

MINUTES OF MEETING

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

**K-BAR RANCH
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the K-Bar Ranch Community Development District was held on **Friday, July 28, 2006 at 9:10 a.m.** at the offices of Mobley Housing Group located at 4014 Gunn Hwy., Suite 250, Tampa, Florida 33618.

Present and constituting a quorum:

Leonard Johnson	Board Supervisor, Chairman
Tim Hohl	Board Supervisor, Vice Chairman
Jamie Goodman	Board Supervisor, Assistant Secretary

Also present were:

Nils Hallberg	District Manager, Rizzetta & Company, Inc.
Greg Tuman	Financial Advisor, Rizzetta & Company, Inc.
Gina Grimes	District Counsel, Hill, Ward, & Henderson, P.A.
Dayne Piercefield	District Engineer, WilsonMiller, Inc.

FIRST ORDER OF BUSINESS

Call to Order

Mr. Hallberg called the meeting to order and performed roll call.

SECOND ORDER OF BUSINESS

**Consideration of Minutes of the Board of
Supervisors' Meeting on June 23, 2006**

Mr. Hallberg stated that the next item on the agenda was the consideration of the minutes of the Board of Supervisors' meetings on June 23, 2006. Mr. Hallberg asked if there were any additions, deletions, or corrections to the minutes. Hearing none, he asked for a motion to approve.

On Motion by Mr. Johnson seconded by Ms. Goodman, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on June 23, 2006 for K-Bar Ranch Community Development District.
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THIRD ORDER OF BUSINESS

**Consideration of Operation and
Maintenance Expenditures for July**

Mr. Hallberg stated that the next item on the agenda was the consideration of the Operation and Maintenance Expenditures for July. Mr. Hallberg briefly reviewed the expenditures paid during the period of June 1-30, 2006 totaling \$8,404.14. He asked if there were any questions regarding any of the expenditures. Hearing none, Mr. Hallberg asked for a motion to approve.

On Motion by Ms. Goodman, seconded by Mr. Johnson, with all in favor, the Board approved the Operation and Maintenance Expenditures for July totaling \$8,404.14 for K-Bar Ranch Community Development District.

FOURTH ORDER OF BUSINESS

**Continuation of Public Hearing on the
Uniform Method of Collection**

Mr. Hallberg stated that the next item on the agenda was the continuation of the Public Hearing on the Uniform Method of Collection. He asked for a motion to open the public hearing.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board opened the Public Hearing on the Uniform Method of Collection for K-Bar Ranch Community Development District.

Mr. Hallberg stated that the Uniform Method of Collection gives the District the ability to collect the assessments that will be levied on the property and provides an effective date. Ms. Grimes stated that according to Florida Statutes the District must declare the need to levy the non-ad valorem assessments and express its intent to use the Uniform Method of Collection. She explained that this will allow the assessments to be collected on the County tax rolls in future years. Ms. Grimes stated that subsequent to adopting this resolution the Board will adopt a resolution setting the actual amounts that will be collected in this manner.

Mr. Hallberg asked if there was any further discussion on the Uniform Method of Collection. Hearing none, he asked for a motion to close the public hearing.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board closed the Public Hearing on the Uniform Method of Collection for K-Bar Ranch Community Development District.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2006-33,
Adopting the Uniform Method of
Collection**

Mr. Hallberg stated that the next item on the agenda was the consideration of Resolution 2006-33, Adopting the Uniform Method of Collection for the District. Mr. Hallberg read the heading of the resolution into the record. He asked if there were any questions. Mr. Johnson stated that the copy of the resolution in the packet states a different date for holding the public hearing. Ms. Grimes stated that she made that correction and distributed the revised copies. Mr. Johnson made a motion to approve.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board approved Resolution 2006-33, Adopting the Uniform Method of Collection for K-Bar Ranch Community Development District.

SIXTH ORDER OF BUSINESS

**Public Hearing on Fiscal Year 2006/2007
Final Budget**

Mr. Hallberg stated that the next item on the agenda was the public hearing on the Fiscal Year 2006/2007 Final Budget. He asked for a motion to open the public hearing.

On Motion by Ms. Goodman, seconded by Mr. Johnson, with all in favor, the Board opened the public hearing on the Fiscal Year 2006/2007 Final Budget for K-Bar Ranch Community Development District.

Mr. Hallberg briefly reviewed the Fiscal Year 2006/2007 Budget totaling \$264,050, stating that the Administrative subtotal is \$136,750 and the Operations subtotal is \$127,300. He explained that he and Mr. Mobley collaborated on this budget and they included \$15,000 under the contingency line item to cover any unanticipated expenses. It was noted that funding for this budget will be through a Developer Funding Agreement.

Mr. Hallberg stated that a preliminary budget was presented to the Board 60 days ago, as required. He asked if there were any questions regarding the budget. A brief discussion ensued regarding the format of the budget. With no further comments being heard, Mr. Hallberg asked for a motion to close the public hearing on the Fiscal Year 2006/2007 Final Budget.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board closed the public hearing on the Fiscal Year 2006/2007 Final Budget for K-Bar Ranch Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2006-40,
Adopting Fiscal Year 2006/2007 Final
Budget**

Mr. Hallberg stated that the next item on the agenda was the consideration of Resolution 2006-40, Adopting the Fiscal Year 2006/2007 Final Budget. He read the resolution into the record and asked if there were any questions. Hearing none, Mr. Hallberg asked for a motion to approve.

On Motion by Ms. Goodman, seconded by Mr. Johnson, with all in favor, the Board approved Resolution 2006-40, Adopting the Fiscal Year 2006/2007 Final Budget totaling \$264,050 for K-Bar Ranch Community Development District.

EIGHTH ORDER OF BUSINESS

**Consideration of a Developer Funding
Agreement for Fiscal Year 2006/2007**

Mr. Hallberg stated that the next item on the agenda was the consideration of a Developer Funding Agreement for Fiscal Year 2006/2007. He explained that since the District will not be on the tax roll for next year and there are no residents to collect assessments from at this point, it is necessary to have a Developer Funding Agreement in place to cover the expenses for the District for Fiscal Year 2006/2007. Ms. Grimes stated that a Developer Funding Agreement was approved to cover the expenses for the current year. Mr. Johnson made a motion to approve.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board approved the Developer Funding Agreement for Fiscal Year 2006/2007 for K-Bar Ranch Community Development District.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Counsel
No report.

B. District Engineer

Mr. Piercefield distributed revised copies of the Engineer's Report, stating that the permit status has been updated as requested by Bond Counsel. He stated that this report will be the one used in the Preliminary Offering Memorandum. Mr. Piercefield stated that the road is paved to just beyond the school, the infrastructure for the townhomes is completed and construction on those units has begun. He stated that the permits for Phase II are in place and the earthwork is at 90%, the sewer at 55%, and the storm drainage system, water system and roads will follow. Mr. Piercefield stated that the permitting for Phase III is in the process and is basically just an extension of the Phase II project.

Mr. Piercefield explained that while there are no technical issues with these permits, they will not be addressed by SWFWMD until their next meeting, which is not being held until September. He stated that this means that actual permits will not be in place until October.

Ms. Grimes asked for confirmation that the only difference between this report and the one that was approved on June 23, 2006 is the expected approval dates for the permits. Mr. Piercefield stated that, this is correct. He stated that he changed the date to today's date to reflect that this is a revised version.

Ms. Grimes stated that on page four of the report there is a reference to a community parks common area and she asked if this should be removed as the District has removed the park facilities from the list of improvements to be made. She explained that the District does not have the authority to levy assessments for park facilities. Following a brief discussion, it was decided to remove the word "parks" in the sentence to alleviate any possible confusion on this issue.

Mr. Tuman inquired about the acreage of the community listed in the report. He stated that it does not agree with the acreage listed in the Ordinance to Establish and that this figure should be consistent throughout all the various reports. It was stated that it should be listed as 446 acres. Mr. Tuman stated that on page two of the report, a reference is made to the sixth page of the report, and there are only five pages. A brief discussion ensued.

C. District Manager

Mr. Tuman stated that at the last meeting the Board approved a Master Special Assessment Allocation Report and since that time, new information has been received regarding the current bond issuance. He stated that this has necessitated the need for a Supplemental Special Assessment Allocation Report. He briefly reviewed the draft version for the Board reflecting the current financing plan for the Phases that will be funded with this issuance. Mr. Tuman stated that this report reflects Phase I of the financing, which is what the Engineer's report refers to as Phases I, II & III or the 78 townhomes and 300 single family homes. Ms. Grimes asked that this distinction be clarified in the "Defined Terms" portion of the report to avoid any confusion on what Phases are being financed. Mr. Tuman stated that he would make that addition to the report.

Mr. Tuman stated that Table I reviews the project by Phases, Table II reflects the total infrastructure for the entire project at \$24,422,516. Ms. Grimes asked for clarification on whether this was the same amount that was approved by the Assessment Resolution. Mr. Tuman confirmed that it was. He stated that the portion of those costs that will be funded with this issuance is \$4,415,855.

Mr. Tuman explained that the par amount of the bonds based on a coupon rate of 5.75%, a 7.07 % Debt Service Fund, an Underwriter's Discount of 1.5%, 15 months of capitalized Interest and Cost of Issuance fees will be \$5,420,000. Mr. Tuman stated that the total annual assessment including 8% collections and discounts will be \$416,611. He stated that these assessments will be collected initially on a percentage of the acreage owned; however, the assessments will be transferred to the lots as they are platted based on the previously approved Equivalent Assessment Units. He reviewed the remaining tables reflecting the assessments by product type. Mr. Tuman asked if there were any questions.

A question was raised regarding which report will be included in the Preliminary Limited Offering Memorandum. Mr. Tuman stated that the memorandum will include the Master Special Assessment Allocation Report, which reflects the maximum levels that were approved, followed by the Supplemental Report reflecting the details of Phase I financing.

With no further comments being heard, Mr. Hallberg asked for a motion to approve the Draft of the Supplemental Special Assessment Allocation Report.

<p>On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board approved the Draft of the Supplemental Special Assessment Allocation Report (as revised) for K-Bar Ranch Community Development District.</p>

Ms. Grimes stated that the Engineer's Report and Supplemental Special Assessment Allocation Report have been revised for inclusion in the Preliminary Limited Offering Memorandum. She recommended that the process be reviewed for the Board, as it moves forward from this point. Mr. Tuman stated that once the memorandum is sent out next week, investors will begin to make offers to the investment banker who will accept the lowest interest rate. He stated that once the bonds are priced and sold the final assessment report will be generated. Mr. Tuman stated that it is anticipated that this process should be completed by the first week of September. He stated that a tentative date for the pre-closing has been set for September 6, 2006. Ms. Grimes reminded the Board that they reviewed and approved a form of the Preliminary Limited Offering Memorandum at the last meeting.

A brief discussion ensued on the timing for the release of the funds once the bonds have closed. Mr. Piercefield stated that he can prepare the requisition for the District's acquisitions to bring to the pre-closing. He stated that as long as he receives the required back-up documentation, the Developer can receive these funds within a day or two after the closing. It was stated that the District Engineer and Chairman both have to sign off on the requisitions.

Ms. Grimes reminded the Board that the appraisal documentation on the right-of-way that was conveyed to the District will also need to be available at this time. She explained that at the time the right-of-way was granted, the Board agreed to pay Mobley Homes for the right-of-way based on the appraised value.

Mr. Hallberg recommended that a special meeting be held on September 6, 2006 to tie in with the pre-closing of the bonds planned for that day. Following a brief discussion, it was decided to hold the meeting at 1:00 p.m. at the offices of Hill, Ward & Henderson, P.A. located at 101 E. Kennedy Blvd., Suite 3700, Tampa, Florida 33602. Mr. Hallberg asked for a motion to approve this change.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board approved the holding of a special meeting on September 6, 2006, at 1:00 p.m. at the offices of Hill, Ward & Henderson, P.A. located at 101 E. Kennedy Blvd., Suite 3700, Tampa, Florida 33602 for K-Bar Ranch Community Development District.

Mr. Hallberg stated that at next month's meeting the Board will be setting the meeting schedule for Fiscal Year 2006/2007. He asked that the Board consider changing the meeting date to the fourth Tuesday of the month rather than the fourth Friday. Following a brief discussion it was decided to change the time of the meeting to 10:00 a.m. and make the change effective for the August meeting. Mr. Hallberg stated that given the special meeting scheduled for September 6th, it is likely that the August meeting will be cancelled unless there is a financial matter that needs to be approved prior to the bond closing. He asked for a motion to change the meeting schedule for the remainder of Fiscal Year 2005/2006 to the fourth Tuesday of the month at 10:00 a.m. at the offices of Mobley Housing Group located at 4014 Gunn Hwy., Suite 250, Tampa, Florida 33618. He stated that the meeting dates will be as follows: August 22, 2006 and September 26, 2006.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board approved changing the meeting schedule for the remainder of Fiscal Year 2005/2006 to the fourth Tuesday of the month at 10:00 a.m. at the offices of Mobley Housing Group located at 4014 Gunn Hwy., Suite 250, Tampa, Florida 33618 for K-Bar Ranch Community Development District.

TENTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Mr. Hallberg stated that the next item on the agenda was Supervisor requests and audience comments. He noted that there were no audience members in attendance other than individuals identified at the beginning of the meeting.

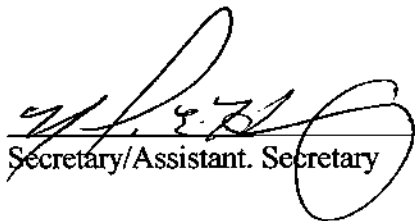
Mr. Hallberg asked if there were any Supervisor requests. There were none.

ELEVENTH ORDER OF BUSINESS

Adjournment

Mr. Hallberg stated that there were no other agenda items to come before the Board. He asked for a motion to adjourn.

On Motion by Mr. Johnson, seconded by Ms. Goodman, with all in favor, the Board adjourned the Board of Supervisors' meeting at 9:50 a.m. for K-Bar Ranch Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman