

1  
2  
3  
4  
5  
6  
7  
8

**MINUTES OF MEETING  
K-BAR RANCH  
COMMUNITY DEVELOPMENT DISTRICT**

9  
10  
11  
12

The regular meeting of the Board of Supervisors of the K-Bar Ranch Community Development District was held on Tuesday, May 17, 2011 at 6:00 p.m. at the New Tampa Regional Library, 10001 Cross Creek Boulevard, Tampa, Florida.

13  
14

**FIRST ORDER OF BUSINESS – Roll Call**

15  
16

Mr. Daugirda called the meeting to order.

17  
18

The Board members introduced themselves for the record.

19  
20

Present and constituting a quorum were:

21  
22  
23  
24

Jamie Goodman	Chairperson
Leonard Johnson	Vice Chairperson
Vanderlyn Brown	Supervisor

25  
26

Also present were:

27  
28  
29  
30

John Daugirda	Manager
Gina Grimes	Counsel
Tonja Stewart	Engineer
Numerous Residents	

31  
32

Mr. Daugirda established a quorum of the Board was present.

33  
34  
35  
36  
37

Mr. Daugirda stated copies of the agenda have been handed out. The Board will go through the business administration items. Staff will brief you on the leasing option and staff's recommendation is to withdraw that option, however, comments will be taken. There is a street lighting district, and staff has talked to TECO about putting the assessments on the CDD budget. We have the first of two proceedings for the budget. Tonight is the first reading and request adoption of a resolution to set the public hearing 60 days from today for review prior to the second reading, public hearing and setting the assessments. We have two opportunities for resident input. One is in connection with the first public hearing on the lease and another opportunity later in the meeting.

Ms. Grimes explained the basis and statutes that regulate the CDD.

1 Mr. Daugirda explained the CDD's responsibility of maintaining common  
2 infrastructure. The CDD is not related to the HOA, or the developer/builders.

3  
4 **SECOND ORDER OF BUSINESS – Business Administration Items:**

- 5 **A. Minutes of February 16, 2011 Board Meeting**  
6 **B. Minutes of February 28, 2011 Board Meeting**  
7 **C. Minutes of March 3, 2011 Board Meeting**  
8 **D. Minutes of April 4, 2011 Board Meeting**

9 Mr. Daugirda stated each Board member received a copy of the minutes of the  
10 February 16, February 28, March 3 and April 4, 2011 Board meeting and requested any  
11 additions, corrections or deletions.

12 There not being any,

13  
14 **On MOTION by Ms. Goodman, SECONDED by Ms. Brown, WITH ALL IN FAVOR**  
15 **the Board approved the minutes of February 16, February 28, March 3 and April 4, 2011**  
16 **Board meetings.**

- 17  
18 **E. Acceptance of Financial Statements as of March 31, 2011**

- 19 **F. Approval of Requisitions 2011-67 to 2011-78**

20 Mr. Daugirda reviewed the financial statements as of March 31, 2011.  
21 Assessments are on track for the year; and expenditures are on track but trending a little  
22 over on the water management side. Requisitions 2011-67 to 2011-78 have been  
23 reviewed and approved by the chairperson and engineer for payment.

24  
25 **On MOTION by Ms. Goodman, SECONDED by Mr. Johnson, WITH ALL IN FAVOR**  
26 **the Board approved the financial statements of March 31, 2011 and Requisitions 2011-67**  
27 **to 2011-78.**

28  
29 **THIRD ORDER OF BUSINESS – Continuation of the Public Hearing on the**  
30 **Imposition of Special Assessments**

- 31 **A. Update on Lease Approach**

32 Mr. Daugirda stated a previous proposal brought before the Board was leasing the  
33 park and activity center and financing through a lease approach. The required legal  
34 notices were sent to the property owners, and we have received a lot of feedback. The  
35 leadership of the resident group met with staff at the library. We heard the concerns of  
36 the residents and their attorney. Staff believes there may be a better way to do this.

1 Ms. Grimes stated staff's recommendation to the Board is to withdraw the  
2 proposal to have the CDD lease the amenity center based on the objections stated by the  
3 homeowners alliance where they presented it would be better for the CDD to own the  
4 facilities rather than lease it, and the factors involved with the cost of leasing. Later in  
5 the meeting, we will present other financing options for acquisition of the recreation  
6 center.

7  
8 **B. Discussion of Documents**

9 **C. Public Comment and Testimony**

10 Ms. Grimes stated at this time we will open the meeting for public comment and  
11 testimony. Does anyone have any objection to withdrawal of the lease option proposal  
12 and its associated resolution?

13 Mr. Metropolis stated I want to thank you for the constructive meeting we had on  
14 March 31<sup>st</sup>. I appreciate your hard work and due diligence in finding alternative  
15 financing. It is conducive to what everyone in the community wants, and if we continue  
16 to work together, we can finalize the deal at a good rate and everyone will be happy.

17 Mr. Craine asked is there a way to hold comments following Mr. Daugirda's  
18 presentation on the new proposed financing option?

19 Ms. Grimes responded absolutely.  
20

21 **D. Withdrawal of Lease Option Proposal and Associated Resolutions**  
22

23 On MOTION by Mr. Johnson, SECONDED by Ms. Goodman, WITH ALL IN FAVOR  
24 the Board approved the Withdrawal of the Lease Option Proposal and Associated  
25 Resolutions.  
26

27 **FOURTH ORDER OF BUSINESS – Discussion of Bond Financing**

28 **A. Overview of Bond Financing**

29 Mr. Daugirda stated in addition to the lease option, we had approached two bond  
30 underwriters about this and the bond market had dried up. Since this time, we have gone  
31 back to one of the original underwriters. We approached them about Bond Anticipation  
32 Notes or Bond Financing. FMS Bonds in Miami said they will finance up to \$700,000.  
33 Acquisition proceeds will be limited to \$574,853. There is \$20,000 for the underwriter  
34 fee; \$16,400 for a debt service reserve. \$18,900 for capitalized interest for four months;

1 and cost of issuance of \$69,700. That totals \$700,000. Principal amount is \$700,000 for  
2 the total project for all the lots; 8.1% coupon rate for a 30 year bonds and assessments  
3 placed on the FY 2012 tax roll. The responsible landowners will be all landowners of the  
4 378 planned units. The principal per unit will be \$1,852. You may pay it off at one time,  
5 or \$190.63 per year including interest per an amortization schedule. It is better than the  
6 lease. It is a fixed amount and there is no escalation. The 194 developed lots will have  
7 the obligation 51.3%, and the remaining 184 units of undeveloped property will cover the  
8 48.7%.

9 If everything goes according to plan, this will be on the FY 2012 tax bill. There  
10 will be a cut off date for full payment prior to filing the assessment rolls each year. One  
11 example is if the bonds are issued in 2011, the developer may pay the first five years  
12 prior to building and selling the home, then the homeowner would be the last 25 years  
13 which they could either pay the remaining balance in full or keep paying the yearly  
14 amount.

15 The process is the Board will appoint a financing team, work up an assessment  
16 methodology, improvement plan and have an appraisal done to justify the pricing. We  
17 will need resolutions declaring the intent to levy assessments, and set a public hearing. I  
18 will have to send out another notification of hearing and assessment letter.

19 Ms. Grimes asked do we have any questions or comments on the Bond proposal?  
20

21 There were questions and comments related to the following points:

- 22 ■ Negotiating with other banks for the bonds such as Bank of America. *Mr.*  
23 *Daugirda stated we did contact other firms. Bank of America is not under writing*  
24 *bonds anymore. We also checked with FMS and Raymond James. Oppenheimer*  
25 *GOLDemen are bondholders. They will not underwrite bonds. This is a relatively*  
26 *small bond to try to market.*
- 27 ■ The \$190 a year would equate to almost \$6,000. *Mr. Daugirda explained you*  
28 *have the option to payoff the entire principal amount or pay principle and*  
29 *interest over 30 years. It is a personal decision that needs to be made.*
- 30 ■ What exactly is the \$900 CDD fee that I pay yearly for? I was told that was for  
31 the recreation area. *Ms. Stewart responded the debt assessment pays for the*

1           *installation of the roads, waters, sanitation and sewer, landscaping and some*  
2           *irrigation. The operations and maintenance portion pays for the maintenance,*  
3           *upkeep and general administration. Mr. Daugirda stated additionally the CDD*  
4           *validated bonds up to a certain amount, and only issued one series of bonds. The*  
5           *prior bond did not include construction or acquisition of the pool.*

6           ▪ *The \$700,000 is the maximum amount. How will the appraisals work? Do you*  
7           *take the median of three? Ms. Grimes responded if the Board chooses to move*  
8           *forward, they are only required to obtain one appraisal if the estimated cost of the*  
9           *facility is in excess of \$500,000. If we choose to keep the appraisals exempt from*  
10           *public record, then the Board would need to get two appraisals, and the average*  
11           *of the two would be amount the CDD is authorized to pay for acquisition of the*  
12           *facility. My recommendation rather than spending money on a second appraisal*  
13           *at a rate of \$5,000, is to get one appraisal. It has to be an independent*  
14           *appraisal.*

15           ▪ *The lease option was \$498,000 for the entire cost, now it is up to \$574,000 for*  
16           *construction, and the pool is not ADA compliant. Where is that money going to*  
17           *come from? I have made some phone calls and can get commercial appraisals for*  
18           *under \$2,000. Ms. Stewart responded I will need to get an appraisal to justify the*  
19           *engineer's report. Ms. Grimes stated the facility will be acquired by the CDD*  
20           *based on the value of the facility. This is the maximum amount we can get a bond*  
21           *for. We are waiting on the appraisal. Ms. Stewart stated I am dealing with the*  
22           *ADA issues.*

23           ▪ *Has the tax assessor taxed the property and rebated it or deferred payment? I*  
24           *would like to know what the tax assessor appraises that property at. Mr.*  
25           *Daugirda responded the CDD does not own the property today. Once it is in the*  
26           *CDD's name and ownership, we apply for tax exemption as a government. The*  
27           *private owner has to pay the taxes. Ms. Stewart stated I don't have the tax*  
28           *assessor's information on hand, but I am sure you can find it on their website.*

29           ▪ *Residents were told the community center was a part of the development and was*  
30           *not told they had to purchase it. Where did the place go that was in the*  
31           *brochures?*

- 1       ▪ Is it because it is privately held that we are paying an appraised value rather than  
2       an actual cost? *Ms. Stewart responded the CDD is required by law to get an*  
3       *appraisal before purchasing to ensure you are paying fair market value. They are*  
4       *going to give us an a value based on the construction costs..*
- 5       ▪ Membership on the Board, appointed or elected and by whom? *Mr. Daugirda*  
6       *responded the members are elected. The first phase is administrative election by*  
7       *the landowners every two years. Ms. Grimes stated this is laid out by Florida*  
8       *Statute Chapter 190. The landowners elect the Board based on one vote per acre*  
9       *or developed lot. Of the members now serving two are employees of Mobley*  
10       *homes. When the CDD is established, there is no one but the developer who owns*  
11       *the land and they serve on the board. After six years and there are 250 registered*  
12       *voters in the CDD, you transition to a resident controlled board and you are*  
13       *approaching that point. In the fall it will be six years. In November 2012, two*  
14       *seats will be on the ballot and elected by registered voters in this community.*  
15       *This entity is a separate entity from Mobley Homes. They have a duty under the*  
16       *statute to vote and perform their responsibilities to the CDD. The Statutes*  
17       *specifically address the fact that employees of the landowner have the right to be*  
18       *on the Board and it is not a conflict of interest.*

19       Ms. Goodman stated even though I am an employee of the company, I always act  
20       in the best interest of this CDD. I have driven the property; called Mr. Daugirda when  
21       things have not looked right. I have walked it. I believe you are in one of the most  
22       beautiful communities in this city from my personal standpoint. I vote because of my  
23       duty and act in the best interest of this community which will be much larger than it is  
24       now. There are budget issues I have brought up, and issues I have looked into with this  
25       team. Eventually this will be your team and you will have to make sure the sewers work  
26       correctly, the landscaping looks nice. We are having to deal with freeze damage and the  
27       bills that come in.

28       Ms. Brown stated I do not discuss CDD business with Mr. Mobley.

- 29       ▪ Do you have the power to not acquire this facility? *Ms. Grimes stated the Board*  
30       *members will need to vote on it. The contract will be presented to the Board and*

1           *they will have to vote to either approve it or not approve it. They have that*  
2           *discretion. If they vote no, the CDD will not acquire the property.*

3           ▪ *The size of the pool is not even big enough for the existing homes. Ms. Goodman*  
4           *stated from my understanding there are plans for a much larger community pool*  
5           *in addition to this one. There is acreage behind this one for a second pool. As*  
6           *more lots are sold, the CDD can build more amenities. Staff and I have been*  
7           *discussing this. As we grow we will likely need a bigger pool, a party place, a*  
8           *fitness place, and a nicer facility*

9           Ms. Stewart stated it is important for the community to understand there was an  
10          obvious collapse in the economy. I have not met with the developer for a period of two  
11          years until last year when things started to become active again. I do not believe the  
12          developer intentionally reduced the quality or magnitude or size of the facility. I think  
13          they tried to accommodate a need and request from the community, and due to the  
14          economic time that is what happened. I cannot speak as to what you were told as far as  
15          sales.

16          ▪ *What happens if a landowner defaults on his assessments? Mr. Daugirda*  
17          *responded there is a process for assessments on the tax roll. If the tax bill is not*  
18          *paid in the summer then the county sells the tax certificate and we get our funds.*  
19          *If the certificate is not paid back in a couple of years, the county has an*  
20          *enforcement process for tax foreclosures. We have the power to put the*  
21          *assessments on the tax bill to ensure payments.*

22          ▪ *As other pools are built into the community as part of K-Bar Ranch, are we going*  
23          *to be obligated to pay for those with another special assessment for three different*  
24          *community centers? Ms. Stewart stated it would depend on how the financing is*  
25          *structured. Ms. Grimes stated the bonds only covered the first 378 units.*  
26          *Anything beyond the first 378 units is not your dime, it is their dime. Mr.*  
27          *Daugirda stated in general each phase pays for its own infrastructure.*

28          ▪ *Scrapping acquisition of the pool as it will be a hardship for a lot of owners;*  
29          ▪ *Rethinking the entire amenity center and building one conducive to the CDD at*  
30          *build out, rather than doing it piece meal;*  
31          ▪ *The non-functionality of the center as the plans stand right now;*

- 1       ▪ Square footage of the pool not being adequate for the number of residents in the  
2       community, and Board having the power to say no;  
3       ▪ Forcing the developer to give the residents the amenities they were promised;  
4       ▪ What happens if the Board votes no? *Ms. Goodman stated Mobley owns the*  
5       *property. He will decide what he wants to do with it.*  
6       ▪ Does the Board have any input as to what type of facility or do they just build it  
7       and vote whether to acquire it? *Ms. Stewart responded I have several*  
8       *communities that has unfinished amenity and community centers. As you think*  
9       *about this, remember if you acquire it, the developer loses control over it.*

10

11    **B. Discussion of Improvement Plan**

12    **C. Discussion of Preliminary Assessment Methodology**

13    **D. Resolution Declaring Intent to Levy of Special Assessments – Resolution**  
14    **2011-5**

15    **E. Resolution Setting the Public Hearing – Resolution 2011-6**

16       The above items were not ready for presentation at this meeting.

17

18    **F. Other Matters or Documents**

19       Mr. Daugirda stated we have a firm named Tropical Realty Appraisal Services  
20       and he has done appraisals like this in Panther Trace and others. His fee is \$5,500 to  
21       perform the appraisal.

22       Ms. Grimes asked does the Board want to obtain other appraisals and discuss it at  
23       a future meeting?

24       Mr. Johnson responded I would like to see more bids for the work.

25

26    On MOTION by Mr. Johnson, SECONDED by Ms. Goodman, WITH ALL IN FAVOR  
27    the Board authorized staff to obtain two more proposals to handle the appraisal work.

28

29    **FIFTH ORDER OF BUSINESS – Proposed FY 2011-2012 Budget**

30    **A. Distribution of the Proposed Budget**

31    **B. Resolution 2011-7, Setting the Public Hearing**

32       Mr. Daugirda stated we need to deliver a draft preliminary budget, and adopt a  
33       resolution to set the public hearing. The Debt Service Budget for the bonds are set for the  
34       principal and interest payments in accordance with the amortization schedules. An



1 addition to the General Fund Budget is the street lighting of \$33,000. This is already part  
2 of the tax bills, and it just moves it over to the CDD.

3 Ms. Stewart stated that is correct. Bassett Creek has a street lighting district, and  
4 we are asking the city to dissolve the Street Lighting District and put it under the CDD's  
5 control. It just moves it over to the CDD, so you do not get double billed. As the phases  
6 are built, we are reducing the number of lights that come on line so the bills do not get  
7 outrageous.

8 Mr. Daugirda stated the draft budget also includes \$19,000 for amenity center  
9 operations.

10 After discussion,

11

12 On MOTION by Mr. Johnson, SECONDED by Ms. Goodman, WITH ALL IN FAVOR  
13 the Board adopted Resolution 2011-7, Approved the Proposed FY 2011-2012 Budget,  
14 and Set the Public Hearing on July 20, 2011 at 5:30 p.m. at the New Tampa Regional  
15 Library, 10001 Cross Creek Boulevard, Tampa, Florida.

16

17 **SIXTH ORDER OF BUSINESS – Business Items:**

18 **A. Consideration of Resolution 2011-8, Petitioning the City to Dissolve the**  
19 **Bassett Creek Phase 1 Street Light District and Accepting the Bassett Creek Phase 1**  
20 **and 2A Street Lights**

21 This item was tabled until the next meeting.

22 **B. Discussion of Request by SBHOA for Early Transition and Election/Appoint**  
23 **of Resident to CDD Board**

24 Mr. Metroplis requested an active member of the Board to show a sign of good  
25 faith and step down and let someone voted in by our community be allowed to serve on  
26 the Board prior to the transition turnover by general election in November 2012.

27 Ms. Grimes stated the request has been made, and we can place it on the agenda  
28 for consideration at the next Board meeting.

29 A resident asked has the developer ever been to one of these meetings?

30 Ms. Grimes responded not that I am aware of.

31 Mr. Johnson asked what is the process to follow for us to get a name?

32 Ms. Grimes responded once a vacancy of the Board is established, the Board  
33 members appoint the individual to the vacancy. You can have the individuals interested

1 in the position submit their resumes. The Board can evaluate it, and the Board members  
2 appoint the most qualified.

3 Ms. Stewart recommended a workshop for educational purposes for the residents.

4

5 **SEVENTH ORDER OF BUSINESS – Staff Reports**

6 **A. Manager**

7 There being no report, the next item followed.

8

9 **B. Attorney – Status Report on Annexation**

10 There being no report, the next item followed.

11

12 **C. Engineer – Construction Update**

13 There being no report, the next item followed.

14

15 **EIGHTH ORDER OF BUSINESS – Supervisors Requests and Audient Comments**

16 Board discussed the next scheduled meeting.

17

18 On MOTION by Mr. Johnson, SECONDED by Ms. Goodman, WITH ALL IN FAVOR  
19 the Board cancelled the May 18 and June 15, 2011 meetings

20

21

22 **NINTH ORDER OF BUSINESS – Adjournment**

23 There being no further business,

24

25 On MOTION by Mr. Johnson, SECONDED by Ms. Goodman, WITH ALL IN FAVOR,  
26 the meeting was continued to June 22, 2011 at 5:30 p.m. at the New Tampa Regional  
27 Library.

28

29 *\*These minutes were prepared in summary format.*

30 *\*Each person who decides to appeal any decision made by the Board with respect to any*  
31 *matter considered at the meeting is advised that person may need to ensure that a*  
32 *verbatim record of the proceedings is made, including the testimony and evidence upon*  
33 *which such appeal is to be based.*

34

35 Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a  
36 publicly noticed meeting held on July 11, 2011.

37

Regular Meeting  
5-17-2011


K-Bar Ranch CDD

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Printed Name

**Title:**  
 Secretary  
 Assistant Secretary

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**Title:**  
 Chairperson  
 Vice Chairperson