

**MINUTES OF MEETING  
FARMTON-BREVARD  
COMMUNITY DEVELOPMENT DISTRICT**

A Special Meeting of the Board of Supervisors of the Farmton-Brevard Community Development District was held on **Friday, June 10, 2016 at 2:00 p.m.**, at the **Mims-Scootsmoor Public Library, 3615 Lionel Road, Mims, Florida 32754.**

**Present at the meeting were:**

Glenn Storch	Chair
Michael Brown	Vice Chair
Mark Dowst	Assistant Secretary
Catherine Storch ( <i>via telephone</i> )	Assistant Secretary
R. Sans Lassiter	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Mark Watts	District Counsel
Helen Hutchens ( <i>via telephone</i> )	Miami Corporation

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 2:16 p.m., and noted that a Landowners' Election occurred on March 28, 2016, a requirement following District establishment. Five Board Members were reelected. Mr. Glenn Storch, Seat 1, and Mr. Michael Brown, Seat 2, were elected for 4-year terms. Mr. Mark Dowst, Mrs. Catherine Storch, and Mr. R. Sans Lassiter, Seats 3, 4 and 5, respectively, were elected to 2-year terms.

**\*\*\* Mr. Storch left the meeting at 2:19 p.m.\*\*\***

Mr. Wrathell noted, for the record, that Mr. Storch, Mr. Brown, Mr. Dowst and Mr. Sans Lassiter were present, in person. Mrs. Storch was attending via telephone.

**SECOND ORDER OF BUSINESS**

**Administration of Oath of Office to Initial Board of Supervisors (*the following to also be provided in a separate package*)**

**\*\*\*This item, previously the Third Order of Business, was presented out of order.\*\*\***

Mr. Wrathell, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Michael Brown, Mr. R. Sans Lassiter, Mrs. Catherine Storch and Mr. Mark Dowst. Mr. Wrathell confirmed that a Notary was present at Mrs. Storch’s office.

**\*\*\* Mr. Storch rejoined the meeting at 2:21 p.m...\*\*\***

Mr. Wrathell administered the Oath of Office to Mr. Storch.

Mr. Wrathell provided and briefly explained the following items:

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

**THIRD ORDER OF BUSINESS**

**Public Comments**

**\*\*\*This item, previously the Second Order of Business, was presented out of order.\*\*\***

There being no public comments, the next item followed.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-14, Canvassing and Certifying the Results of the Landowners’ Election**

Mr. Wrathell presented Resolution 2016-14 for the Board’s consideration. Mr. Storch and Mr. Brown each received 300 votes and will serve four-year terms. Mr. Dowst, Mrs. Storch and Mr. Sans Lassiter each received 150 votes and will serve two-year terms.

**On MOTION by Mr. Brown and seconded by Mr. Lassiter, with all in favor, Resolution 2016-14, Canvassing and Certifying the Results of the Landowners’ Election, was adopted.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-15, Electing Officers of the District**

Mr. Wrathell presented Resolution 2016-15 for the Board’s consideration. He indicated that, following an election or appointment, the Board must nominate a slate of officers. The existing slate of officers may be nominated or the Board may consider changing officers. Mr. Wrathell asked to add Mr. McGaffney and Ms. Cerbone as Assistant Secretaries, with himself as Secretary and Treasurer.

Mr. Storch nominated the existing slate of officers, adding Mr. Wrathell, Ms. Cerbone and Mr. McGaffney, as discussed.

There were no other nominations.

**On MOTION by Mr. Dowst and seconded by Mr. Lassiter, with all in favor, Resolution 2016-15, Electing Officers of the District, as nominated, was adopted.**

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-16, Amending Resolution 2016-10, Rescheduling and Resetting the Date, Time and Place of the Public Hearing for Consideration of the Budget and Non-Ad Valorem Assessments for Fiscal Year 2015/2016**

Mr. Wrathell presented Resolution 2016-16 for the Board’s consideration. A budget Public Hearing was previously scheduled to adopt of the Fiscal Year 2015/2016 budget; however, the hearing must be rescheduled. The Board agreed to tentatively reschedule the Public Hearing for August 25, 2016 at 2:00 p.m., at this location. Mr. Dowst would coordinate with Mr. Storch.

**On MOTION by Mr. Dowst and seconded by Mr. Lassiter, with all in favor, Resolution 2016-16, Rescheduling and Resetting the Public Hearing for Consideration of the Budget and Non-Ad Valorem Assessments for Fiscal Year 2015/2016, to a tentative date of August 25, 2016 at 2:00 p.m., at this location, was adopted.**

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-17, Approving Fiscal Year 2016/2017 Proposed Annual Budget and Setting a Public Hearing Date for Final Adoption**

Mr. Wrathell presented Resolution 2016-17 for the Board's consideration. He stated that the Public Hearing for final adoption must be held at least 60 days from today.

Mr. Wrathell reviewed the Fiscal Year 2016/2017 Proposed Budget and noted that expenses and revenues were identical to Fiscal Year 2016.

Mr. Storch stated that certain projects were completed, which the CDD would be responsible for, and asked how new projects should be presented. Mr. Watts advised that, from a budget standpoint, projects would be considered a capital expense.

Mr. Wrathell explained that items booked items must be shown in the Capital Projects Fund as "Due to developer". The Advance Funding Agreement would indicate that the project would only be an obligation of the District if the District has money to fund it. The item would be reflected on the books but would not be an incurred expense.

Mr. Watts stated that the CDD was preparing to complete certain improvements, presumably by contract, with whoever would be performing the work. Portions of the contract may be considered part of public infrastructure covered by the District's Capital Improvement Plan (CIP), or that may be part of the plan, and a partial assignment would be used to assign those portions of the contract to the District. An Advance Funding Agreement would state that the landowner was willing to fund those expenses on behalf of the District for items tied to the CIP, to be repaid, if and when the District has available funds.

Mr. Storch stated that the District wanted to build a sewer plant and may need to purchase land for a drain field. He asked if the CDD should buy the land or the landowner should purchase the land and "front it" to the CDD. Mr. Watts responded either way. If the District buys it now, the District does not have funding to buy it with. Funds would likely come from an agreement with the landowner, unless another financing mechanism was utilized. The land could be purchased by the District, if the District would ultimately own the property, and the cost could be funded through the Advance Funding Agreement or the CDD could buy the land, construct the improvement and dedicate it to the District, after completion. There may be benefits to the tax exempt nature of the District.

Mr. Storch asked if the properties should be purchased by the CDD, if there were tax exempt benefits to owning the land. Mr. Wrathell stated that the sales tax exemption was related to the purchase of materials. Mr. Watts advised that there would be a property tax exemption if the District owned the land as part of the infrastructure.

Mr. Storch stated that, logically, these areas are where the sewer plants would be located and asked what other items could be potentially funded by the CDD. Mr. Lassiter replied anything infrastructure related. Mr. Brown inquired about the environmental work taking place in 5A, which was part of the monitoring. Mr. Storch stated that the property would ultimately be used for commercial purposes. Mr. Watts explained that the cost usually stays with the land. If there is an environmental assessment on property and some would be commercial and some would be roadways, the costs could be included in the roadway costs, to the extent they are attributable to the roadway.

Mr. Dowst stated that the sewer plant would be servicing the private development and asked how it differed. Mr. Watts responded it is infrastructure. Mr. Storch stated that the District's CIP provides for infrastructure. Mr. Watts asked if it would be set up as a utility or a private septic system.

Ms. Hutchens advised that the sewer and water treatment plants would be completed under the public utility, which has property within its certificated area. Mr. Storch stated that the plants were under the Department of Water Resources, which is a PSE Certified Utility and the District was designated the area to service. Mr. Watts advised that the utility may want to own it. Mr. Wrathell stated, although a service area was designated to the District, it must be confirmed that the utility area itself is a public governmental entity. Mr. Storch indicated that it was not. Mr. Wrathell noted instances where the private utility owns the plant and the District does not fund the plant but it can fund the collection and distribution system.

Ms. Hutchens asked if it would be from the border of the plant into the service area. Mr. Wrathell replied affirmatively. The District is not required to own the plant but it cannot fund the plant under that scenario but the District can own, operate and maintain the water and sewer lines. Mr. Watts stated that an interlocal or operational agreement would be required between the District and the utility.

Mr. Storch stated that District would be required to install sidewalks, which may be bike paths, for access to the area and bike paths were considered to be infrastructure. Mr. Lassiter explained that everything within the right-of-way (ROW) should be considered infrastructure.

Mr. Wrathell stated that, in the future, if a home builder were to purchase a subdivision and wanted a guard gate, it would not be possible if there were roads behind it. Mr. Wrathell clarified that the District was not required to own the land that its improvements are located on, or under, as long as it has an ownership operation and maintenance (O&M) easement. Mr. Watts

stated that an easement would be necessary for sidewalks, utility lines, or whatever the District was funding.

Mr. Lassiter stated that there may be a similar issue for utilities and asked if everything should be inside the ROW. Mr. Dowst stated there would be an FPL easement that may be outside the ROW. Mr. Watts stated the power easement would be the power company's easement. Mr. Lassiter assumed that the cost for relocation would be a function of the road design and, therefore, a part of the roadways. Mr. Wrathell must to ask District Counsel but, typically, relocation of utilities was a cost to the District.

Mr. Wrathell stated that, when contracts are executed and items are booked, in an effort to keep expenses down, Management would not pay each individual invoice.

Mr. Brown suggested that Management provide quarterly reports. Mr. Watts suggested finalizing the Acquisition Agreement to anticipate a quarterly transfer, which would eliminate the need for a Board Meeting.

Mr. Storch stated that the District was preparing to construct an emergency road that would allow access into the main part of the CDD and he did not plan to transfer the road. Mr. Watts asked if the road would be available to Brevard County, for fire protection purposes. Mr. Storch replied yes.

Mr. Watts recalled that the road was discussed as a secondary emergency access before development occurs. Mr. Wrathell stated just because there are public access issues and public funding is associated with any debt the District issues, while the road is under construction and not safe for the general public to traverse, and it is not functional complete infrastructure, the District has the ability to install gates, particularly for safety. Mr. Watts stated that the road was not intended to be accessible by the public but the road may have an easement for fire access dedicated to the State and Brevard County so that the county and state have access rights over it.

Mr. Brown felt that the road must be squared against the exemptions that the District was asking for, as part of the construction, with the initial agricultural nature of the use of the road. Mr. Wrathell stated there was no need to rush to convey the property to the District, as there might be advantages to keeping it private as long as possible.

Mr. Storch asked when The Crossings would be completed. Mr. Dowst replied all permits should be obtained within 45 days, then construction would be underway.

Mr. Lassiter stated that, since there was no vehicle to pay, the improvements could be collected together at an efficient time; construction would be complete and the District would have a full accounting.

Mr. Storch asked when the emergency road should be transferred and how it could be accomplished so that, other than the police and fire departments, the public would not have access. Mr. Watts suggested not conveying the road at this time.

Mr. Wrathell stated that, when the District takes ownership of the road and the funding mechanism is in place, copies of all related invoices must be provided.

Mr. Brown asked if The Crossings documents would be transferred to the CDD, after construction, to become part of the District record. Mr. Wrathell stated that the only reason to transfer would be to show that items were being funded and conveyed to the District.

Regarding the construction of the Deering Parkway extension, Mr. Storch asked if any major sales tax issues were anticipated. Mr. Brown asked the amount of the total project. Mr. Lassiter responded between \$700,000 and \$800,000. Mr. Storch commented that credit would only be issued on the materials. Mr. Lassiter stated that the exemption was for pre-cast box culverts, headwalls, etc.

Mr. Wrathell indicated that, due to new State legislative requirements, the CDD website must be more functional, showing additional public records; no new costs were incurred. In response to a question, Mr. Wrathell responded that the website went live on October 1, 2015. Costs were related to maintenance and \$600 was for hosting.

**On MOTION by Mr. Storch and seconded by Mr. Dowst, with all in favor, Resolution 2016-17, Approving Fiscal Year 2016/2017 Proposed Annual Budget and Setting a Public Hearing Date for August 26, 2016 at 2:00 p.m., at this location, was adopted.**

- **Funding Agreement for Fiscal Year 2016/2017**

Mr. Wrathell presented the Funding Agreement for Fiscal Year 2016/2017. Mr. Watts stated that the agreement was a standard funding agreement for the operational budget.

**On MOTION by Mr. Storch and seconded by Mr. Brown, with all in favor, the Funding Agreement for Fiscal Year 2016/2017, in substantial form, pending final review, was approved.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-7, Approving Florida Statewide Mutual Agreement (deferred from February 24, 2016 Organizational Meeting)**

This item was deferred.

**NINTH ORDER OF BUSINESS**

**Continued Discussion: Deering Parkway Extension**

Mr. Watts stated that documents were prepared with regard to the Deering Parkway extension and the contract for performing the work, as well as an Advanced Funding Agreement for items that were being discussed; however, based on the conversation, it might be premature to continue to discuss the items. The documents would be presented at a later date.

Mr. Storch confirmed that this was the first time the documents were presented to the Board and that Mr. Watts supplied a copy to the landowner. A conference would be scheduled, with Mr. Storch, Ms. Hutchens, Mr. Watts and the Chicago participants, to discuss how the CDD would be interacting with the Parkway extension.

Mr. Storch stressed the importance of being cognizant of the Sunshine Law when Board Members are involved in landowner related issues.

**TENTH ORDER OF BUSINESS**

**Approval of Minutes**

- A. February 24, 2016 Organizational Meeting**
- B. March 28, 2016 Landowners' Meeting**

This item was not addressed

**ELEVENTH ORDER OF BUSINESS**

**Consideration of Partial Assignment Construction Contract (to be provided under separate cover)**

This item was deferred.

**TWELFTH ORDER OF BUSINESS**

**Consideration of Landowner Advanced Funding Agreement (to be provided under separate cover)**

This item was deferred.



**THIRTEENTH ORDER OF BUSINESS                      Other Business**

There being no other business, the next item followed.

**FOURTEENTH ORDER OF BUSINESS                      Staff Reports**

**A.        District Attorney**

Mr. Watts received an inquiry from the Brevard County Property Appraiser regarding the tax roll. The District has no assessments and District Counsel would notify the Property Appraiser. Mr. Wrathell explained that, when assessments are put in place, under Chapter 197, the District Manager provides official notification to the County.

Mr. Watts stated there was a pending request for an AGO opinion and Mr. Rob Dunn was preparing a Memo of Law. The Memo would be mailed in the next week and a response was expected in late June or early July.

Mr. Lassiter noticed that the website contained email addresses for the Board Members and asked if the addresses were active. Mr. Wrathell would follow up. He explained that the new statutory requirements require email addresses. Public records requests should be referred to the District Manager.

**B.        District Engineer**

There being no report, the next item followed.

**C.        District Manager**

**i.        Approval of Unaudited Financial Statements as of April 30, 2016**

Mr. Wrathell noted that, on Page 1, under “Assets”, the word “developer” would be replaced with “landowner”.

Mr. Storch asked if the correct landowner was reflected. Mr. Wrathell responded that the corrections were in progress.

**On MOTION by Mr. Storch and seconded by Mr. Dowst, with all in favor, the Unaudited Financial Statements as of April 30, 2016, as amended, were approved.**

**FIFTEENTH ORDER OF BUSINESS                      Public Comments (*non-agenda items*)**

There being no public comments, the next item followed.

**SIXTEENTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

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

**SEVENTEENTH ORDER OF BUSINESS**

**Supervisors' Requests**

There being no Supervisors' requests, the next item followed.

**EIGHTEENTH ORDER OF BUSINESS**

**Adjournment**

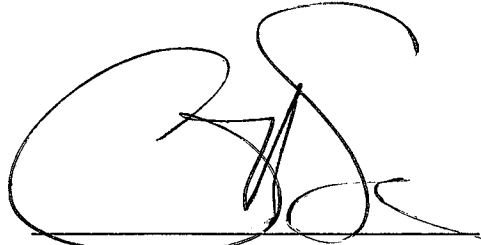
There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Brown and seconded by Mr. Storch, with all in favor, the meeting adjourned at 3:06 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair