

MINUTES OF ORGANIZATIONAL MEETING HANOVER LAKES COMMUNITY DEVELOPMENT DISTRICT

The organizational meeting of the Board of Supervisors of the Hanover Lakes Community Development District was held Wednesday, November 1, 2017, at 4:30 p.m. at the District office, 313 Campus Street, Celebration, FL 34747

Present and constituting a quorum were:

Chris Tyree	Chairman
Ryan Kahn	Vice Chairman
James Askey	Assistant Secretary
Andrew Orosz	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Tucker Mackie	Attorney: Hopping Green & Sams
Nicole Stalder	Interim Engineer: Dewberry
Brett Sealy	Underwriter: MBS Capital

FIRST ORDER OF BUSINESS

Roll Call

Mr. Moyer called the meeting to order at 4:30 p.m.

Mr. Moyer called the roll and stated a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Oaths of Office

Mr. Moyer stated for the record, I am a Notary of the State of Florida and as such, I can administer oaths of office.

Mr. Moyer administered the oath of office to each Supervisor.

THIRD ORDER OF BUSINESS

Public Comment Period

Mr. Moyer stated we will have this item on all our agendas as a requirement of Florida law, that we permit the public to address the Board at every Board meeting. You are a public Board and public officials of the State of Florida, which is no different than a City or a County Commissioner. A couple years ago, a law was passed saying we have to give the public an opportunity to comment on issues that you will be acting on or discussing on the agenda, which is why it is early on the agenda.

There being none, the next order of business followed.

FOURTH ORDER OF BUSINESS

Overview of District Responsibilities

- A. Introduction to the Sunshine Amendment and the Code of Ethics for Public Officers and Employees**
- B. Introduction to Florida's Public Records Law (*Chapter 119, Florida Statutes*)**
- C. Review of Chapter 190, Florida Statutes**

D. Overview of Special Districts

Ms. Mackie stated I know some of you are new to community development districts. Mr. Tyree has some experience with them. If anyone has a question regarding your obligations as a public official for this Board, feel free to call Mr. Moyer or me. I will point out a couple rules to live by, and if you follow those, you should never have any problems. As a Supervisor of a community development district, you are now a public official who is subject to the Florida Sunshine Law and the Florida public records law. The Sunshine Law means you are prohibited from having any conversations with another Supervisor on this Board outside of a publicly noticed meeting on a matter that could come before this Board. That communication can take the form of a vocal conversation but also includes email, text messages, and social media. It is any method of communication. You are able to contact staff and ask questions. If you have an item you would like to discuss with the rest of the Board members, you can place it on the agenda and discuss it with your fellow Supervisors at that time. With respect to Florida's public records law, you will consider the retention of a District manager, who is fully equipped and capable of keeping the District's records. Agenda packages you receive, if you decide to keep them, we advise you to keep separate and apart from your personal business records. If you ever receive a public records request and you have materials that will be responsive to that request, you can then easily pull them up and provide a response if necessary. You will often receive emails from the manager or our office. Keep in mind not to reply to all, even if you are saying you will attend the meeting.

FIFTH ORDER OF BUSINESS

Election of Officers and Staff

A. Consideration of Resolution 2018-01 Appointing a Chairman and a Vice Chairman

Mr. Moyer read Resolution 2018-01 into the record by title.

Mr. Moyer stated you are required to have a Chairman, and you are permitted to have a Vice Chairman.

Mr. Orosz stated I nominate Mr. Tyree to serve as Chairman.

On NOMINATION by Mr. Orosz, with all in favor, unanimous approval was given to elect Mr. Tyree as Chairman.

Mr. Tyree stated I nominate Mr. Kahn as Vice Chairman.

On NOMINATION by Mr. Tyree, with all in favor, unanimous approval was given to elect Mr. Kahn as Vice Chairman.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-01 electing Mr. Tyree as Chairman and Mr. Kahn as Vice Chairman.

B. Consideration of Resolution 2018-02 Appointing a District Manager and Consideration of District Management Agreement

Mr. Moyer read Resolution 2018-02 into the record by title.

Mr. Moyer stated the agreement calls for the District to retain Moyer Management Group, of which I am a part, and I will be the primary representative of Moyer Management Group for this District. I have been managing special districts for 44 years and have had the pleasure of working with Mr. Brett Sealy's father, Mr. Doug Sealy, for a number of years when we first set these districts up in 1980. It has been a wonderful experience, and I would be pleased to serve in that capacity.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-02 appointing Moyer Management Group as the District Manager and approving the District management agreement.

C. Consideration of Resolution 2018-03 Appointing a Secretary, a Treasurer, Assistant Secretaries, and Assistant Treasurers

Mr. Moyer read Resolution 2018-03 into the record by title.

Mr. Moyer stated I have taken the liberty of putting my name to serve as Secretary and Treasurer. The reason is, we maintain all the public records, we prepare the minutes, and we do all the accounting and check writing for the District. Any Board member who desires to serve as Assistant Secretary or Assistant Treasurer, this would be the time for you to consider that.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-03 appointing Mr. Moyer as Secretary and Treasurer.

D. Consideration of Resolution 2018-04 Appointing District Legal Counsel and Consideration of Agreement for Legal Services

Mr. Moyer read Resolution 2018-04 into the record by title.

Mr. Moyer stated the developer worked with Ms. Mackie during the establishment process for the District. Hopping Green & Sams has been actively involved in providing general counsel services to the District for a number of years, and they are very qualified.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, approval was given to Resolution 2018-04 appointing Hopping Green & Sams as legal counsel and approving the agreement for legal services.

SIXTH ORDER OF BUSINESS

Administrative Items

A. Consideration of Resolution 2018-05 Selecting a Registered Agent and Registered Office

Mr. Moyer read Resolution 2018-05 by title into the record.

Mr. Moyer stated the primary purpose of this designation is for service of process and legal documents. We are recommending Ms. Mackie serve as registered agent and Hopping Green & Sams be the registered office.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-05 selecting Ms. Mackie as the registered agent and Hopping Green & Sams as the registered office.

B. Consideration of Resolution 2018-06 Designating a Local Records Office

Mr. Moyer read Resolution 2018-06 into the record by title.

Mr. Moyer stated this is an office we need to have so people know where public records are located. The office needs to be in the County in which the District is located. Since our office is also located in Osceola County, we are suggesting this be the District office, at least on an interim basis.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-06 designating the local records office as 313 Campus Street, Celebration, FL 34747.

C. Consideration of Resolution 2018-07 Designating a Primary Administrative and Principal Headquarters

Mr. Moyer read Resolution 2018-07 into the record by title.

Mr. Moyer stated we are recommending our office serve as the primary administrative and principal headquarters.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-07 designating 313 Campus Street, Celebration, FL 34747 as the primary administrative and principal headquarters.

D. Consideration of Resolution 2018-08 Designating a Public Comment Period

Mr. Moyer read Resolution 2018-08 into the record by title.

Mr. Moyer stated we are required to provide a public comment period. This Resolution tracks Florida requirements in allowing the public to address the Board.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-08 designating a public comment period.

E. Consideration of Resolution 2018-09 Adopting a Records Retention Schedule

Mr. Moyer read Resolution 2018-09 into the record by title.

Mr. Moyer stated the State of Florida Division of Archives has identified a schedule of documents that need to be preserved for future public use and a timeframe on which those documents can be removed and destroyed. In our case, for a number of years, we will keep all the public records, but over time, the Board can make the decision that you want to follow the State's protocol of documents and when they can be removed. Most of this is required to be kept for five years anyway. Bond issuance documents are required to be kept longer than that, which is through the life of the bond issue.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-09 adopting a records retention policy, option B.

F. Consideration of Resolution 2018-10 Setting Forth District Policy for Legal Defense of Board Members and Officers

Mr. Moyer read Resolution 2018-10 into the record by title.

Mr. Moyer stated the District is willing to provide legal defense for Board members and officers. You have certain protections already under State law, but this is another level of protection. One thing I will caution you on: your actions as a Supervisor need to be done in the context of this District and what you are doing for this District. You cannot do something for someone who comes before the Board with malicious intent because that violates not only the insurance policy we will get for the Board but it also violates this policy, as well. As long as you are operating within the four corners of Chapter 190,

Florida Statutes, and other State laws that govern CDDs, you will be fine. Ms. Mackie will make sure you do that, and I will assist where I can.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-10 setting forth District policy for legal defense of Board members and officers.

G. Consideration of Resolution 2018-11 Setting Forth District Prompt Payment Policy

Mr. Moyer read Resolution 2018-11 into the record by title.

Mr. Moyer stated this is another Florida law dealing with prompt payment requirements and procedures. This policy is a little broader and identifies what we do in a dispute with a service provider and describes the process of how we go through that dispute.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-11 setting forth District prompt payment policy.

H. Consideration of Resolution 2018-12 Selecting Regular Meeting Dates and Times

Mr. Moyer read Resolution 2018-12 into the record by title.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-12 selecting regular meeting dates and times.

I. Consideration of Resolution 2018-13 Setting a Hearing Date, Time and Place and Authorizing Publication of Notice for a Public Hearing on the Rules of Procedure

Mr. Moyer read Resolution 2018-13 into the record by title.

Mr. Moyer stated we need to adopt rules of procedure pursuant to Florida law. The rules identify how we handle these meetings, public bidding, and things of that nature. It is the premise on which we operate the District. We are suggesting the public hearing be set for January 3, 2018.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-13 setting a public hearing related to the rules of procedure for January 3, 2018, at 4:30 p.m.

J. Consideration of Resolution 2018-14 Ratifying the Filing of the Notice of Establishment in the Public Record

Mr. Moyer read Resolution 2018-14 into the record by title.

Mr. Moyer stated this notice of establishment is recorded and puts the public on notice that there is a District and that the District has the right to levy fees, assessments, taxes, and things of that nature.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-14 ratifying the filing of the notice of establishment in the public record.

K. Consideration of Resolution 2018-15, Adopting an Investment Policy

Mr. Moyer read Resolution 2018-15 into the record by title.

Mr. Moyer stated this policy is pursuant to Chapter 218, Florida Statutes. Since our activities for a number of months will be fairly basic, there is no reason to have a sophisticated investment policy. Chapter 218, Florida Statutes, provides for governments, mostly special districts and small governments, what we can invest in. We can invest in four instruments, all of which are very secure. This is what we are recommending to the Board at least until we can get more complex.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-15 adopting an investment policy.

L. Consideration of Resolution 2018-16, Authorization for the Chairman to Execute Plats, Permits, and Conveyances

Mr. Moyer read Resolution 2018-16 into the record by title.

Mr. Moyer stated because we do not meet every month, there will be times when something needs to be recorded, such as a plat. Subject to staff's review of those types of things, with a positive recommendation, this Resolution permits the Chairman to execute such items.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-16 authorizing the Chairman to execute plats, permits, and conveyances.

M. Consideration of Resolution 2018-17, Policy for Compensation of Board Members

Mr. Moyer read Resolution 2018-17 into the record by title.

Mr. Moyer stated pursuant to Chapter 190, Florida Statutes, Board members are entitled to receive \$200 per meeting, not to exceed \$4,800 in any fiscal year for your services as a Supervisor. It is an individual selection. If each of you decides to be compensated, that is fine. If one of you wants to waive compensation, you simply make that declaration on the record.

Mr. Orosz asked would we make that declaration now in conjunction with approving this Resolution?

Mr. Moyer stated you can table consideration of this item if you want to consider it at a future meeting.

Consideration of Resolution 2018-17, the policy of compensating Board members, was tabled.

N. Consideration of Resolution 2018-18, Policy for Reimbursement of Travel Expenses

Mr. Moyer read Resolution 2018-18 into the record by title.

Mr. Moyer stated this policy is based on Chapter 112, Florida Statutes, for mileage reimbursement. This policy tracks what is already in Florida law on what you can spend for meals, mileage, and so forth.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-18, policy for reimbursement of travel expenses.

O. Retention of Interim Engineer and Consideration of Agreement for Interim Engineering Services

Mr. Moyer stated Chapter 287, Florida Statutes, defines how we select engineers. On an interim basis, if the fees are less than \$25,000, we can hire an interim engineer and get things going because we want to establish the assessments. We recommend approval of this selection.

On MOTION by Mr. Tyree, seconded by Mr. Orosz, with all in favor, unanimous approval was given to enter into an agreement to engage Dewberry as interim engineer, to direct staff to prepare the agreement, and to delegate authority to the Chairman to finalize the agreement.

P. Request for Qualifications for District Engineer

Mr. Moyer stated this is going through the process pursuant to the provisions of Chapter 287, Florida Statutes, to select the engineer, which is commonly referred to as the Consultants' Competitive Negotiation Act (CCNA). We will advertise a request for qualifications in the newspaper, identifying what services we want. Engineers will respond to it but they will not provide a price for that service, the idea being that governments should select the most-qualified engineer. Once we make that selection, then we will enter into negotiations on the fee and come back to the Board with a contract.

Mr. Orosz asked we will select an engineer based on that process playing out?

Mr. Moyer stated yes.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the evaluation criteria and authorization to notice and solicit qualifications for District engineer pursuant to Chapter 287, Florida Statutes.

Q. Designation of Initial Landowners Meeting Date

Mr. Moyer stated the initial landowner meeting date will be Wednesday, December 6, 2017, at 3:30 p.m.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to designate December 6, 2017, at 3:30 p.m. as the initial landowner meeting.

SEVENTH ORDER OF BUSINESS

Banking-Related Items

A. Consideration of Resolution 2018-19 Selecting a District Depository

Mr. Moyer read Resolution 2018-19 into the record by title.

Mr. Moyer stated on an interim basis, I recommend we use SunTrust Bank, but we can bank with anyone.

Mr. Orosz stated if it is convenient for the management company, I recommend we go with SunTrust, also.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-19 selecting SunTrust Bank as the District's depository.

B. Consideration of Resolution 2018-20 Authorizing Bank Account Signatories

Mr. Moyer read Resolution 2018-20 into the record by title.

Mr. Moyer stated the Chairman and Treasurer are authorized to sign on the bank account. I will ask for another Board member to be authorized to sign checks.

Mr. Orosz stated I nominate the Vice Chairman.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-20 authorizing bank account signatories as Mr. Tyree, Mr. Moyer, and Mr. Kahn.

C. Consideration of Resolution 2018-21 Authorizing Disbursement of Expenses

Mr. Moyer read Resolution 2018-21 into the record by title.

Ms. Mackie stated in terms of invoices coming to the District for an amount not to exceed \$5,000, we want to be to pay those in advance of the meetings so we can comply with the prompt payment policy since this District will not meet every month. It would be good to get on a regular schedule of paying invoices, with the exception being anything over \$5,000 or something for a continuing service. We will hold off making any payments on those until the Board approves them. This allows the management company to continue making payments without specific approval of the Board but rather with the Chairman or Vice Chairman.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-21 authorizing disbursement of expenses.

EIGHTH ORDER OF BUSINESS

Fiscal Year 2018 Budget and Related Matters

A. Proposed Budget for Fiscal Year 2018

Mr. Moyer stated we provided a budget for the remainder of fiscal year 2018, which covers a District's normal administrative expenses. On an annual basis, it is estimated to be \$108,579.08. In the early life of this District, I would be surprised if we incurred those types of expenses, but we do want to get into the public record what a normal operating budget for administrative fees will be for the District. This is not an authorization to spend; it is nothing more than what a normal budget is for a CDD.

B. Consideration of Resolution 2018-22, Approving Proposed Fiscal Year 2018 Budget for Submission to Osceola County and Setting a Public Hearing Thereon

Mr. Moyer read Resolution 2018-22 into the record by title.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-22 approving the proposed budget for the remainder of fiscal year 2018 for submission to Osceola County and setting a public hearing for January 3, 2018, at 4:30 p.m.

Ms. Mackie stated if you want to make any changes to the proposed budget prior to the hearing in January, feel free to contact Mr. Moyer's office. He will make those changes with the exception of exceeding this overall number.

C. Developer Funding Agreement

Mr. Moyer reviewed the developer funding agreement, as provided in the agenda package. This is an agreement that as the District incurs these expenses, we will send a request to the developer to fund those costs.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the developer funding agreement for fiscal year 2018.

NINTH ORDER OF BUSINESS

Bond Issuance Matters

A. Appointment of Financing Team

i. Financing Team Funding Agreement

Mr. Moyer stated the developer will provide funds for certain consultants we will use, much of which will be funded through the proceeds of the bonds when they are issued. As an example, fees for Hopping Green & Sams, fees for administrative expenses, and fees for engineering costs are generally paid through the proceeds of the bond issue, but in the interim period, they are funded by the developer and reimbursed upon issuance of the bonds.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the financing team funding agreement.

ii. Resolution 2018-23 Appointing Bond Counsel and Consideration of a Bond Counsel Agreement

Mr. Moyer read Resolution 2018-23 into the record by title.

Mr. Moyer stated we are suggesting Nabors Giblin & Nickerson serve as bond counsel, with Mr. Danny Tyler and Ms. Cynthia Wilhelm, in particular.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-23 appointing Nabors Giblin & Nickerson as bond counsel and to the bond counsel agreement.

iii. Resolution 2018-24 Appointing an Investment Banker and Consideration of Investment Banker Agreement

Mr. Moyer read Resolution 2018-24 into the record by title.

Mr. Moyer stated we are recommending MBS Capital Markets serve as the investment banker, with Mr. Brett Sealy and Mr. Justin Rowan.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-24 appointing MBS Capital Markets as investment banker and approving the agreement for investment banking services.

iv. Retention of Methodology Consultant

Mr. Moyer stated in this regard, we are proposing my firm serve as the methodology consultant, and we will prepare the assessment methodology report.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to retain Moyer Management Group as the methodology consultant.

v. Selection of Trustee

Mr. Moyer stated we are recommending US Bank serve as trustee.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to select US Bank as trustee.

B. Bond Validation Process

i. Resolution 2018-25 Authorizing the Issuance of Bonds, Approving a Form of Master Trust Indenture, and Authorizing Commencement of Validation Proceedings

Mr. Moyer read Resolution 2018-25 into the record by title.

Mr. Moyer stated under Florida law, we are required to have the master trust indenture validated before the Circuit Court, which is covered by this Resolution.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-25 authorizing the issuance of bonds not to exceed \$21 million, approving a form of master trust indenture, and authorizing commencement of validation proceedings.

ii. Bond Validation Complaint

Mr. Moyer stated Resolution 2018-25, which was just approved, authorizes the validation complaint.

Ms. Tucker stated yes. With the approval of that Resolution, we will move forward to file the complaint required pursuant to Chapter 75, Florida Statutes. We have filed with the County a petition to have the District's name changed. The thought is, having a similar name to the both the development entity and the ultimate HOA entity would provide further confusion in the future among residents as to which entity is responsible for what. Unfortunately, I have witnessed that confusion in other districts, and I recommended the change. We filed the petition, which will be heard November 13, 2017. We will be finalizing the complaint and documents in the hope that on that day, we will be ready to file a complaint with the new name. No action is needed on this item.

iii. Master Engineer's Report

Ms. Stalder reviewed the master engineer's report, included in the agenda package and available for review on the website or at the District office during normal business hours.

Ms. Stalder stated the report introduces the development, speaks to the size and contents, speaks to the number of units and what types of units they are, includes the master proposed infrastructure – onsite and offsite public roadway improvements, water distribution and sanitary sewer collection, offsite roadway improvements, master stormwater management, landscape, irrigation, hardscape, conservation mitigation areas, electrical service systems – which is broken down further in the report and is summarized in the estimate table. Ownership of each of the items of infrastructure is included in section 3. Details of stormwater management is provided, which is handled by one large stormwater pond. The report breaks down the acreage of ponds based on phasing. The master onsite roadways will be public: two lanes with a minimum 22-foot pavement sections with public utilities. The utilities are further broken down into water distribution, sanitary sewer collection, and reuse water distribution systems. These lines are not only in the rights-of-way onsite but also improvements offsite on adjacent roadways, which

are included. Landscaping, irrigation, and entry features are detailed as additional facilities that may be funded and maintained by the District. The electrical service systems include the OUC underground power that will be installed. Conservation and mitigation areas are funded for the development to move forward. Exhibit F details the opinion of probably costs, which are based off current plans that were provided by the contractor to get a handle on all these items. It involves per-unit costs, and quantities and estimates off the plans. As to permitting, we have Osceola County and City of Saint Cloud permits in hand, as well as from South Florida Water Management District. It is our understanding that some revisions are currently underway, which will be permitted as modifications.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the master engineer's report.

iv. Special Assessment Methodology

Mr. Moyer stated we provided the master assessment methodology report, which will serve as the basis for establishing special assessments. This follows the requirements of State law and various rulings by the Florida Supreme Court in terms of the facilities that we are providing provide a unique and peculiar benefit to the properties within the District. Those are specific benefits. General benefits go along with that, but we are moving forward the entitlements that accrue to this property, which is the unique and peculiar benefit we are discussing. The development will have two products: 50-foot, and 60-foot. Those are converted to equivalent residential units (ERU). Then the cost is allocated to those units based upon the ERUs that accrue to each type of product. Initially, the assessment will be levied on an acreage basis equally throughout the project. As properties are platted, we will make the determination of the number of units that are within each of the platted areas. We will monitor that in 25% increments over the life of the construction of the infrastructure to make sure it does not exceed the number indicated in the report, \$118,251.45 per acre. If it does exceed that amount, then the developer will be required to buy down the difference between what that amount is and \$118,251.45 so that we do not end up with what is referred to as "the golden acre," where you keep pushing the assessment downstream to a point where you end up with a piece of property that is not sellable or developable. That is how we monitor it. We will have a

public hearing on the assessments, which will be January 3, 2018, at which time if changes are to be made, we can make them at the public hearing.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the preliminary master assessment methodology report.

v. Consideration of Resolution 2018-26, Declaring Assessments
Mr. Moyer read Resolution 2018-26 into the record by title.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-26 declaring assessments.

Ms. Tucker stated in talking with the engineer and the investment banker prior to the meeting, we noted a difference between the engineer's estimated costs of \$13 million and what was included in the preliminary draft of the assessment report of \$16 million. We recommend for purposes of Resolution 2018-26, we include \$16 million in this Resolution. Between now and the public hearing, we will be looking at both the engineering report and the assessment report to get them in final form. This allows us to have some room; should the estimated costs need to increase, then we will have provided notice for something higher. The process we have to follow subsequent to the Board approving Resolutions 2018-26 and 2018-27 is to provide mailed notice and published notice of this particular hearing on special assessments. We are trying to validate not only the bonds but also validate the assessments, which has the benefit of once being approved by the court and the appeal period having expired, then the assessment process and the methodology are confirmed by a court and unchallengeable in the future. If we have the time, we like to validate the bonds as well as the assessments. We will be working to conclude that process prior to the hearing on the validation complaint. We will be truing up the reports with one another prior to the January 3, 2018, meeting, at which time you will have a final master assessment methodology and a final engineering report whose numbers match one another.

Mr. Orosz asked is mailed notice going just to property that is subject to the assessments?

Ms. Mackie stated yes. We need to provide that 30 days in advance of the public hearing, so even by that time, we will know the number to include in the mailed notice and the published notice.

vi. Consideration of Resolution 2018-27, Setting a Public Hearing for Special Assessments

Mr. Moyer read Resolution 2018-27 into the record by title.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-27 setting a public hearing for special assessments on January 3, 2018, at 4:30 p.m. at 313 Campus Street, Celebration, FL 34747.

vii. Consideration of Resolution 2018-28, Setting the Date, Time, and Location and Authorizing Publication of a Notice of Public Hearing on the Uniform Method of Collection

Mr. Moyer read Resolution 2018-28 into the record by title.

Mr. Moyer stated pursuant to Section 197.3632, Florida Statutes, this permits us to use the property appraiser and tax collector to collect our assessments, which is a wonderful vehicle for CDDs to collect their non-ad valorem assessment revenues. This hearing will also be January 3, 2018.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to Resolution 2018-28 setting the public hearing on the uniform method for January 3, 2018, at 4:30 p.m. at 313 Campus Street, Celebration, FL 34747.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Mackie stated Ms. Brenda Burgess circulated an additional document, which is an interlocal agreement that we are required to negotiate with the County at the time of establishment of the District. Recently, Osceola County has required in connection with an establishment that an interlocal agreement be executed between a special district and the County which provides for things already required in Chapter 190, Florida Statutes, such as certain notices of establishment being filed in the public record, a disclosure of public financing, and establishing a website. One thing that is not, which we will have to work with at the time we go on the tax roll, is working with the tax collector to potentially get on the trim notice with respect to parcels that are included within the

District and the date, time, and location of the annual budget hearing. That is something new. Two districts were established prior to this District, and I am not sure if they have thought through the process yet of levying their operations and maintenance assessment, which would then require them to go on the trim notice. We will be working with the County to attempt to do that. The interlocal agreement was a contingent item for the County to establish the District. As your legal counsel, I do not see anything problematic with the additional requirements being imposed by the County. The County will want to wait to execute it until the name changes.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to the interlocal agreement with Osceola County, as presented and discussed.

B. Interim Engineer

There being nothing to report, the next item followed.

C. Manager – Approval of Funding Request #1

Mr. Moyer reviewed funding request #1, which is contained in the agenda package and available for public review on the website or at the District office during normal business hours.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to funding request #1.

TWELFTH ORDER OF BUSINESS

Other Business

A. District Name Amendment – Ratification to Amend District Name

Mr. Moyer stated as Ms. Mackie indicated earlier, we are proceeding to change the name of the District. We are asking for ratification to continue that process.

On MOTION by Mr. Orosz, seconded by Mr. Tyree, with all in favor, unanimous approval was given to ratify staff's actions in proceeding with the petition to change the District's name from Hanover Lakes CDD to Osceola Chain of Lakes CDD.

THIRTEENTH ORDER OF BUSINESS

Supervisor Requests

Mr. Moyer stated this item will always be on your agenda to let you Board members bring anything you want before the Board or direct staff to do something between meetings.

There being none, the next order of business followed.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Tyree, seconded by Mr. Orosz, with all in favor, the meeting adjourned at 5:15 p.m.
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Gary L. Moyer, Secretary

Chris Tyree, Chairman