

**MINUTES OF MEETING
TWIN CREEKS NORTH
COMMUNITY DEVELOPMENT DISTRICT**

Public Hearings and a Regular Meeting of the Board of Supervisors of the Twin Creeks North Community Development District were held on Friday, May 20, 2016, *immediately following the Landowners' meeting at 11:00 a.m.*, at the offices of Rogers Towers, P.A., located at 100 Whetstone Place, Suite 200, St. Augustine, Florida 32086.

Present at the meeting were:

John Kinsey	Chair
Robert Furlong	Vice Chair
Jared Bouskila (<i>via telephone</i>)	Assistant Secretary
Bryan Kinsey	Assistant Secretary
Cora DiFiore (<i>via telephone</i>)	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Janet Ricardo	Trustee
Gerry Knight	District Counsel
Neal Brockmeier	Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 11:23 a.m., and noted, for the record, that the Landowners' election was held prior to this meeting. Mr. John Kinsey was elected to Seat 1 and Mr. Robert Furlong was elected to Seat 2. Each will serve a four-year term. Mr. Bryan Kinsey, Ms. Cora DiFiore and Mr. Jared Bouskila, were elected to Seat 3, 4 and 5, respectively, and will serve two-year terms.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Newly Elected Supervisors (*the following to be provided in a separate package*)

Mr. Wrathell, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. John Kinsey, Mr. Furlong, Mr. Bryan Kinsey, Ms. DiFiore and Mr. Bouskila. He advised that a Notary was present at Ms. DiFiore and Mr. Bouskila’s locations to notarize their Oaths of Office, which will be provided for District records.

▪ **Roll Call**

****This item, previously part of the First Order of Business, was presented out of order.****

Mr. Wrathell noted, for the record, that Supervisors John Kinsey, Furlong and Bryan Kinsey were present, in person. Supervisors Bouskila and DiFiore were attending via telephone.

Mr. Wrathell noted that the Board Members were incumbents; therefore, he would forego an explanation of the following items:

- A. **Guide to Sunshine Amendment and Code of Ethics for Public Offices and Employees**
- B. **Membership, Obligations and Responsibilities**
- C. **Financial Disclosure Forms**
 - i. **Form 1: Statement of Financial Interests**
 - ii. **Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - iii. **Form 1F: Final Statement of Financial Interests**
- D. **Form 8B – Memorandum of Voting Conflict**

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2016-21
Canvassing and Certifying the Results of
the Landowners’ Election**

Mr. Wrathell presented Resolution 2016-21 for the Board’s consideration. The resolution canvasses and certifies the results of the landowners’ election. Mr. John Kinsey and Mr. Furlong each received 893 votes. Mr. Bryan Kinsey, Mr. Bouskila and Ms. DiFiore received 892 votes, each. Mr. John Kinsey and Mr. Furlong, receiving the highest number of votes, will serve four-year terms. Mr. Bryan Kinsey, Mr. Bouskila and Ms. DiFiore will serve two-year terms.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, Resolution 2016-21, Canvassing and Certifying the Results of the Landowners’ Election, was adopted.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2016-22,
Electing Officers of the District**

Mr. Wrathell presented Resolution 2016-22 for the Board's consideration. Previously, Mr. John Kinsey served as Chair, Mr. Furlong as Vice Chair, the remaining Board Members as Assistant Secretaries, Mr. Wrathell as Secretary and Treasurer and Mr. McGaffney as an Assistant Secretary. He asked that Ms. Cindy Cerbone be nominated as an Assistant Secretary.

Mr. Wrathell requested nominations.

Mr. John Kinsey nominated the existing slate of officers, adding Ms. Cerbone as an Assistant Secretary.

No other nominations were made.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, Resolution 2016-22, Electing the Officers of the District, as nominated, was adopted.

SIXTH ORDER OF BUSINESS

**Consideration of Updated Engineer's
Report**

Mr. Brockmeier stated that the updates to the Engineer's Report include boundary modifications, based on clarification and an error discovered in the boundary. The CDD project area was previously described as 953 acres and was updated to approximately 954 acres. The revisions include refinement of the allocation distribution of the master infrastructure for the community that benefits both the master infrastructure and the neighborhood infrastructure. Those improvements benefited 23% of the Master Infrastructure Improvements benefiting the non-residential areas and 77% benefiting the residential land areas. The total Master Infrastructure Improvement cost remains unchanged, at \$17,529,987, and the neighborhood infrastructure cost remains at \$25,669,317.

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, Updated Engineer's Report, dated April 14, 2016, was approved.

SEVENTH ORDER OF BUSINESS

**Consideration of Updated Master Special
Assessment Methodology Report**

Mr. Wrathell presented updates to the Master Special Assessment Methodology Report. On Page 4, the second paragraph describes the split, specifically related to the Master Infrastructure Improvements, with 23% of the benefit accruing to the non-residential land uses and 77% of the benefit accruing to the residential land uses. The total costs of the Master Infrastructure Improvements were estimated at \$17,529,987 and the total costs of the Neighborhood Infrastructure Improvements were estimated at \$25,669,317. Total costs were estimated at \$43,199,304.

On Page 10, Section 5.3, "Assigning Debt", Mr. Wrathell stated that the District was removing 61.79 +/- acres, which includes the adjustment related to the scrivener's error described by Mr. Brockmeier. The debt will initially be levied on approximately 892.39 +/- gross acres, based upon a proposed Capital Improvement Plan (CIP) for the Master and subdivision infrastructure, at a rate of \$58,113.61 per acre.

Mr. Wrathell referred to Paragraph 1, on Page 11, and noted that the debt is applied on a per acre basis, across the District, with the 61.79 acres being removed. Mr. Wrathell read the following into the record:

"As the land is platted, Master Assessment will be allocated to each platted parcel based on the planned use for that platted parcel as reflected in Table 5 in the Appendix, and Neighborhood Assessment will be allocated to each platted parcel based on the planned use for that platted parcel as reflected in Table 7 in the Appendix and consequently reduce the amount of Master Assessment and Neighborhood Assessment levied on unplatted gross acres.

Further, to the extent that a parcel of unplatted land is sold to another builder or developer, the Assessment will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppels or similar document to the buyer evidencing the amount of Assessment transferred at sale."

Mr. Wrathell stated that the second paragraph is particularly important, for a project such as this, where the subdivision or residential lots could be sold to another entity, such as a homebuilder. To protect the Master Developer, once the parcels are sold off, the units allocated to that subdivision will be locked in for that subdivision. If the homebuilder or developer does not build the property to the capacity of debt assigned to it, a separate True-Up Agreement will

be executed and the homebuilder or developer will be responsible for the debt, rather than the Master Developer.

Mr. Wrathell reviewed Table 1, on Page 15, for the “Development Plan”, Table 2, on Page 16, for the “Capital Improvement Plan”, and Table 3, on Page 17, reflecting the “Preliminary Sources and Uses of Funds”. Table 3 assumes that 100% of the improvements would be financed, enabling the District to set the par amount of bond maximum and maximum debt assessment assigned to each product type, as well as the maximum assessment per gross acre. The first column assumes financing 100% of the Master Infrastructure Improvements, including the “Debt Service Reserve Fund”, “Capitalized Interest Fund” and “Cost of Issuance”. The middle column assumes financing 100% of the Neighborhood Improvements and the right-hand column reflects the totals, financing both together.

******Mr. Bouskila left the meeting at 11:43 a.m.******

******The meeting recessed at approximately 11:43 a.m.******

******The meeting reconvened at approximately 11:45 a.m.******

Mr. Wrathell reviewed Table 4, “Master Infrastructure Improvements Benefit Allocation”, which assigns benefit weighting to each category, based upon ERUs. Table 5, “Master Infrastructure Improvements Assessment Apportionment”, showing the maximum par amount of bonds, per 1,000 sf, for the Commercial parcels, equating to a maximum annual debt assessment, per 1,000 sf, of \$365.54, including Property Appraiser and Tax Collector fees and a 4% discount for early payment. The “Office Parcel 1” maximum annual debt assessment, per 1,000 sf, is \$250.11. “Residential” shows the par amount of bonds for each product type. The maximum annual debt assessment for SFD 43’, meaning single family dwelling, is \$1,397.69. Table 6, on Page 20, shows the “Neighborhood Infrastructure Improvements Benefit Allocation”, which is the ERU weighting per product type. Table 7, on Page 21, shows the “Neighborhood Infrastructure Improvements Assessment Apportionment”, reflecting the par amount of bonds for each product type. For neighborhood improvements, SFD 43’ has a maximum of \$33,832.07 par amount of bonds for each unit, with an “Annual Subdivision Assessment Apportionment per Unit*” maximum of \$2,545.19. Table 8, on Page 22, shows the maximum assessment for the par amount of bonds allocable to each product type. Table 9, on Page 23, shows the “Combined Master and Neighborhood Infrastructure Improvements Annual Assessment Apportionment”. Mr. Wrathell pointed out that the Commercial property has no allocated subdivision benefit costs but Residential has Master and Subdivision costs allocated. “Preliminary Assessment Roll”, in

Table 10, on Page 24, shows the four parcels to be assessed pursuant to the Property Appraiser rolls. In the future, individual parcel numbers will be assigned to each lot to be developed and sold or commercial properties.

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, the updated Master Special Assessment Methodology Report, dated April 15, 2016, was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Bond Anticipation Notes Special Assessment Methodology Report

Mr. Wrathell reviewed the Bond Anticipation Notes Special Assessment Methodology Report. The District intends to issue Bond Anticipation Notes (BANS) for a period of approximately nine months and replace the BANS with one or more series of long-term bonds.

Mr. Wrathell stated that the District currently consists of approximately 954.17 +/- acres. With the 61.79 +/- acres removed, the District size will total 892.39 +/- acres. The BANS will be issued in the principal amount of \$8,150,000 to fund "Master Infrastructure Improvements construction/acquisition" expenses of \$8,001,500 with an interest rate of 6.00%. The debt for the BANS will be levied on approximately 892.39 +/- acres, at a rate of \$9,132.78, per acre.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the Bond Anticipation Notes Special Assessment Methodology Report, dated May 18, 2016, was approved.

NINTH ORDER OF BUSINESS

Proofs of Publication

Mr. Wrathell presented the following Proofs of Publication:

- Public Hearing relating to public improvements and the levy of non ad valorem special assessments, including the assessment table, maximum par amount of bonds and the debt assessment for each category
- Resolution 2016-17, Declaring Special Assessments, including the location map
- Notification of the District's intent to use the uniform method of collection of non ad valorem assessments and notice of a Regular Meeting of the Board of Supervisors
- Request for Qualifications for District Engineering Services

- Notice of Landowners' Meeting

TENTH ORDER OF BUSINESS

Mailed Notices

Mr. Wrathell presented the mailed notices, sent to each property owner.

ELEVENTH ORDER OF BUSINESS

Public Hearing to Consider the Adoption of an Assessment Roll and the Imposition of Special Assessments Relating to the Financing and Securing of Certain Public Improvements

Mr. Wrathell explained that the Board will sit as the Board of Equalization for the purpose of listening to public comments and, based on the comments and testimony of affected property owners, the Board will have an opportunity to consider adjustments to the proposed assessments and the CIP.

- *Hear testimony from the affected property owners as to the property and advisability of making the improvements and funding them with special assessments on the property.*

*****Mr. Wrathell opened the Public Hearing.*****

Mr. Bryan Kinsey, landowner, commented "It is a good idea".

There were no other comments.

- *Thereafter, the governing authority shall meet as an equalizing board to hear any and all complaints as to the special assessment on a basis of justice and right.*

The Board of Equalization did not make any adjustments to the assessments or the CIP, as proposed.

*****Mr. Wrathell closed the Public Hearing.*****

- A. **Consideration of Resolution 2016-23, Authorizing District Projects for Construction and/or Acquisition of Infrastructure Improvements; Equalizing, Approving, Confirming, and Levying Special Assessments on Property Specially Benefitted By Such Projects to Pay the Cost Thereof; Providing for the Payment and the Collection of Such Special Assessments By the Methods Provided for By Chapters 170, 190 and 197, Florida Statutes; Providing for True-Up Payments; Making Provisions Relating to the Transfer of Real Property to Governmental Bodies; Providing for the Recording of an Assessment Notice; Providing for Severability, Conflicts and an Effective Date**

Mr. Wrathell presented Resolution 2016-23 for the Board’s consideration and read the title into the record:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TWIN CREEKS NORTH COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING DISTRICT PROJECTS FOR CONSTRUCTION AND/OR ACQUISITION OF INFRASTRUCTURE IMPROVEMENTS; EQUALIZING, APPROVING, CONFIRMING, AND LEVYING SPECIAL ASSESSMENTS ON PROPERTY SPECIALLY BENEFITTED BY SUCH PROJECTS TO PAY THE COST THEREFORE; PROVIDING FOR THE PAYMENT AND THE COLLECTION OF SUCH SPECIAL ASSESSMENTS BY THE METHODS PROVIDED FOR BY CHAPTERS 170, 190 AND 197, FLORIDA STATUTES; PROVIDING FOR TRUE-UP PAYMENTS; MAKING PROVISIONS RELATING TO THE TRANSFER OF REAL PROPERTY TO GOVERNMENTAL BODIES; PROVIDING FOR THE RECORDING OF AN ASSESSMENT NOTICE; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.”

The following change was made: Page 1, Third WHERE AS Clause, last line: change “updated” to “dated.”

A revised version will be provided to the Board.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, Resolution 2016-23, Authorizing District Projects for Construction and/or Acquisition of Infrastructure Improvements; Equalizing, Approving, Confirming, and Levying Special Assessments on Property Specially Benefitted By Such Projects to Pay the Cost Thereof; Providing for the Payment and the Collection of Such Special Assessments By the Methods Provided for By Chapters 170, 190 and 197, Florida Statutes; Providing for True-Up Payments; Making Provisions Relating to the Transfer of Real Property to Governmental Bodies; Providing for the Recording of an Assessment Notice; Providing for Severability, Conflicts and an Effective Date, as amended, was adopted.

TWELFTH ORDER OF BUSINESS

Public Hearing to Consider Resolution 2016-24, Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem

Assessments and Setting Forth the Legal Description of the Real Property Within the District’s Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date

Mr. Wrathell presented Resolution 2016-24 for the Board’s consideration. The Proof of Publication for this Public Hearing was presented during the Ninth Order of Business.

Mr. Wrathell explained that, under Chapter 197.3632, the District is utilizing the services of the Property Appraiser and Tax Collector to collect the non-ad valorem special assessments.

Mr. Wrathell read the title of the Resolution into the record:

“A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TWIN CREEKS NORTH COMMUNITY DEVELOPMENT DISTRICT CONFIRMING THE INTENT OF THE DISTRICT TO USE THE UNIFORM METHOD OF LEVY, COLLECTION AND ENFORCEMENT OF NON-AD VALOREM ASSESSMENTS AS AUTHORIZED AND PERMITTED BY SECTION 197.3632, FLORIDA STATUTES; EXPRESSING THE NEED FOR THE LEVY OF NON-AD VALOREM ASSESSMENTS AND SETTING FORTH THE LEGAL DESCRIPTION OF THE REAL PROPERTY WITHIN THE DISTRICT’S JURISDICTIONAL BOUNDARIES THAT MAY OR SHALL BE SUBJECT TO THE LEVY OF DISTRICT NON-AD VALOREM ASSESSMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.”

*****Mr. Wrathell opened the Public Hearing.*****

There were no public comments.

*****Mr. Wrathell closed the Public Hearing.*****

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, Resolution 2016-24, Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District’s Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date, was adopted.

THIRTEENTH ORDER OF BUSINESS**Consideration of Bond Financing Document in Substantial Form *(to be providing at meeting)*****A. Assignment and Acquisition Agreement**

Mr. Knight presented the Assignment and Acquisition Agreement. The District will take an assignment of the construction contract from the developer and acquire the improvements, once development is completed. The plans for the improvements, which is Exhibit B, will be inserted. Exhibit C is the contract rights that will be assigned and the Sources and Uses Schedule will be included as part of Exhibit C. Section 4 was added, which provides for the payment of water and sewer impact fees by the District or the reimbursement of the developer for payment of water and sewer impact fees, which was included in the Engineer's Report.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the Assignment and Acquisition Agreement, in substantially final form, was approved.

B. Collateral Assignment and Assumption of Development and Contract Rights

Mr. Knight presented the Collateral Assignment and Assumption of Development and Contract Rights. The Agreement provides that, in the event of default in payment of the assessments to the District, there will be an assignment of the development and contract rights relating to the development of the property within the District's boundaries. This Agreement describes what constitutes an event of default and is in final form. The Agreement only relates to the 2016 BAN.

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, the Collateral Assignment and Assumption of Development and Contract Rights Agreement, in substantially final form, was approved.

C. Declaration of Consent to Jurisdiction *(for informational purposes)*

Mr. Knight presented the Declaration of Consent to Jurisdiction, which was provided for informational purposes. It is the consent of the developer to being assessed. A number of statements were made, on behalf of the developer, as to the validity of the actions taken to

establish the District, levy the assessments and to allay certain claims that the developer may have. The Declaration of Consent to Jurisdiction constitutes a lien on the property for the assessments and it will be recorded in the public records.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the Declaration of Consent to Jurisdiction, in substantial final form, was approved.

D. Note Purchase Agreement

Mr. Knight presented the Note Purchase Agreement. The Underwriter, FMSbonds, Inc., agrees to purchase the note from the CDD. The Declaration of Consent to Jurisdiction is attached to the Note Purchase Agreement. An earlier version of the Declaration of Consent to Jurisdiction is currently attached but the last version will be substituted.

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, the Note Purchase Agreement, with the insertion of the updated Declaration of Consent to Jurisdiction, in substantially final form, was approved.

FOURTEENTH ORDER OF BUSINESS

Consideration of Proposal of Insurance Coverage from Florida Insurance Alliance

Mr. Wrathell stated that the District’s existing General Liability and Directors and Officers Liability coverage is \$1 million. A proposal from Florida Insurance Alliance for increased levels of coverage was provided for the Board’s consideration. Mr. Wrathell noted that the estimate was \$8,000 for \$3 million of coverage, \$9,500 for \$4 million and \$10,500 for \$5 million.

On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, authorization for Staff to bind \$5 million in General Liability and Directors and Officers Liability coverage, was approved.

FIFTEENTH ORDER OF BUSINESS

Other Business

There being no other business to discuss, the next item followed.

SIXTEENTH ORDER OF BUSINESS Staff Reports

A. District Counsel

There being no report, the next item followed.

B. Interim District Engineer

There being no report, the next item followed.

C. District Manager

i. 0 Registered Voters in District as of April 15, 2016

Mr. Wrathell stated that there were zero registered voters residing within the boundaries of the District as of April 15, 2016.

ii. NEXT MEETING DATE: June 22, 2016 at 11:00 A.M.

Mr. Wrathell indicated that the June 22, 2016 meeting would include:

- **Public Hearing to Consider the Adoption of the Fiscal Year 2015/2016 Budget**
- **Public Hearing to Consider the Adoption of the Fiscal Year 2016/2017 Budget**
- **Public Hearing to Adopt Rules of Procedure**

SEVENTEENTH ORDER OF BUSINESS Other Business

There being no other business to discuss, the next item followed.

EIGHTEENTH ORDER OF BUSINESS Board Members' Comments/Requests

There being no Board Members' comments or requests, the next item followed.

NINETEENTH ORDER OF BUSINESS Public Comments

There being public comments, the next item followed.

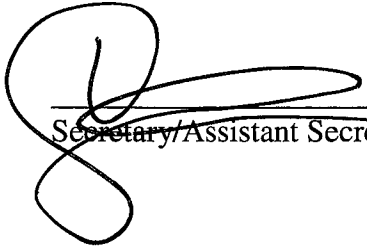
TWENTIETH ORDER OF BUSINESS Adjournment

Mr. Knight suggested recessing this meeting and reconvening on May 26, 2016 at 11:00 a.m., at this location. The bond closing will not occur until May 26 and no additional items were


anticipated; however, in an abundance of caution, the meeting was recessed to Thursday, May 26, 2016 at 11:00 a.m., at this location.

On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, the meeting recessed at approximately 12:12 p.m., and will reconvene on Thursday, May 26, 2016 at 11:00 a.m., at this location.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair