

**MINUTES OF MEETING  
BANNON LAKES  
COMMUNITY DEVELOPMENT DISTRICT**

The special meeting of the Board of Supervisors of the Bannon Lakes Community Development District was held on Monday, **January 25, 2021** at 11:00 a.m. at the World Golf Village Renaissance Hotel, 500 S. Legacy Trail, St. Augustine, Florida.

Present and constituting a quorum were:

Art Lancaster	Chairman
Chris d' Aquin	Supervisor
Chris Hill	Supervisor
Linda Scandurra	Supervisor

Also present were:

Jim Oliver	District Manager
Wes Haber <i>by phone</i>	District Counsel
George Katsaras <i>by phone</i>	District Engineer
Peter Dame <i>by phone</i>	Bond Counsel

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Oliver called the meeting to order. Four Supervisors were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment**

Mr. Oliver asked for any audience comments regarding agenda items. There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Affidavits of Publication of Meeting Notice**

Mr. Oliver noted that the meeting had been properly noticed.

**FOURTH ORDER OF BUSINESS**

**Update Regarding Issuance of Bonds**

Mr. Oliver noted that the bonds are priced at a par amount of \$7,415,000. The assessments per unit stayed the same but the debt per unit went up slightly. The other major change in the methodology is a reduction in the capitalized interest. It is now capitalized through November 1, 2021 and previously it was for several more months than that. Other than those changes, the methodology stays the same. There are 81 platted lots and 154 projected lots that have yet to be platted.

Mr. Haber asked for confirmation that the final numbers and the methodology as prepared and provided to the Board that it is believed that both the assessments are fairly and reasonably allocated, and that benefitting property will receive from the improvements provided exceeded the burden from the assessment. It was confirmed for the record and it is consistent with previous methodology.

Mr. Lancaster asked Mr. Haber at what point is the assessment area is discussed, so there is no confusion that this is not an overlaying assessment and that it is an assessment of new lands, and Mr. Haber answered that he will discuss it with the resolution which he then proceeds to go into.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2021-03,  
Supplemental Assessment Resolution for  
2021 Bonds**

Mr. Haber noted that the assessment methodology discusses that these assessments go over specific properties. The way this project is structured for bond debt is there will be multiple issuances of bonds and as the bonds get issued, particular property mostly based in the order of which it is developed will secure those bonds. The bonds have a term of 30 years. The District previously issued bonds and there is a portion of the community that is subject to the assessments for those prior bonds. The homes within the section of the community will not be subject to debt assessments for these 2021 bonds or a future series of bonds. Likewise, there are two parcels that will secure these bonds. One is owned entirely by Pulte Homes and the other is owned largely by Lennar. Only those two parcels will secure the 2021 bonds. He adds that the resolution he is reviewing includes a true-up provision. If fewer than the number of lots that is set forth in the methodology are actually platted, there is an obligation on the developer on each of those parcels of property to pay off the debt assessments that would have been allocated to the units that didn't

get platted. This resolution adopts all those exhibits and makes certain findings with respect to the appropriateness and benefits with moving forward with issuance of the bonds and the provision of the project. It also contemplates the recordation of the notice of assessments for the 2021 assessment which will be signed and recorded in connection with the closing of the bonds.

On MOTION by Mr. Lancaster, seconded by Ms. Scandurra, with all in favor, Resolution 2021-03 Supplemental Assessment Resolution for 2021 Bonds, was approved.

### **SIXTH ORDER OF BUSINESS**

### **Engineer's Report Regarding Support Documentation for Initial Requisitions for Series 2021 Bonds**

Mr. Haber reported that they have adopted the supplemental assessment resolution and as of today, the bonds have yet to close. The expectation is that all the documents will get signed and that the bonds will officially close later in the week. Once the bonds are closed, accounts will be funded, particularly the acquisition and construction account where the monies in those accounts will be used to pay for portions of the project that benefit the community. There was a construction funding agreement between the CDD and the developer whereby the developer paid a portion of the CDDs project with the understanding when the CDD issued a future series of bonds the bonds would be used to repay the CDD. The developer submitted payments to the District or paid contractors directly for services for the project. There is an itemized list of the various expenses as well as a certificate from the district engineer confirming that those expenses fall within the scope of the project and that they are fair and reasonable and appropriately paid for by the district. The District also entered into an acquisition agreement with the developer whereby the District would pay for certain real property that is necessary for the project as long as an appraisal is provided, and special warranty deeds are provided for the particular property. An appraisal has been obtained and there is also an engineer's certificate for that indicating that it is appropriate for the CDD to acquire the identified real property as part of the CDD's project. Because the bonds are not yet issued, they are not in a position to approve the requisition. What then they are looking for is the Board to consider a motion granting the Chair the authority to work with staff to process and move forward with requisitions for the items discussed.

Mr. d'Aquin asked counsel to reiterate the items the Board would be approving the Chair to do. Mr. Oliver listed that there are two requisitions that are to be prepared and certified by the

engineer, and subsequently executed by the Chair. One is for reimbursement of the advance funding that the developer has provided to fund the construction project. There has already been significant construction activity with payment of invoices being funded by the developer, with the understanding that he would be reimbursed for those costs. The other requisition is for the conveyance of real property for the storm water management system. Within the documents, there is an appraisal form and a deed.

Mr. d'Aquin stated it is his understanding that passing the resolution would prevent the Board having to pass more resolutions in regards to these things and that we are putting trust into the Chairman to take care of these two particular items.

On MOTION by Mr. Hill, seconded by Ms. Scandurra, with all in favor, the Engineer's Report Regarding Support Documentation for Initial Requisitions for Series 2021 Bonds, was approved.

#### **SEVENTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2021-04, Approving Request for Proposal Documents for the District's Infrastructure Improvement Project**

Mr. Haber reported that the resolution grants authority for the Chair to work with district staff to put together an RFP package which would include an advertisement as well as an actual package that would be provided to any interested proposers to bid on the project with the hopes that several proposals are submitted to provide work. The Board would then evaluate the proposals and decide which is the most qualified to provide services. The request for proposals allows the Board to evaluate all different qualifications not just the price. This resolution authorizes the District to move forward with putting together that package for the work and then bringing the proposals back to the Board for evaluation.

Mr. Lancaster added that the RFP will be for a force main that is an offsite main from the entrance of Bannon Lakes Boulevard back over towards the westside of I95. This is a requirement from the utility department once the project reached approximately 50% build out. It is an 8 inch sewer force main and the project is running off of a force main that at build out would not allow the tie in of the other projects. The plans are approved by St. Johns County and will be going through the public bidding process.

Mr. d'Aquin noted that the last page of the resolution is an evaluation criteria page and asked if the Board was going to force themselves to rank the proposers according to the criteria listed. Mr. Oliver commented that the criteria is used by CDDs throughout the state. Mr. d'Aquin also noted his frustration about getting the documents "late" and not having proper time to look them over and Mr. Lancaster added that he had requested them be added and said any Board member can request such things. They talked about tabling the action item until the next regularly scheduled meeting, to give the Board ample time to look over documents. They came to the conclusion that would not be necessary.

On MOTION by Mr. Lancaster, seconded by Mr. Scandurra with all in favor, Resolution 2021-04 Approving Request for Proposal Documents for the District's Infrastructure Improvement Project, was approved.

**EIGHTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

Mr. d'Aquin brought up the issue once more of getting documents sent via email the day of the meeting. Mr. Oliver assured the Board member that typically documents are sent the week before CDD meetings. Documents received once the agenda packets are circulated are forwarded to Board members under separate cover. When dealing with process of issuing bonds, many professionals representing various parties such as bondholders, underwriter, trustee, developer, and the District, document review, preparation and revisions often occur up to the day of the meeting. The Board always has the opportunity to "table" any item, if needed. Mr. d'Aquin then asked if there are any guidelines in the Florida statute that talk about minimum amount of time before something can be added to the agenda. Mr. Oliver stated that it's not necessarily a statutory requirement, but good business practice for items to be included on the advance agenda. If there is a short notice item that is brought to the Board, it will be added to the agenda and the Board can discuss it to decide if they want to vote or table an issue.

An audience member asked about the lots and additional projects going on in Bannon Lakes and asked where the exact location is. Mr. Lancaster answered that the 154 lots that are referenced is a continuation of Bannon Lakes Boulevard. The 81 lots she asked about are already built and are the ones that Lennar constructed on Durran Drive. Her concern is that there is only one way in and out of the development and asked if all the additional traffic will be coming down

Bannon Lakes Boulevard. Mr. Lancaster answered yes and added that it is how the project was originally designed. He then commented that the total buildout of the boulevard running all the way back beyond the amenity center was designed as a 999-unit community and that St. John's County requires a collector road be installed and that is what Bannon Lakes Boulevard is. She believes that all of the communities accessing that road is excessive and Mr. Lancaster assured her that it is standard and designed by State and County standards drawn out by the developer at the start of the project. He added that he understands her concerns and is happy to discuss them further when the CDD business is complete.

Another audience member asked if the bonds being issued from this point forward are everything in The Bannon Park community and everything prior is a done deal. Mr. Lancaster stated that that was correct. He also stated that this bond will help pay for some of the improvements for repaving of roads and fixing of lights and matters as such. A brand-new asphalt top will be added to the boulevard eventually but was held off due to the truck and construction traffic and once that dissipates the asphalt will be added.

Another audience member asked if the amenity center was built with the 999 homes in mind and Mr. Lancaster answered yes. He then asked if the new bond reimburses the old bond in any way taking the burden of the amenity center off the first bond. Mr. Lancaster said that that is correct because there is debt services and operational cost of the CDD and as more homeowners come into the project, that helps own the relief of that burden. However, the debt assessments levied against the lots to secure the first bond issuance will not be reduced as a result of the issuance of the 2021 Bonds. Both bond issues, as well as any future bond issue, are used to pay for master improvements that benefit all the lots within the CDD.

Another audience member asked about the infrastructure under Parcel A and wants to know what the reimbursement will be of that infrastructure. The resident is referring to the storm water drainage and the three pipes that run from Parcel A to Bridge Bay Lake. Mr. Lancaster reported that there is a conceptual permit before the project started for storm water management and that there are four ponds that the community will own and maintain long-term that have cross access easements. There are also other ponds within the same storm water management facility that are owned by individual HOAs and they are all integrated. They all share drainage and there is not definition of which is which. A conversation followed about different drains and which ones are controlled by the CDD. Part of the question is if there are apartments built, will it be a greater cost

to residents because the CDD owns the ponds/water systems. Mr. Lancaster stated that it would be an engineer's question that he can pass on and get an answer at a later time but said there is no additional impact to the project.

Another audience member commented that he has an ambitious neighbor that has spent a considerable amount of time cleaning the front of Bannon Lakes on the IGP side. The neighbor picked up 8 bags of trash. He asked that they work more closely with the contractor in charge of picking those things up. Mr. Lancaster is hoping that when the construction finishes that a lot of that will end but it is within the contract of the lawncare so he is glad that it was brought to the Board's attention.

**NINTH ORDER OF BUSINESS**

**Next Scheduled Meeting – February 3, 2021 at 1:00 p.m. at the World Golf Village Renaissance Hotel, 500 S. Legacy Trail, St. Augustine, Florida**

Mr. Oliver stated the next scheduled regular meeting date would be February 3, 2021. A meeting in which all of the regular business will be discussed and CDD matters.

**TENTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned

On MOTION by Mr. Lancaster, seconded by Ms. Scandurra, with all in favor, the Meeting was adjourned.



Secretary / Assistant Secretary



Chairperson / Vice Chairperson