funding Agreement**

Ms. Cerbone presented the Fiscal Year 2023/2024 Budget Funding Agreement.

The following changes were made:

Page 1 and where necessary: For Swallowtail LLC, change “Developer” to “Landowner” and change “the developer of the lands” to “the owner of the lands”

On MOTION by Mr. Storch and seconded by Mr. Boyd, with all in favor, the Fiscal Year 2023/2024 Budget Funding Agreement, as amended, was approved.

SEVENTH ORDER OF BUSINESS **Consideration of SR442 IMR Related Documents**

Mr. Johnson discussed England-Thims & Miller, Inc. (ETM) Work Authorization #1 related to the proposed SR 442 design work and the Construction Funding Agreement needed to undertake that scope of work. The Construction Funding Agreement with Deering Park 1, LLC (DP1), the development entity, will enable the Stewardship District to oversee design work and the scope of work it will eventually undertake.

Mr. Washaw presented Work Authorization #1, which is essentially a 30% design plan including the required studies and costs for traffic modeling, in the format of a Florida Department of Transportation (FDOT) proposal.

Mr. Johnson confirmed that Work Authorization #1 is an Exhibit to the Construction Funding Agreement, as indicated in the fourth Whereas clause. He suggested approval subject to any comments from DP1.

Mr. Boyd asked for the projected construction cost for the interchange improvements. Mr. Washaw stated ETM currently estimates costs at $30 million.

Discussion ensued regarding Work Authorization #1, the scope of work, fees and supporting descriptions and descriptions not included in the fee schedule.

Mr. Storch stated his understanding that invoices and costs will continually be reviewed throughout the process. He asked if the Board will be informed as to the overall accounting of the contract. Mr. Johnson replied affirmatively and stated invoices are provided with Work Authorizations when bills are presented for approval or ratification at Board meetings. Ms. Cerbone stated her understanding that the Kolter entity will fund the work and that the Construction Funding Agreement is between the District and Kolter. Mr. Johnson stated that ETM will invoice the District, and the District will invoice the development entity; funds will not flow directly from the Developer to ETM. Mr. Storch noted that multiple stopgaps will help ensure proper workflow and invoicing.

Discussion ensued regarding accounting processes whereby District Management receives invoices from ETM; once reviewed for accuracy and documentation, invoices will be sent to the Kolter entity for processing and payment.

Mr. Storch noted that the contract was vetted by all parties and suggested that, if the basic concepts are correct, the Exhibit can be revised throughout the process. He noted that accountants will review transactions throughout the process. Mr. Storch stated the contract is being approved and suggested the discrepancies can be reviewed at the next meeting.

Ms. Cerbone suggested any discrepancies identified between meetings, in amounts not-to-exceed $100,000, can be reviewed by the District Engineer, District Counsel, Chair and a Developer representative, sent to Kolter and then ratified at the next meeting.

Mr. Boyd was in agreement, as long as discrepancies can be reconciled based on additional information. Mr. Washaw stated the only changes would be to the text descriptions, as the fees provided are solid. Ms. Hutchens stressed the importance of ensuring that the fee structure matches the text descriptions throughout. She believes this might be a substantial form issue; if the fee is solid and the text of the agreement is clarified, those can be reconciled and ratified.

A. Construction Funding Agreement

B. Work Authorization #1

On MOTION by Mr. Storch and seconded by Mr. Lee, with all in favor, the Construction Funding Agreement and Work Authorization #1, both in substantial form, and authorizing the Chair or Vice Chair to execute, subject to ratification at the next meeting, were approved.

EIGHTH ORDER OF BUSINESS **Consideration of Bond Related Matters**

A. Capital Improvement Plan

Mr. Washaw presented the Capital Improvement Plan (CIP) dated August 24, 2023, noting that the CIP includes all potential improvements that might be funded by the District for public use. The CIP is not actually used to issue bonds; it covers the entire District and a Supplemental Engineer's Report, which will further refine cost estimates and areas included, will be prepared prior to the first bond issuance.

Ms. Cerbone stated Bond Counsel is present to respond to questions. She noted that it is standard practice to include all possible expenditures in the CIP and, as the bond issuance approaches, the scope of improvements is narrowed and supplemental Reports are prepared.

Ms. Taylor stated, before the District can issue any bonds, the bonds must be validated; the intent is to validate only once. Given the large scale, long-term nature of the District, the Report was categorized. Nothing to be done today approves a particular bond issue or the financing for particular improvements for a bond issue, that will come later.

Discussion ensued regarding estimates for imported fill and localized fill, quantity and placement of lift stations and force mains and residential and commercial utility services.

Mr. Johnson noted that the District is not obligated to the amounts shown for any particular line item; rather, as development occurs, it is the total not-to-exceed amount that governs.

Mr. Boyd noted that the 67 lift stations, at a cost of $50 million, are included under both "Master Utilities" and "Residential Utilities." Mr. Washaw stated Ms. Hutchens made him aware of the same and he recalculated the total accordingly, adjusting for inflation, which reduced the total from $16,600,218,776, by an overall delta of approximately $165 million when adjusted for inflation, to $16,435,535,000.

Discussion ensued regarding master lift station costs for surrounding areas, cost increases and estimates and roadway construction.

Ms. Cerbone noted that the documentation might need to be adjusted to address discrepancies to the District's total acreages.

On MOTION by Mr. Storch and seconded by Mr. Lee, with all in favor, the Deering Park Stewardship District Capital Improvement Plan dated August 24, 2023, in substantial form, was approved.

B. Master Validation Report

Mr. Hoyos presented the Master Validation Report dated August 29, 2023. He stated the CIP, as discussed earlier, totals $16,600,218,776; adjusted for inflation, the Validation Report projects that the District would have to issue $22,703,900,000 in bonds. It is the recommendation of this Validation Report that the District include a 5% cushion, which increases the total recommended validation amount to $23,839,095,000. Mr. Storch asked if the 5% cushion is standard for the industry. Mr. Hoyos stated, in his experience it has been; given the large amount, he will verify and re-adjust if necessary.

Ms. Cerbone noted that the totals in Table 2 are rough estimates, for purposes of validation. Discussions will continue throughout the bond issuance process.

On MOTION by Mr. Boyd and seconded by Mr. Lee, with all in favor, the Deering Park Stewardship District Master Validation Report dated August 29, 2023, in substantial form, was approved.

C. Resolution 2023-07, Authorizing the Issuance of Not Exceeding $23,839,095,000 Aggregate Principal Amount of Deering Park Stewardship District Bonds, in One or More Series, for the Purpose of Financing the Construction and/or Acquisition by the District of the Improvements and Facilities Permitted by the Provisions of Chapter 2020-197, Laws of Florida, as Amended from Time to Time; Approving a Form of a Master Trust Indenture; Approving and Appointing a Trustee; Authorizing the Commencement of Validation Proceedings Relating to the Foregoing Bonds; Authorizing and Approving Other Matters Relating to the Foregoing Bonds; and Providing an Effective Date

Ms. Taylor presented Resolution 2023-07, which accomplishes the following:

- Authorizes issuance of a not to exceed $23,839,095,000 aggregate principal amount of bonds.
- Authorizes and approves the execution and delivery of the Master Trust Indenture and the Supplemental Trust Indenture.
- Appoints U.S. Bank Trust Company National Association as the Trustee, Registrar and Paying Agent.
- Authorizes and directs District Counsel and Bond Counsel to proceed with filing for validation.

Ms. Taylor and Mr. Johnson discussed Section 603 of the Master Trust Indenture, whereby the District indemnifies the Trustee.

On MOTION by Mr. Storch and seconded by Mr. Boyd, with all in favor, Resolution 2023-07, Authorizing the Issuance of Not Exceeding $23,839,095,000 Aggregate Principal Amount of Deering Park Stewardship District Bonds, in One or More Series, for the Purpose of Financing the Construction and/or Acquisition by the District of the Improvements and Facilities Permitted by the Provisions of Chapter 2020-197, Laws of Florida, as Amended from Time to Time; Approving a Form of a Master Trust Indenture; Approving and Appointing a Trustee; Authorizing the Commencement of Validation Proceedings Relating to the Foregoing Bonds; Authorizing and Approving Other Matters Relating to the Foregoing Bonds; and Providing an Effective Date, in substantial form, was adopted.

D. Other Matters

Ms. Cerbone discussed the need to approve a Work Order for bond validation, as none was approved in conjunction with the award of the Request for Qualifications (RFQ) for District Engineering Services. This item will be included on the next agenda.

NINTH ORDER OF BUSINESS **Consideration of Resolution 2023-04, Designating Dates, Times and Location for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date**

Ms. Cerbone presented Resolution 2023-04.

The following will be inserted into the Fiscal Year 2024 Meeting Schedule:

DATE: Second Tuesday of each month

TIME: 2:00 PM

LOCATION: Storch Law Firm, 420 S. Nova Road, Daytona Beach, Florida 32114

On MOTION by Mr. Storch and seconded by Mr. Lee, with all in favor, Resolution 2023-04, Designating Dates, Times and Location for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2023/2024 and Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS **Acceptance of Unaudited Financial Statements as of July 31, 2023**

Ms. Cerbone presented the Unaudited Financial Statements as of July 31, 2023.

On MOTION by Mr. Storch and seconded by Mr. Boyd, with all in favor, the Unaudited Financial Statements as of July 31, 2023, as presented, were accepted.

ELEVENTH ORDER OF BUSINESS **Approval of May 30, 2023 Regular Meeting Minutes**

Ms. Cerbone presented the May 30, 2023 Regular Meeting Minutes.

On MOTION by Mr. Lee and seconded by Mr. Underhill, with all in favor, the May 30, 2023 Regular Meeting Minutes, as presented, were approved.

TWELFTH ORDER OF BUSINESS Staff Reports

A. District Counsel: Kutak Rock LLP

Mr. Johnson stated, when the documents approved today in substantial form are revised, Staff will proceed with filing the bond validation complaint.

Ms. Taylor asked for the Resolution to be signed and held in escrow for finalizing.

B. District Engineer: England-Thims & Miller, Inc.

There was no report.

C. District Manager: Wrathell, Hunt and Associates, LLC

- **NEXT MEETING DATE: April 12, 2024 at 2:00 PM**
  - **QUORUM CHECK**

Based on the adopted Fiscal Year Meeting Schedule, the next meeting will likely be on October 10, 2023.

THIRTEENTH ORDER OF BUSINESS Board Members' Comments/Requests

Mr. Boyd asked for the agenda packages to be sent earlier. Ms. Cerbone stated Staff will make every effort to provide the full agenda package one week in advance of the meeting.

FOURTEENTH ORDER OF BUSINESS Public Comments

There were no public comments.

FIFTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Storch and seconded by Mr. Boyd, with all in favor, the meeting adjourned at 3:49 p.m.

Cindy Cerbone
Secretary/Assistant Secretary

Chair/Vice Chair