

**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 special meeting of the Audit Selection Committee of the K-Bar Ranch Community Development District was held on **Tuesday, January 23, 2007 at 9:40 a.m.** at the offices of Mobley Housing Group located at 4014 Gunn Hwy., Suite 250, Tampa, Florida 33618.

Present and constituting a quorum:

Tim Hohl  
Jamie Goodman  
Nils Hallberg  
Gina Grimes

**Board Supervisor, Vice Chairman**  
**Board Supervisor, Assistant Secretary**  
**District Manager, Rizzetta & Company, Inc.**  
**District Counsel, Hill, Ward & Henderson, P.A.**

**FIRST ORDER OF BUSINESS**

**Call to Order**

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

**SECOND ORDER OF BUSINESS**

**Review and Ranking of Audit Proposals**

Mr. Hallberg stated that the first item on the agenda was the review and ranking of the proposals received in response to the Request for Proposals for financial auditing services. He explained that the committee will be using the criteria approved at the November meeting to rank the firms and then making a recommendation to the Board. He stated that proposals were received from Bashor & Legendre, Grau & Associates, McDirmit Davis and Valiente Hernandez. Mr. Hallberg stated that he has personal knowledge of two of the firms. He stated that Bashor & Legendre has never completed an audit for a Community Development District and Valiente Hernandez has only done two. McDirmit Davis has done 13 Districts and Grau & Associates has done several. Based on this Bashor received a deduction of ten points each in the areas of ability of personnel and experience. Mr. Hallberg stated that Grau & Associates, McDirmit and Valiente all received 20 points under this category. The committee recommended that Bashor receive another 10 point deduction for the category of understanding the scope of work as they have never done this type of audit before and that each of the other firms be awarded all of the points under this category. Mr. Hallberg stated that there were some issues with Grau & Associates completing the audits in a timely manner for some of the Districts last year, therefore, he recommends that they be given a 15 point reduction. He recommended that McDirmit and Valiente receive all the points as he is not aware of any issues with either of those firms.

Bashor was given a 10 point reduction based on its not having any history with Community Development Districts as well as having the least number of employees. Mr. Hallberg reviewed the proposed costs by firm and the committee ranked Grau at 10 points for having the lowest cost, McDirmit at 8, Bashor at 6 and Valiente at 4. The committee compared the totals received by each firm (McDirmit 98, Valiente 94, Grau 85 and Bashor 56) and agreed that it should recommend the firm of McDirmit Davis to complete the District's financial audit.

Mr. Hohl inquired if the engagement would be for three years as each proposal includes pricing over a three year period. Mr. Hallberg explained that this is a one year agreement with the option to renew for the next two years. Following a brief discussion, Mr. Hallberg asked for a motion to select the firm of McDirmit Davis for auditing services

On a Motion by Ms. Grimes, seconded by Mr. Hohl, with all in favor, the Audit Selection Committee recommended that the district engage the firm of McDirmit Davis for auditing services for Fiscal Year 2005/2006 with the option to renew for K-Bar Ranch Community Development District.

**THIRD ORDER OF BUSINESS**

**Adjournment**

Mr. Hallberg stated that there were no other agenda items to come before the Committee. The meeting was adjourned.

  
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Secretary/Assistant Secretary

  
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Chairman/Vice Chairman