

**MINUTES OF MEETING
HILLS OF MINNEOLA
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Hills of Minneola Community Development District held a Regular Meeting on April 22, 2024 at 1:00 p.m., at the City of Minneola City Hall, 800 N. U.S. Highway 27, Minneola, Florida 34715.

Present:

Richard Jerman	Chair
Daniel Edwards	Vice Chair
James Dunn	Assistant Secretary
Matthew White	Assistant Secretary
Max Perlman (via telephone)	Assistant Secretary

Also present:

Daniel Rom	District Manager
Kristen Thomas	Wrathell, Hunt and Associates, LLC
Vivek Babbar (via telephone)	District Counsel
Mark Stehli (via telephone)	District Engineer
Tim Bramwell (via telephone)	Bond Counsel
Jon Kessler (via telephone)	Bond Underwriter

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 1:02 p.m.

Supervisors Jerman, Edwards, White and Dunn were present. Supervisor Perlman attended via telephone.

SECOND ORDER OF BUSINESS

Public Comments

Mr. Kessler stated at today's meeting Mr. Bramwell will have the documents necessary to authorize and issue bonds approved by the Board. The Board will also levy more assessments because, originally, when the land was assessed, the cost estimates were much lower.

Discussion ensued regarding meeting dates in May, the need for a quorum, holding a public hearing and the notice to levy assessments in advance of bond issuance.

Mr. Rom stated this meeting location is not available on May 29, 2024 at 1:00 p.m.

The Board agreed to meet on May 29, 2024 at 10:00 a.m.

Mr. Kessler estimated that, if the Board meets on May 29, 2024, bonds could close on May 30, 2024. It will be necessary to coordinate for a requisition; Mr. Rom will assist Mr. Perlman and Mr. Stehli in this regard so that funds can be requisitioned on the day of the closing.

Mr. Rom stated he will circulate an email accordingly.

Mr. Kessler stated that, with Pulte closing on homes, the CDD must ensure that assessments for platted lots are on the tax roll for this November's tax bill. He believes that Phase 1 and Phase 2 are platted and that Phase 3 will be platted in the coming months. Mr. Perlman thinks that is correct; he will check the status.

Mr. Kessler stated District Management will coordinate accordingly; interest will be placed in the bonds through November 2024, and the November tax bills will include assessments for homeowners.

Mr. Rom stated anything platted with the County by the end of the previous calendar year is generally received on the County Property Appraiser's Land Rolls, which are usually available by the end of June. If anything is just now being platted, he believes assessments will remain off roll until the next budget cycle in order to get assessments on roll.

Mr. Perlman stated that the Phase 3 plat is expected to be recorded by June 1, 2024. The Phase 1 plat was recorded on January 18, 2023 and the Phase 2 plat was recorded on July 14, 2023. Mr. Rom stated these will be updated before the July budget meeting, if not sooner.

Mr. Rom stated the next meeting will be held on May 29, 2024 at 10:00 a.m. Supervisor Perlman will work with the District Manager in confirming the location.

Mr. Kessler left the meeting at 1:12 p.m.

THIRD ORDER OF BUSINESS

Consideration of North Parcel Assessment Area One Items

A. First Supplemental Engineer's Report, dated April 22, 2024

Mr. Stehli presented the first Supplemental Engineer's Report dated April 22, 2024, which supplements the original Master Report dated July 6, 2021. The Report describes the first phase of the CDD's "North Parcel Assessment Area One" Capital Improvement Plan (CIP). The Report identifies the area and the unit mix associated with the North Parcel Assessment Area

One; the improvements within that are subject to CDD bond-eligible funds and the cost estimate for those individual systems.

On MOTION by Mr. Edwards and seconded by Mr. Dunn, with all in favor, the First Supplemental Engineer's Report dated April 22, 2024, in substantial form, was approved.

B. Revised Master Special Assessment Methodology Report (North Parcel Assessment Area One), dated April 22, 2024

Mr. Rom presented the Revised Master Special Assessment Methodology Report dated April 22, 2024. He discussed the Development Program, CIP, Financing Program, Assessment Methodology, special and peculiar benefits to the units, lienability tests, True-up Mechanism and the Appendix Tables. He noted the following:

- The development of the land within the CDD has been conducted by JEN Florida 30, LLC and/or its assigns or affiliates, also known as the Developer.
- The most current Development Program envisions a total of 2,600 residential units, with 846 residential units developed within the North Parcel Assessment Area and 1,754 residential units developed within the South Parcel Assessment Area.
- The development of the South Parcel Assessment Area commenced in 2020, comprised of a total of 1,416 residential units representing the first stage of development within the South Parcel. The development continued in 2021 with an additional 338 residential units, representing the second stage of development within the South Parcel Assessment Area.
- The development of the North Parcel Assessment Area is anticipated to be by PulteGroup, Inc. The current North Parcel Assessment Area Development Plan envisions a total of 846 residential units to be developed in multiple phases. The development within North Parcel Assessment Area One comprises 346 residential units. The remaining development, referred to as North Parcel Assessment Area Two, is projected to comprise 500 residential units and is also referred to as the Future Phases.
- The CIP for the North Parcel Assessment Area One Project is designed to serve and will benefit, upon platting, the 346 residential dwelling units that are projected to be developed within the North Parcel Assessment Area One area. According to the First Supplemental Engineer's Report, the CIP is comprised of sanitary sewer systems, potable water systems,

reclaimed water systems, entry landscape and hardscape outside of the gates, SECO undergrounding of electrical, the CR 561 non-impact fee creditable portion, the North Hancock Road non-impact fee creditable portion, along with contingency and professional costs that, cumulatively, are estimated by the District Engineer at \$13,565,290.62.

➤ The total par amount of bonds, including the cost of financing, capitalized interest and debt service reserve, would be \$16,780,000.

Mr. Jerman questioned the benefit allocation to the 346 units in North Parcel Assessment Area One.

The Board and Staff discussed costs eligible to be funded with bond proceeds, how the Assessment Methodology ensures that costs are fairly allocated across all units in all phases and the development of the system of improvements over time. It was noted that the Supplemental Special Assessment Methodology Report is sized towards the proposed bond issuance, which is approximately half of the eligible infrastructure described in the Report.

A Board Member asked about the difference between the Revised Master Special Assessment Methodology Report for North Parcel Assessment Area One dated April 22, 2024 and the Third Supplemental Special Assessment Methodology Report for North Parcel Assessment Area One Project dated April 22, 2024. Mr. Rom stated the initial Master Report was completed in 2020; updated costs and the Development Plan made it necessary to reset the assessment levels, so a Revised Master Special Assessment Methodology Report was needed. The Third Supplemental Special Assessment Methodology Report for the North Parcel Assessment Area One Project is specific to the actual upcoming bond issuance.

Discussion ensued regarding the need for both Reports, the Tables included in each of the Methodology Reports and the Engineer's Report, contributions by the Developer and the setting of assessment levels.

A Board Member noted that this assessment process only applies to Assessment Area One, as advised by Bond Counsel and the Underwriter. The assessment process for the remaining units, being bond issuance for Assessment Area Two, would follow at the appropriate time.

A Board Member suggested reviewing Item 3C in conjunction with Item 3B.

C. Third Supplemental Special Assessment Methodology Report (North Parcel Assessment Area One Project), dated April 22, 2024

Mr. Rom presented the Third Supplemental Special Assessment Methodology Report for North Parcel Assessment Area One Project dated April 22, 2024, which presents the projections for financing a portion of the District's CIP described in the First Supplemental Engineer's Report dated April 22, 2024. This Third Supplemental Report also describes the methodology for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of the portion of the CIP related to the Series 2024 Project.

Mr. Rom discussed the Development Program, CIP, Financing Program, Assessment Methodology, special and peculiar benefits to the units, True-up Mechanism and the Appendix Tables. He noted that the total par amount of bonds, including the costs of issuance, Underwriter's Discount and debt service reserve, would be \$7,470,000 to fund a portion of the Series 2024 Project costs of \$6,856,475.

On MOTION by Mr. Edwards and seconded by Mr. Perlman, with all in favor, the Revised Master Special Assessment Methodology Report (North Parcel Assessment Area One), dated April 22, 2024, in substantial form, was approved.

On MOTION by Mr. White and seconded by Mr. Jerman, with all in favor, the Master Supplemental Special Assessment Methodology Report (North Parcel Assessment Area One Project), dated April 22, 2024, in substantial form, was approved.

- D. Resolution 2024-03, Declaring Non-Ad Valorem Special Assessments; Indicating the Location, Nature and Estimated Cost of the Public Improvements Which Cost is to be Defrayed in Whole or in Part by the Debt Assessments; Providing the Portion of the Estimated Cost of the Public Improvements to be Defrayed in Whole or in Part by the Debt Assessments; Providing the Manner in Which Such Debt Assessments Shall Be Made; Providing When Such Debt Assessments Shall be Made; Designating Lands Upon Which the Debt Assessments Shall be Levied; Providing for an Assessment Plat; Authorizing the Preparation of a Preliminary Assessment Roll; and Providing for an Effective Date**

On MOTION by Mr. Jerman and seconded by Mr. Dunn, with all in favor, Resolution 2024-03, Declaring Non-Ad Valorem Special Assessments; Indicating the Location, Nature and Estimated Cost of the Public Improvements Which Cost is to be Defrayed in Whole or in Part by the Debt Assessments; Providing the Portion of the Estimated Cost of the Public Improvements to be Defrayed in Whole or in Part by the Debt Assessments; Providing the Manner in Which Such Debt Assessments Shall Be Made; Providing When Such Debt Assessments Shall be Made; Designating Lands Upon Which the Debt Assessments Shall be Levied; Providing for an Assessment Plat; Authorizing the Preparation of a Preliminary Assessment Roll; and Providing for an Effective Date, was adopted.

- E. Resolution 2024-04, Setting a Public Hearing for the Purpose of Hearing Public Comment on Imposing Non-Ad Valorem Special Assessments on Certain Property Within the District

On MOTION by Mr. Edwards and seconded by Mr. White, with all in favor, Resolution 2024-04, Setting a Public Hearing on May 29, 2024 at 10:00 a.m., at a location to be determined, for the Purpose of Hearing Public Comment on Imposing Non-Ad Valorem Special Assessments on Certain Property Within the District, in substantial form and authorizing Staff to work with Mr. Perlman regarding the meeting location, was adopted.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2024-05, Approving a Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

Mr. Rom presented Resolution 2024-05. He reviewed the proposed Fiscal Year 2025 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2024 budget, and explained the reasons for any changes. As previously discussed, the Lake County Property Appraiser will provide the updated County rolls, typically by the end of June; the motion will be approved as amended to allow the flexibility to include on-roll assessment information when the land rolls are received.

Discussion ensued regarding maintenance performed by the HOA, setting a maximum budget amount and developing and refining the field operations budgets for the North and South Assessment Areas in advance of the next meeting.

Mr. Rom stated the Series 2020 on-roll assessments for the South for the 40', 50' and 60' lots will increase \$152, \$193 and \$234, respectively. The Series 2020 and Series 2021 off-roll assessments for the South for the 40', 50' and 60' lots will increase \$142, \$179 and \$217, respectively. Off-roll assessments for the North for the 40', 50' and 60' lots will decrease \$10.

Mr. Perlman will review the budget for the North in advance of the next meeting.

This item was deferred to the May meeting.

FIFTH ORDER OF BUSINESS**Consideration of Resolution 2024-06,
Designating Dates, Times and Locations for
Regular Meetings of the Board of
Supervisors of the District for Fiscal Year
2024/2025 and Providing for an Effective
Date**

The following change was made to the Fiscal Year 2025 Meeting Schedule:

DATE: Delete May

On MOTION by Mr. Dunn and seconded by Mr. White, with all in favor, Resolution 2024-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2024/2025, as amended, and Providing for an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS**Consideration of Resolution 2024-07,
Authorizing the Inclusion of a Request For
Security Powers in the Previously
Authorized Petition to Amend the
Boundaries of the Hills of Minneola
Community Development District**

Mr. Babbar presented Resolution 2024-07. Security powers are needed in order for the CDD to be able to finance the perimeter wall with bond proceeds. He stated his office is gathering final documents and data related to the Petition to be filed with the City of Minneola.

On MOTION by Mr. Jerman and seconded by Mr. Dunn, with all in favor, Resolution 2024-07, Authorizing the Inclusion of a Request For Security Powers in the Previously Authorized Petition to Amend the Boundaries of the Hills of Minneola Community Development District, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-08, Supplementing Its Resolution 2019-24 by Authorizing the Issuance of Its Hills of Minneola Community Development District Special Assessment Revenue Bonds, Series 2024 (North Parcel Assessment Area One) in a Principal Amount of Not Exceeding \$9,000,000 for the Principal Purpose of Acquiring and Constructing Assessable Improvements; Delegating to the Chairman or Vice Chairman of the Board of Supervisors of the District, Subject to Compliance with the Applicable Provisions Hereof, the Authority to Award the Sale of Such 2024 Bonds to FMSbonds, Inc. by Executing and Delivering to Such Underwriter a Bond Purchase Contract and Approving the Form Thereof; Approving The Form of and Authorizing the Execution of the Third Supplemental Trust Indenture; Appointing U.S. Bank Trust Company, National Association as the Trustee, Bond Registrar and Paying Agent for Such 2024 Bonds; Making Certain Findings; Approving Form Of Said 2024 Bonds; Approving the Form of the Preliminary Limited Offering Memorandum and Authorizing the Use by the Underwriter of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Execution of the Limited Offering Memorandum; Approving the Form of the Continuing Disclosure Agreement and Authorizing the Execution Thereof; Authorizing Certain Officials of Hills of Minneola Community Development District and Others to Take All Actions Required in Connection with the Issuance, Sale and Delivery of Said 2024 Bonds; Providing Certain Other

**Details with Respect to Said 2024 Bonds;
and Providing an Effective Date**

Mr. Bramwell presented Resolution 2024-08. This is the Delegation and Award Resolution specific to the Series 2024 Bonds. The Board previously approved the Master Bond Resolution, authorizing the issuance of \$40,000,000 in bonds, over time, and the amount was validated by the Circuit Court. Since that time, the CDD has issued two Series of bonds, the Series 2020 bonds and the Series 2021 bonds, in the aggregate principal amounts of \$23,520,000 and \$5,890,000, respectively. This Resolution accomplishes the following:

- Authorizes the issuance of the Series 2024 Bonds in an amount not-to-exceed \$9,000,000 in order to finance a portion of the “North Parcel Assessment Area One” project.
- Approves forms of related bond documents, including the Third Supplemental Trust Indenture, Bond Purchase Contract, Preliminary Limited Offering Memorandum and the Continuing Disclosure Agreement for the Series 2024 Bonds.
- Authorizes the Board to engage FMSbonds, Inc., as the Underwriter and authorizes FMSbonds to market the bonds utilizing the Preliminary Limited Offering Memorandum.
- Delegates authority to the CDD’s Officers to execute the Purchase Contract with the Underwriter, pursuant to the parameters set forth in Section 5.

Mr. Bramwell stated that Section 12 provides general authorization and approval for any necessary Completion Agreement, Acquisition Agreement, Assessment True-Up Agreement and Collateral Assignments of contract rights. The Draft of the Third Supplemental Indenture, included in the agenda, references a Completion Agreement, a Collateral Assignment and a True-Up Agreement that Staff has determined unnecessary, given the status of the project and platting, so only the Acquisition Agreement will apply.

The not-to-exceed amounts in the Methodologies and the Resolution were discussed.

Mr. Jerman expressed concern that Pulte will need another tranche of bonds. Mr. Babbar stated that another \$25 million in bonds were validated in 2022. Mr. Jerman stated only the \$40 million bond validation is noted in the Whereas clauses. Mr. Bramwell stated that particular bond validation will not be utilized in this bond issuance. Mr. Babbar stated the Resolution can be approved in substantial form and that fact can be inserted. Mr. Jerman thinks the Resolution should be edited to include all the facts.

Mr. Rom stated the initial question was given that the Methodology refers to a bond issuance of \$7 million to \$7.5 million. Mr. Bramwell believes that resulted from the timing of

the Delegation Resolution, given that the not-to-exceed amount is established before the Supplemental Assessment Methodology fine-tunes the amount of bonds to be validated.

On MOTION by Mr. Jerman and seconded by Mr. Edwards, with all in favor, Resolution 2024-08, Supplementing Its Resolution 2019-24 by Authorizing the Issuance of Its Hills of Minneola Community Development District Special Assessment Revenue Bonds, Series 2024 (North Parcel Assessment Area One) in a Principal Amount of Not Exceeding \$9,000,000 for the Principal Purpose of Acquiring and Constructing Assessable Improvements; Delegating to the Chairman or Vice Chairman of the Board of Supervisors of the District, Subject to Compliance with the Applicable Provisions Hereof, the Authority to Award the Sale of Such 2024 Bonds to FMSbonds, Inc. by Executing and Delivering to Such Underwriter a Bond Purchase Contract and Approving the Form Thereof; Approving The Form of and Authorizing the Execution of the Third Supplemental Trust Indenture; Appointing U.S. Bank Trust Company, National Association as the Trustee, Bond Registrar and Paying Agent for Such 2024 Bonds; Making Certain Findings; Approving Form Of Said 2024 Bonds; Approving the Form of the Preliminary Limited Offering Memorandum and Authorizing the Use by the Underwriter of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Execution of the Limited Offering Memorandum; Approving the Form of the Continuing Disclosure Agreement and Authorizing the Execution Thereof; Authorizing Certain Officials of Hills of Minneola Community Development District and Others to Take All Actions Required in Connection with the Issuance, Sale and Delivery of Said 2024 Bonds; Providing Certain Other Details with Respect to Said 2024 Bonds; and Providing an Effective Date, in substantial form, to include the second bond validation as discussed, was adopted.

EIGHTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of March 31, 2024**

Mr. Rom stated the “Field operations and maintenance” line items in the Special Revenue Fund – South were corrected.

On MOTION by Mr. Edwards and seconded by Mr. White, with all in favor, the Unaudited Financial Statements as of March 31, 2024, subject to the changes noted, were accepted.

NINTH ORDER OF BUSINESS**Approval of March 25, 2024 Regular Meeting Minutes**

On MOTION by Mr. Dunn and seconded by Mr. Jerman, with all in favor, the March 25, 2024 Regular Meeting Minutes, as presented, were approved.

TENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Straley Robin Vericker**

Mr. Babbar stated that the Florida Legislature passed House Bill 7013, which requires the CDD to adopt goals and objectives for each program and activity undertaken by the CDD. Beginning on December 1, 2025 and every year thereafter, an annual report must be published on the CDD website indicating the goals met and not met and the performance measures and standards used to make the determination. He will work with District Management to develop a report utilizing the budget as a threshold. No guidance or oversight was specified; further updates will be provided.

B. District Engineer: Poulos & Bennett, LLC**C. Field Operations: Mark Hills**

There were no District Engineer or Field Operations reports.

D. District Manager: Wrathell, Hunt and Associates, LLC

- **NEXT MEETING DATE: May 20, 2024 at 1:00 PM**
 - **QUORUM CHECK**

The meeting scheduled for May 20, 2024, will be cancelled. The next meeting will be held on May 29, 2024 at a location to be determined.

ELEVENTH ORDER OF BUSINESS**Board Members' Comments/Requests**

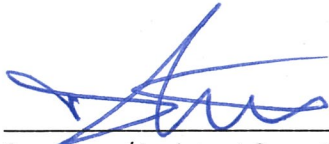
There were no Board Members' comments or requests.

TWELFTH ORDER OF BUSINESS**Public Comments**

There were no public comments.

THIRTEENTH ORDER OF BUSINESS**Adjournment**

On MOTION by Mr. Dunn and seconded by Mr. Edwards, with all in favor, the meeting adjourned at 2:17 p.m.

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Secretary/Assistant Secretary

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Chair/Vice Chair