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

10 The recessed meeting of the Board of Supervisors of the K-Bar Ranch  
11 Community Development District held on July 26, 2011 was reconvened on Tuesday,  
12 August 2, 2011 at 10:00 a.m. at the offices of Stantec/ Wilson Miller, 2205 North 20<sup>th</sup>  
13 Street, Tampa, Florida.

14 **FIRST ORDER OF BUSINESS – Roll Call**

15 Mr. Daugirda called the meeting to order.

16 The Board members introduced themselves for the record.

17 Present and constituting a quorum were:

18	Jamie Goodman	Chairperson
19	Leonard Johnson	Vice Chairperson
20	Sasha Goodman	Supervisor
21	Vanderlyn Brown	Supervisor

22 Also present were:

23	John Daugirda	Manager
24	Mark Straley	Attorney
25	Tonja Stewart	Engineer
26	Mike Metropolis	Resident
27	John Vericker	Straley Robin
28	Steve Sanford	Bond Counsel
29	Maik Aagaard	DPFG
30	Beth Driggs	US Bank

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

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33  
34 **SECOND ORDER OF BUSINESS – Business Administration Items:**

35 **Resignation of Ms. Gina Grimes as District Attorney**

36 Mr. Daugirda stated we have received Ms. Grime's resignation as District  
37 Attorney, and received her final invoice.

38  
39 On MOTION by Mr. Johnson SECONDED by Ms. Brown, WITH ALL IN FAVOR, the  
40 Board accepted Ms. Gina Grime's resignation as District Counsel  
41

1 Mr. Daugirda stated in the interim, I have conferred with the Chairperson, and  
2 contacted another law firm. Mr. Mark Straley and Mr. John Vericker are here from  
3 Straley Robin.

4 Mr. Straley stated my firm received a phone call on Friday, and I have put  
5 together an engagement letter and in discussions have agreed that our fees would not  
6 exceed the fees Ms. Grimes' firm was currently charging. This is a standard engagement  
7 letter, but I will make whatever modifications you feel necessary.

8 Mr. Daugirda stated Straley Robin is a leading firm in terms of CDD work. Mr.  
9 Straley has been involved in this for 20 years.

10  
11 On MOTION by Mr. Johnson SECONDED by Ms. Jamie Goodman, WITH ALL IN  
12 FAVOR, the Board approved Straley Robin's Engagement Letter as District Counsel,  
13 subject to fee not exceeding the past attorney's fee structure.

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16 **THIRD ORDER OF BUSINESS – Continuation of Public Hearing on Bond**  
17 **Financing**

18 Mr. Daugirda stated we are primarily here to talk about the bond financing. Due  
19 to some changes, there has been a slight change in the pricing structure. We have re-  
20 worked the documents with Bond Counsel, and the Methodology Consultant. There is an  
21 increase of \$10,000 for the reworking of documents, and now Straley and Robin's  
22 services.

23 Additionally, Ms. Grimes had a not to exceed amount of \$10,000 and submitted  
24 an invoice above the \$10,000, but would honor the \$10,000 limit.

25 Bond counsel's fee went up, Mr. Straley's fee is \$5,000, District Manager and  
26 Methodology Consultant \$2,500; Mr. Kessler's fee went up. There is a couple of smaller  
27 deducts as the inspect was less than \$600. Whatever is left will go into operations and  
28 maintenance.

29  
30 On MOTION by Mr. Johnson SECONDED by Ms. Jamie Goodman, WITH ALL IN  
31 FAVOR, the Board approved the Expenditure of \$10,000 for Ms. Grimes for Bond  
32 Services.

1           Mr. Johnson stated I am recusing myself from the bond financing portion due to  
2 my holding an officer position of the entity that owns the parcel of land where the  
3 amenity is constructed.

4  
5           Mr. Daugirda stated the par amount of the Bond is \$680,000 and the assessment  
6 methodology report was modified accordingly.

7  
8           **A.    Rescinding the Approval of Resolution 2011-13 and Approving Resolution**  
9 **2011-13, Authorizing Issuance of \$680,000 Special Assessment Bonds Series 2011**

10           Mr. Sanford stated at a previous meeting we discussed looking into if there was  
11 some amount of bond proceeds we could use for operations and maintenance expenses.  
12 Although the number went down some from the first pricing, it looks like it is \$8,300  
13 plus for O&M; \$550,000 the acquisition of the amenity center; debt service reserves  
14 established as a requirement of the bond purchases; capitalized interest through  
15 November 1, and cost of issuance.

16           The resolution authorizes that exact amount of bonds consisting of two term  
17 bonds with different interest rates. One matures in 2024 in the amount of \$145,000; and  
18 the balance of \$535,000 matures in 2041. This resolution authorizes the issuance of the  
19 bonds for acquiring the amenity center, and funding the operating and maintenance up to  
20 a set limit. It also provides for certain documents to be attached.

21           The first is the Bond Purchase Contract which is the agreement with FMS Bonds  
22 and making a representation they are buying these bonds for their account. There is no  
23 disclosure document being prepared. That is not to say that FMS cannot sell these bonds  
24 down the road, but we have built into the document that only certain types of investors  
25 can buy these bonds, and they have to be qualified institutional buyers defined under the  
26 securities laws and I will have to sign a letter to that effect. That protects the Board and  
27 the District that these bonds are a strong credit.

28           The next exhibit is the Second Supplemental Trust Indenture which is the contract  
29 with US Bank, the Trustee. These bonds are issued under the original Master Trust  
30 Indenture and every time there is a new series of bonds issued, a Supplemental Trust  
31 Indenture is done relating to the specific bond series.

1           The next exhibit is the Continuing Disclosure Agreement. Under the SEC rules,  
2 even though we are not preparing any offering documents, we are going to comply with  
3 the SEC rules regarding continuing disclosure. Annually certain financial information  
4 about the District will be filed with the MSRB, and any types of events that occur that  
5 will also be filed within 10 days. Any subsequent investor, although unlikely, who may  
6 purchase the bonds; they will sign a letter and be able to access any information by this  
7 Continuing Disclosure Agreement. The person who signs the Continuing Disclosure  
8 Agreement is the primary landowners, K-Bar 184, MJB of Florida and M Tampa-O.

9           In summary, the resolution approves the form of and authorizes the execution of  
10 certain documents, and I will be happy to take any questions.

11

12           On MOTION by Mr. Johnson SECONDED by Ms. Jamie Goodman, WITH Ms. Jamie  
13 Goodman, Ms. Sasha Goodman and Ms. Brown Voting Aye, and Mr. Johnson recusing  
14 himself, the Board RESCINDED the Approval of Resolution 2011-13, Setting the Public  
15 Hearing on September 13, 2011 on the Levy of Assessments.

16

17           On MOTION by Ms. Jamie Goodman SECONDED by Ms. Brown, WITH Ms. Jamie  
18 Goodman, Ms. Sasha Goodman and Ms. Brown Voting Aye, and Mr. Johnson recusing  
19 himself, the Board Adopted Resolution 2011-13, Authorizing the Issuance of \$680,000  
20 K-Bar Ranch Community Development District Special Assessment Bond Series 2011  
21 and the form of the Bond Purchase Agreement, Second Supplemental Trust Indenture and  
22 Continuing Disclosure Agreement, as presented.

23

24           **B. Acquisition and Completion Agreement**

25           Mr. Vericker stated it is my understanding most of the terms were worked out  
26 previously, and the update is that the Bond issue is for \$680,000. This agreement allows  
27 the District to acquire the infrastructure from MJB of Florida, LLC. The purchase price  
28 in total is \$550,000 which is the amount of the construction proceeds being generated by  
29 this bond deal. There are some holdbacks of \$7,500 for pool furniture and another  
30 holdback for ADA improvements. I don't know if an amount has been assigned to that.

31           Ms. Stewart stated there was a punch list from the inspections and Mr. Daugirda,  
32 Mr. & Mrs. Metropolis and I visited the site last week, and have additional punch list  
33 items. The items have not been completed as of today. I have spoken with the developer  
34 and they are working on the list today. As the closing is August 4, the expectation is

1 those punch list items will be completed by August 4. The handicap ramp will not be  
2 done by next week. I asked them to switch the doors around the restrooms because they  
3 open against the handicap access. I am not sure what will be the appropriate way to  
4 handle these issues like this.

5 Mr. Straley stated the pre-closing on the bonds is today, but the Acquisition and  
6 Completion Agreement can follow a different path.

7 Ms. Stewart stated \$7,500 is for the pool furniture and we estimate \$6,000 for the  
8 ADA compliance. Do we want to set aside some funds to make sure these things are  
9 taken care of the way they should be?

10 Mr. Johnson stated we would be fine to have additional escrow held that ensure it  
11 gets done.

12 Ms. Stewart stated setting aside another \$3,000 for the punch list items would be  
13 adequate, based on what I am told right now. I will have to go out there tomorrow to  
14 make sure all the other items have been completed.

15 Mr. Metropolis stated I don't think the community would mind if we gave the  
16 developer a certain number of days to complete the punch list, but after that there should  
17 be a penalty. When I did the walk through, there were several items that needed to be  
18 addressed, and will take at least a week to complete.

19 Ms. Stewart stated based on what I know today, I need to put aside enough funds  
20 to cover all the items on the punch list that have not been completed.

21 Mr. Johnson stated we also have to agree on the punch list items so we are not  
22 shooting for something else that is not known.

23 Ms. Stewart stated we have a report from the inspector, and from a District  
24 Engineer we do not do horticultural inspections. I reach out and asked if he did an ADA  
25 inspection, and I will add that the maximum height for the gate is 48". The developer  
26 will be installing a key lock that turns to open. That does not meet the ADA standard.  
27 We may be able to upgrade the gate for ADA compliance. My gut instinct is when the  
28 community gets involved there will be multiple things they will want to do. I am looking  
29 at the amount of money I have to ensure the things I know that need to be ADA  
30 compliant. The reason we are not doing the pool lift now is because there is a lot of  
31 discussion in the industry about the ADA guidelines. I don't want to purchase items that

1 may not be required, or something different may be required in the near future. If we are  
2 going to set aside funds for the punch list items as of today, my estimate is an additional  
3 \$15,000.

4 Mr. Daugirda stated we have 15 items on the property inspection, and there are  
5 some additional items from the engineer. Ms. Stewart can create an exhibit as to punch  
6 list items.

7 Mr. Johnson stated the amounts are \$15,000 for the punch list, \$6,000 for the  
8 ADA, and \$7,500 for the pool furniture. The engineer will certify what items are the  
9 punch list is completed.

10 Ms. Jamie Goodman stated the storage room floor is not intended to be completed  
11 and left as it is. It is concrete. If we want it finished, how is that handled?

12 Ms. Stewart responded it depends on if it is on the plans. That is what I have to  
13 go by.

14 Mr. Vericker asked is the punch list items required for the Certificate of  
15 Occupancy.

16 Ms. Stewart responded the city inspection is for the CO. We had a private  
17 inspection, and Mr. Daugirda, Mr. and Mrs. Metropolis and I did a third inspection.

18 Mr. Vericker stated the reason I am asking is there is no reason to hold the closing  
19 prior to the CO being released. We can do the real estate transfer on Friday, assuming  
20 the CO comes through.

21 Ms. Stewart stated there needs to be a deadline.

22 Mr. Johnson stated two weeks, Friday, August 19<sup>th</sup>.

23

24 **C. True-Up Agreements**

25 Mr. Vericker stated the next three agreements are True-Up Agreements with each  
26 of the developer/landowners.

27 Mr. Straley stated the true-up concept covers the situation where a developer  
28 plans change and the density is reduced. The developer is required to true-up the  
29 payment to cover the bonds.

30 Mr. Vericker stated this agreement recognizes, and acknowledges the validity of  
31 the assessments levied to repay these bonds, includes a covenant to pay the annual

1 assessments, and also puts in the obligation that if the density is reduce, a lump sum  
2 payment is made.

3

4 On MOTION by Ms. Jamie Goodman SECONDED by Ms. Sasha Goodman, WITH Ms.  
5 Jamie Goodman, Ms. Sasha Goodman and Ms. Brown Voting Aye, and Mr. Johnson  
6 recusing himself, the Board approved the True-Up Agreements with K-Bar 184, MJB of  
7 Florida and M Tampa-O.

8

9 Mr. Vericker stated it is required the attorney record a lien of record once the  
10 bond deal is finalized. I am passing out a notice of the lien of record to be filed. This is a  
11 statutory notice requirement.

12

13 **D. Final Improvement Plan**

14 Mr. Sanford stated as a side note, the resolution the Board adopted today  
15 authorized and approves any subsequent changes to the Improvement Plan and  
16 Assessment Methodology Report to be consistent with the final terms of the bonds.

17

18 On MOTION by Ms. Jamie Goodman SECONDED by Ms. Sasha Goodman, WITH Ms.  
19 Jamie Goodman, Ms. Sasha Goodman and Ms. Brown Voting Aye, and Mr. Johnson  
20 recusing himself, the Board approved the Final Improvement Plan July 13, 2011.

21

22 **E. Final Assessment Methodology Report**

23

24 On MOTION by Ms. Jamie Goodman SECONDED by Ms. Sasha Goodman, WITH Ms.  
25 Jamie Goodman, Ms. Sasha Goodman and Ms. Brown Voting Aye, and Mr. Johnson  
26 recusing himself, the Board approved the Final Assessment Methodology Report July 13,  
27 2011.

28

29 Mr. Straley stated next month we will follow-up with a "Bring Down Resolution"  
30 as the assessments are going to be lower.

31 Mr. Daugirda stated the US Bank Trustee is looking for investment direction for  
32 the funds being held in the accounts. There are two options: US Bank, First American  
33 Funds Government Obligations Class Y, and the fund yield is presently zero; US Bank  
34 Money Market Account currently yielding 0.05%, and is a permitted investment under

1 the Supplemental Trust Indenture and insured under FDIC. Either investment can be  
2 changed at any time and is fully liquid.

3 Mr. Straley stated the construction proceeds are not going to be there long enough  
4 to get excited over. What is the reserve amount?

5 Mr. Daugirda responded it is nominal, 25%.

6 Mr. Sanford stated the only thing significant is the \$14,812.50.

7 Mr. Johnson stated something is better than nothing, I suggest the US Bank  
8 Money Market Account.

9

10 On MOTION by Mr. Johnson SECONDED by Ms. Jamie Goodman, WITH ALL IN  
11 FAVOR, the Board approved investing in the US Bank Money Market Account.

12

13 Mr. Daugirda stated the 2006 Bonds are in the US Bank, First American Funds  
14 Government Obligations Class Y yielding zero. Do you want to look at this and give  
15 direction to the trustee?

16 Mr. Johnson asked is there a limit on the FDIC amount?

17 Mr. Driggs responded the trust accounts and held by the trustee in a fiduciary  
18 responsibility, while the FDIC insurance still applies, should US Bank fail, you trust  
19 balances would be intact.

20 Mr. Daugirda stated the reserve fund balance is \$360,000; construction fund is  
21 \$6,000.

22

23 On MOTION by Mr. Johnson SECONDED by Ms. Sasha Goodman, WITH ALL IN  
24 FAVOR, the Board approved moving the 2006 Bond Funds into a US Bank Money  
25 Market Account.

26

27 Ms. Driggs stated please send me an email regarding Board direction on the 2006  
28 Bond Funds, and I will take care of it.

29

30 **FOURTH ORDER OF BUSINESS – Business Items:**

31 **A. Discussion on Draft Rules for Recreational Amenities**

32 Mr. Daugirda stated we discussed the rules for the recreation amenity at the last  
33 meeting. Residents are paying assessments on the debt and O&M on the amenity center.



1 As these bonds are tax-exempt public purpose bonds, there needs to be a provision for  
2 non-resident use. The annual fee for non-residents is the sum of two components, the  
3 total budgeted debt service assessment and O&M assessment relating to the amenity  
4 center, and a 20% administrative cost. This is on an annual basis, and not monthly.

5 We will need an identification process for the users. I feel the amount may be a  
6 little light. It has a tot lot, passive parks of 2.5 acres, swimming pool and wet bar. I  
7 recommend a fee of \$500.

8 Mr. Sanford stated the rules were drafted by Ms. Grimes. I did review them and I  
9 think she did a good job. The IRS concern is the amount needs to be fair and rational,  
10 and not priced where you are keeping the public out.

11 Mr. Daugirda stated I have seen parks without swimming pools in the \$300 to  
12 \$600 a year range.

13 Mr. Metropolis stated we just need to cover maintenance.

14 Mr. Johnson stated this is something we can re-address.

15 Mr. Daugirda stated the other idea mentioned was reserving the center, and I  
16 don't think that is appropriate, and should be deleted. We can conditionally approve it  
17 subject to District Counsel's review.

18 Mr. Jamie Goodman stated we could use the reservations for the park area if  
19 someone wants to hold a birthday party.

20 Mr. Vericker stated it is hard to monitor those things if you don't have a staff  
21 person on site.

22 After further discussion,  
23

24 On MOTION by Mr. Johnson, SECONDED by Ms. Sasha Goodman, WITH ALL IN  
25 FAVOR, adopted Resolution 2011-14, Adopting the Districts Rules for Utilization of Its  
26 Recreation Facilities, Subject to Final Review and Approval by Attorney, Staff, and  
27 Chairperson.

28

29 **THIRD ORDER OF BUSINESS – Continuation of Public Hearing on Bond**  
30 **Financing (Continued)**

31 **B. Acquisition and Completion Agreement (Continued)**

32 Ms. Stewart stated I went over the list, and we have Mr. Eckley's punch list items,  
33 and Staff's inspection punch list.

1 Ms. Stewart provided an overview of their inspections.

2 Ms. Stewart stated I will finalize a combined list as an exhibit to the agreement.

3 Mr. Vericker stated the anticipated closing date is August 5.

4 After further discussion,

5

6 On MOTION by Ms. Jamie Goodman, SECONDED by Ms. Sasha Goodman, WITH Ms.  
7 Jamie Goodman, Ms. Sasha Goodman and Ms. Brown Voting AYE, and Mr. Johnson  
8 abstaining, the Board approved the Acquisition and Completion Agreement, with the  
9 Addition of \$15,000 in Holdback Fees for Punch List Items Plus \$7,500 for Pool  
10 Furniture and \$6,000 for ADA, as amended.

11

12 Discussions ensued regarding the next meeting date around August 24; the  
13 potential of the SBHAC Board making recommendations for the Amenity Center use,  
14 rules, emergency personnel, and on-site center personnel; and property tax certificates  
15 being resolved.

16

17 **FIFTH ORDER OF BUSINESS – Staff Reports**

18 **A. Manager**

19 There being no report, the next item followed.

20

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

22 There being no report, the next item followed.

23

24 **C. Engineer – Construction Update**

25 Ms. Stewart stated the District has an upland habitat adjacent to the Basset Creek  
26 Estates Phase I lot. They have not mowed the grass, and we need to get a protection zone  
27 planted so people do not use that as their back yard. This is a city concern about its  
28 protection. There is some plant material, fencing and signage that needs to be put up. I  
29 am asking the District for the work to be done and funded by the Developer similar to  
30 what we did in Phase IIA. I want to get this completed in the rainy season so it will  
31 survive. I would like to get the plant material in first, and then come back with  
32 recommendations on fencing and signage.

33

1. On MOTION by Mr. Johnson, SECONDED by Ms. Brown, WITH ALL IN FAVOR, the  
2. Board approved the Expenditure of \$4,000 in Plantings to Protect the Upland Habitat  
3. Area.

4  
5 **SIXTH ORDER OF BUSINESS – Supervisors Requests and Audience Comments**

6 There not being any, the next item followed.

7  
8 **SEVENTH ORDER OF BUSINESS – Adjournment**

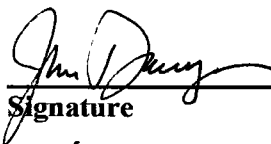
9 There being no further business,

10  
11 On MOTION by Mr. Johnson, SECONDED by Ms. Sasha Goodman, WITH ALL IN  
12 FAVOR, the meeting was adjourned.

13  
14 *\*These minutes were prepared in summary format.*

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

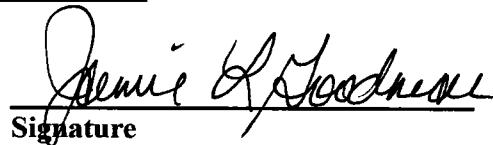
19  
20 Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a  
21 publicly noticed meeting held on October 19, 2011.

22  
23   
24 \_\_\_\_\_  
25 Signature

26 John DAUGIRDA  
27 \_\_\_\_\_  
28 Printed Name

29  
30 Title:

- 31  Secretary  
32  Assistant Secretary  
33

22  
23   
24 \_\_\_\_\_  
25 Signature

26 JAMIE L. GOODMAN  
27 \_\_\_\_\_  
28 Printed Name

29  
30 Title:

- 31  Chairperson  
32  Vice Chairperson