

**MINUTES OF MEETING
SORRENTO PINES COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Sorrento Pines Community Development District held a Special Meeting on April 11, 2023 at 3:00 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:

Ernesto Torres	Wrathell, Hunt and Associates, LLC (WHA)
Sarah Sandy (via telephone)	District Counsel
Steve Saha (via telephone)	Interim District Engineer
Ashton Bligh	Bond Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Torres called the meeting to order at 3:05 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] (the following will be provided in a separate package)

- 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**

This item was deferred.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2023-32, Authorizing the Issuance of Its Sorrento Pines Community Development District Special Assessment Bonds, Series 2023 (Assessment Area One) (the "Series 2023 Bonds"); Determining Certain Details of the Series 2023 Bonds and Establishing Certain Parameters for the Sale Thereof; Approving the Form of and Authorizing the Execution And Delivery of a First Supplemental Trust Indenture; Authorizing the Negotiated Sale of the Series 2023 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect to the Series 2023 Bonds and Awarding the Series 2023 Bonds to the Underwriter Named Therein; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum Relating to the Series 2023 Bonds and Its Use by the Underwriter in Connection with the Offering for Sale of the Series 2023 Bonds; Approving the Execution and Delivery of a Final Limited Offering Memorandum Relating to the Series 2023 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Continuing Disclosure Agreement; Providing for the Application of the Series 2023 Bond Proceeds; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Series 2023 Bonds; Making Certain Declarations; Providing an Effective Date and for Other Purposes

Ms. Bligh presented Resolution 2023-32, which accomplishes the following:

- This Supplemental Resolution was contemplated when the original bond resolution was adopted in December.
- Contains documents as exhibits to sell one series of bonds for Assessment Area One to fund all or a portion of the costs of the public infrastructure for 190 residential units.
- Authorizes the forms of documents and execution, including the First Supplemental Indenture, Bond Purchase Contract, Preliminary Limited Offering Memorandum, Rule 15c2-12 Certificate and Continuing Disclosure Agreement.
- Section 4 lists the findings met so that public sale of the bonds is not required.
- Section 5 sets forth the parameters that must be met for the sale of the bonds, including optional redemption terms, maximum interest rate, aggregate principal amount of the bonds, maximum maturity date and the price at which the bonds can be sold to the Underwriter.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, Resolution 2023-32, Authorizing the Issuance of Its Sorrento Pines Community Development District Special Assessment Bonds, Series 2023 (Assessment Area One) (the "Series 2023 Bonds"); Determining Certain Details of the Series 2023 Bonds and Establishing Certain Parameters for the Sale Thereof; Approving the Form of and Authorizing the Execution And Delivery of a First Supplemental Trust Indenture; Authorizing the Negotiated Sale of the Series 2023 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect to the Series 2023 Bonds and Awarding the Series 2023 Bonds to the Underwriter Named Therein; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum Relating to the Series 2023 Bonds and Its Use by the Underwriter in Connection with the Offering for Sale of the Series 2023 Bonds; Approving the Execution and Delivery of a Final Limited Offering Memorandum Relating to the Series 2023 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Continuing Disclosure Agreement; Providing for the Application of the Series 2023 Bond Proceeds; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Series 2023 Bonds; Making Certain Declarations; Providing an Effective Date and for Other Purposes, was adopted.

Mr. Saha presented the Engineer's Report dated April 11, 2023, reflecting the Capital Improvement Plan (CIP), including all CDD improvements. 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.
- Improvements include roadways, stormwater management storm drains and ponds, water, wastewater, reclaim water, hardscape, landscape, irrigation, streetlighting, electrical undergrounding for streetlighting and underground utilities, recreational amenities, professional services and off-site improvements.
- Phase 1A estimated cost is \$5,863,252.47, Phase 1B estimated cost is \$5,623,891.77 and the Boundary Amendment Parcel estimated cost is \$12,787,697.92, for a total estimated cost of \$24,274,842.16.
- The Engineer's Report constitutes all the improvements that will provide a benefit to the CDD, as a whole.

SIXTH ORDER OF BUSINESS

Presentation of Preliminary First Supplemental Special Assessment Methodology Report

Mr. Torres reviewed the Preliminary First Supplemental Special Assessment Methodology Report dated April 11, 2023, which is related to Assessment Area One. He noted the following:

- The existing CDD boundaries comprising "Assessment Area One" total approximately 113.443 acres.
- At full buildout, the CIP will total \$24,274,842.17; the Assessment Area One Project accounts for \$11,487,144.25 of the total.
- The CDD intends to issue Assessment Area One bonds in an estimated principal amount of \$4,075,000 to fund an estimated \$3,508,500 of the \$11,487,144.25 Assessment Area One Project costs, with the balance of the CIP costs anticipated to be contributed by the Developer and/or financed by future bonds.

Mr. Torres discussed the Development Program, Financing Program, Appendix Tables and per unit assessments.

Discussion ensued regarding an arrangement between the Developer and the builder whereby the maximum annual debt assessment per lot is not to exceed \$1,500 and the need to make adjustments as necessary to lower the currently reflected anticipated annual debt assessment of \$1,595.74 down to \$1,500.

Ms. Sandy noted that this is for the purpose of delegating authority to price the bonds so the amounts are estimated and not final; this step is to set the maximum not-to-exceed amount. Ms. Bligh stated that the numbers presented to the Underwriter were based on a \$1,500 debt assessment amount with no collection discount. The estimated amounts in the Methodology are slightly higher than anticipated to allow leeway; it was contemplated that the annual debt assessment per lot will not be higher than \$1,500. Ms. Sandy stated Table 6 in the Methodology appears to reflect the annual debt service amount per unit is grossed up to include collection costs. The Underwriter will be asked if the targeted \$1,500 amount was intended to include collection costs.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2023-33, Setting Forth the Specific Terms of the District's Special Assessment Revenue Bonds, Series 2023; Making Certain Additional Findings and Confirming and/or Adopting a Supplemental Engineer's Report and a Supplemental Assessment Report; Delegating Authority to Prepare Final Reports and Update this Resolution; Confirming the Maximum Assessment Lien Securing the Bonds; Addressing the Allocation and Collection of the Assessments Securing the Bonds; Addressing Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date

Ms. Sandy recommended adopting Resolution 2023-33 and reiterated that this process sets the not-to-exceed amount so, whether the \$1,500 per lot debt assessment amount is net

or gross, is factored into the final pricing of the bonds so that, once the bonds are priced, the Methodology Report is updated to reflect the correct amount.

Ms. Sandy presented Resolution 2023-33, which is the Supplemental Assessment Resolution with delegation authority; it accomplishes the following:

- Confirms the prior Master Assessments Lien that the CDD levied.
- Approves the Engineer's and Assessment Methodology Supplemental Reports.
- Delegates authority to set the Supplemental Assessment Liens when bonds are priced.
- Provides for the allocation and collection of the assessments.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, Resolution 2023-33, in substantial form, Setting Forth the Specific Terms of the District's Special Assessment Revenue Bonds, Series 2023; Making Certain Additional Findings and Confirming and/or Adopting a Supplemental Engineer's Report and a Supplemental Assessment Report; Delegating Authority to Prepare Final Reports and Update this Resolution; Confirming the Maximum Assessment Lien Securing the Bonds; Addressing the Allocation and Collection of the Assessments Securing the Bonds; Addressing Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Consideration of Forms of Issuer's Counsel Documents

Mr. Bligh presented and explained the following documents that the CDD will enter into in connection with issuance of the bonds:

A. Collateral Assignment

On MOTION by Mr. Gross and seconded by Mr. Bennett, with all in favor, the Collateral Assignment, in substantial form, was approved.

B. Completion Agreement

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

C. Declaration of Consent

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Declaration of Consent, in substantial form, was approved.

D. Disclosure of Public Finance

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Disclosure of Public Finance, in substantial form, was approved.

E. Notice of Special Assessments

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Notice of Special Assessments, in substantial form, was approved.

F. True-Up Agreement

On MOTION by Mr. Gross and seconded by Mr. Bennet, with all in favor, the True-Up Agreement, in substantial form, was approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2023-34, Approving a Proposed Budget for Fiscal Year 2023/2024 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing for an Effective Date

Mr. Torres presented Resolution 2023-34. The following changes will be made to the proposed Fiscal year 2024 budget:

“Arbitrage rebate calculation” line item: Budget \$1,000

“Trustee” line item: Budget \$6,500

Mr. Torres reviewed the proposed Fiscal Year 2024 budget, noting increases, decreases and adjustments compared to the Fiscal Year 2023 budget.

On MOTION by Mr. Noordstar and seconded by Mr. Bennett, with all in favor, Resolution 2023-34, Approving a Proposed Budget for Fiscal Year 2023/2024, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for June 21, 2023 at 3:00 p.m., at the Fruitland Park Library, 604 W. Berckman Street, Fruitland Park, Florida 34731; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS**Consideration of Kutak Rock LLP Retention and Fee Agreement**

Ms. Sandy presented the Kutak Rock LLP Retention and Fee Agreement.

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the Kutak Rock LLP Retention and Fee Agreement, was approved.

ELEVENTH 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.

TWELFTH 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.

THIRTEENTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of February 28, 2023**

On MOTION by Mr. Bennett and seconded by Mr. Noordstar with all in favor, Unaudited Financial Statements as of February 28, 2023, were accepted.

FOURTEENTH ORDER OF BUSINESS

Approval of February 13, 2023 Public Hearings and Regular Meeting Minutes

On MOTION by Mr. Bennett and seconded by Mr. Noordstar with all in favor, the February 13, 2023 Public Hearings and Regular Meeting Minutes, as presented, were approved.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel: Kutak Rock, LLP**
- B. District Engineer (Interim): Poulos & Bennett**
- C. District Manager: Wrathell, Hunt and Associates, LLC**

District Counsel and the District Engineer had nothing additional to report.

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

The next meeting will be June 21, 2023 at 3:00 p.m.

SIXTEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

There were no Board Members' comments or requests.

SEVENTEENTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

EIGHTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Bennett and seconded by Mr. Noordstar, with all in favor, the meeting adjourned at 3:42 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair