MINUTES OF MEETING
SORRENTO PINES COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the Sorrento Pines Community Development District held Multiple Public Hearings and a Regular Meeting on February 13, 2023 at 3:30 p.m., at the Fruitland Park Library, 604 W. Berckman Street, Fruitland Park, Florida 34731.

Present at the meeting were:

Seth Bennett	Chair
Robert "Quint" Noordstar	Vice Chair
Alex Gross	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Ernesto Torres	Wrathell, Hunt and Associates, LLC (WHA)
Jere Earlywine (via telephone)	District Counsel
Meredith Hammock (via telephone)	Kilinski | Van Wyk PLLC
Steve Saha (via telephone)	Interim District Engineer

FIRST ORDER OF BUSINESS **Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 3:34 p.m. Supervisors Bennett, Noordstar and Gross were present. Supervisor-Elect Galvin was not present. One seat was vacant.

SECOND ORDER OF BUSINESS **Public Comments**

No members of the public spoke.

THIRD ORDER OF BUSINESS **Administration of Oath of Office to Supervisor Taryn Galvin [SEAT 4]**

This item was deferred.

A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

B. Membership, Obligations and Responsibilities

C. Chapter 190, Florida Statutes

D. 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

E. Form 8B: Memorandum of Voting Conflict

- **Consideration/Ratification of Engagement with Jere Earlywine at Kutak Rock LLP**

This item, previously the Ninth Order of Business, was presented out of order.

Mr. Wrathell stated that Mr. Earlywine is now with Kutak Rock LLP and presented the previously executed engagement letter.

On MOTION by Mr. Bennett and seconded by Mr. Gross, with all in favor, the engagement of Jere Earlywine and Kutak Rock LLP for District Counsel Services, was ratified.

FOURTH ORDER OF BUSINESS **Public Hearing 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**

A. Affidavit/Proof of Publication

B. Consideration of Resolution 2023-28, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Sorrento Pines Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date

Discussion ensued regarding the timing of the bond issuance, acquisition and conveyance of utilities and billing assessments to DR Horton directly.

On MOTION by Mr. Noordstar and seconded by Mr. Gross, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Bennett and seconded by Mr. Gross, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Noordstar and seconded by Mr. Bennett, with all in favor, Resolution 2023-28, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Sorrento Pines Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date, was adopted.

FIFTH 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**

A. Affidavit/Proof of Publication

B. Mailed Notice to Property Owner(s)

C. Engineer's Report *(for informational purposes)*

Mr. Wrathell stated the Engineer's Report was presented in detail at the Organizational meeting. He noted the following:

- Assessment Area One includes 190 units within the CDD's current boundaries. The Boundary Amendment will add an additional 300 units, for a total of 490 units.
- Phase 1A includes the first 90 units, Phase 1B includes 100 units and the Boundary Amendment Parcel will include 300 units.

➢ The total estimated cost is $24.274 million.

D. Master Special Assessment Methodology Report *(for informational purposes)*

Mr. Wrathell reviewed the Master Special Assessment Methodology Report dated December 14, 2022, including the pertinent information and discussed the Development Program, CIP, Financing Program, Assessment Methodology, lienability tests, special and peculiar benefits to the units, True-Up Mechanism and Appendix Tables. He noted the following:

➢ The existing CDD boundaries comprising "Assessment Area One" total approximately 113.443 acres. An anticipated boundary amendment will increase it to about 263.134 acres.

➢ The land is planned to be developed by Galvin Land Services, LLC or an affiliated entity.

➢ The current plan anticipates 190 units within the CDD's current boundaries. It is expected that an additional 300 units will be developed in the boundary amendment parcel.

➢ The CIP costs for Assessment Area One total $11,296,040.08 for the 190 units planned in the current CDD boundaries. At full buildout, the CIP will total $24,274,842.17 for all 490 units.

➢ The maximum par amount of bonds for Assessment Area One, including the cost of financing, capitalized interest and debt service reserve, will be $15.795 million to finance improvements of approximately $11.296 million. Assuming the boundary amendment occurs, with a $24.274 million CIP, the maximum par amount of bonds will total $33.545 million.

On MOTION by Mr. Noordstar and seconded by Mr. Gross, with all in favor, the Public Hearing was opened.

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

  No affected property owners spoke.

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

  The Board, sitting as the Equalizing Board, made no changes to the assessment levels.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Public Hearing was closed.

E. Consideration of Resolution 2023-29, Making Certain Findings; Authorizing a Capital Improvement Plan; Adopting an Engineer's Report; Providing an Estimated Cost of Improvements; Adopting an Assessment Report; Equalizing, Approving, Confirming and Levying Debt Assessments; Addressing the Finalization of Special Assessments; Addressing the Payment of Debt Assessments and the Method of Collection; Providing for the Allocation of Debt Assessments and True-Up Payments; Addressing Government Property, and Transfers of Property to Units of Local, State and Federal Government; Authorizing an Assessment Notice; and Providing for Severability, Conflicts and an Effective Date

On MOTION by Mr. Noordstar and seconded by Mr. Bennett with all in favor, Resolution 2023-29, Making Certain Findings; Authorizing a Capital Improvement Plan; Adopting an Engineer's Report; Providing an Estimated Cost of Improvements; Adopting an Assessment Report; Equalizing, Approving, Confirming and Levying Debt Assessments; Addressing the Finalization of Special Assessments; Addressing the Payment of Debt Assessments and the Method of Collection; Providing for the Allocation of Debt Assessments and True-Up Payments; Addressing Government Property, and Transfers of Property to Units of Local, State and Federal Government; Authorizing an Assessment Notice; and Providing for Severability, Conflicts and an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS **Public Hearing to Hear Public Comments and Objections to the Adoption of the Rules of Procedure, Pursuant to Sections 120.54 and 190.035, Florida Statutes**

A. Affidavits of Publication

B. Consideration of Resolution 2023-30, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date

Mr. Earlywine discussed the Rules of Procedure.

On MOTION by Mr. Gross and seconded by Mr. Noordstar, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Gross and seconded by Mr. Noordstar, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, Resolution 2023-30, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS **Public Hearing on Adoption of Fiscal Year 2022/2023 Budget**

A. Affidavit of Publication

B. Consideration of Resolution 2023-31, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2022 and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Wrathell presented the proposed Fiscal Year 2023 budget, which is a partial year, Landowner-funded budget with expenses being funded as they are incurred.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Noordstar and seconded by Mr. Bennett, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Noordstar and seconded by Mr. Bennett, with all in favor, Resolution 2023-31, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2022 and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS **Consideration of CDD/HOA Maintenance Agreement**

Mr. Wrathell presented the Agreement with the HOA for the HOA to manage and maintain CDD assets. Mr. Bennett worked with Mr. Chuck Adams to develop a pro forma budget. As operation and maintenance (O&M) primarily consists of dry ponds and roads, it is most cost-effective and efficient for an arrangement whereby the HOA budgets and operates and maintains the CDD-owned improvements. The CDD cannot convey these improvements to the HOA as they are financed with tax-exempt bonds. Mr. Earlywine stated, as the scope of the improvements requires further definition, approval is recommended in substantial form.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the CDD/HOA Maintenance Agreement, in substantial form, was approved.

NINTH ORDER OF BUSINESS **Ratification of Engagement with Jere Earlywine at Kutak Rock LLP**

This item was presented following the Third Order of Business.

TENTH ORDER OF BUSINESS **Consideration of Resolution 2023-07, Designating the Primary Administrative Office and Principal Headquarters of the District and Providing an Effective Date**

This item was deferred.

ELEVENTH ORDER OF BUSINESS **Consideration of Resolution 2023-14, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023 and Providing for an Effective Date**

This item was deferred.

TWELFTH ORDER OF BUSINESS **Approval of Minutes**

A. December 14, 2022 Landowners' Meeting

B. December 14, 2022 Organizational Meeting

On MOTION by Mr. Bennett and seconded by Mr. Gross, with all in favor, the December 14, 2022 Landowners' Meeting and Organizational Meeting Minutes, as presented, were approved.

THIRTEENTH ORDER OF BUSINESS **Staff Reports**

A. District Counsel: *Kutak Rock, LLP*

Mr. Earlywine will follow up and give updates on the bond validation and boundary amendment.

B. District Engineer (Interim): *Poulos & Bennett*

C. District Manager: *Wrathell, Hunt and Associates, LLC*

There were no District Engineer or District Manager reports.

- **NEXT MEETING DATE: TBD**
  - **QUORUM CHECK**

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

There were no Board Members' comments or requests.

FIFTEENTH ORDER OF BUSINESS **Public Comments**

No members of the public spoke.

SIXTEENTH ORDER OF BUSINESS **Adjournment**

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the meeting adjourned at 4:15 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

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Chair/Vice Chair