

**MINUTES OF MEETING
LAKE LIZZIE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lake Lizzie Community Development District was held Wednesday, **October 2, 2024** at 12:33 p.m. at the Hart Memorial Library, 211 East Dakin Ave., Kissimmee, Florida.

Present and constituting a quorum:

Tony Iorio	Chairman
Rocky Owen	Assistant Secretary
Jason Lonas <i>by phone</i>	Assistant Secretary
Tom Franklin	Assistant Secretary

Also present were:

Tricia Adams	District Manager, GMS
Michelle Rigoni <i>by phone</i>	District Counsel, Kutak Rock
Alan Scheerer	Field Manager
Shawn Hindle	District Engineer
Sara Zare <i>by phone</i>	Underwriter, MBS
Cynthia Wilhelm <i>by phone</i>	Bond Counsel, Nabors Giblin

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order and called the roll. Three Board members were present in person constituting a quorum. One Board member participated by phone.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present for the meeting and there were no members on the Zoom line.

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THIRD ORDER OF BUSINESS

**Approval of Minutes of the August 7, 2024,
Board of Supervisors Meeting**

Ms. Adams presented the minutes from the August 7, 2024 Board of Supervisors meeting. She noted the minutes have been referred by staff. She asked the Board for any changes to the minutes. Hearing no comments, she asked for a motion to approve.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Minutes of the August 7, 2024 Board of Supervisors Meeting, were approved

FOURTH ORDER OF BUSINESS

**Consideration of Supplement to
Investment Banking Agreement**

Ms. Adams stated this is with MBS Capital Markets. Ms. Zare presented the agreement and explained it is a supplement to the previous investment agreements and would be effective November 2, 2022.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Supplement to Investment Banking Agreement, was approved.

FIFTH ORDER OF BUSINESS

Financing Matters for Series 2024 Bonds

A. Consideration of Amended and Restated Master Engineer’s Report

Ms. Adams stated this is amended and restated from the Master Engineer’s Report and has not changed since previous review. Mr. Hindle stated the purpose is to establish the improvements associated with the development. He stated the property boundaries, and the development was in two phases. He added Phase 2 is approximately 20.98 acres and in Table 3.1 and in 3.2 is the unit count showing Phase 2 has 118 single family units of the 311 total units. He added this matches in the limited offering memorandum.

Mr. Hindle stated the next portion defines the capital improvements to include roadway, and stormwater management system, master utilities to include water and sewer, landscaping irrigation, amenities, streetlights, underground electrical utility lines, professional services and off-site improvements. He noted that this report will also establish who is the intended owner and capital financing and maintenance entity of each of the improvements. This allows for financing of the developer to contribute towards the costs. He stated the permits were secured for the projects.

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He noted there were no changes since the Board's adoption and the total estimated cost of Phase 2 improvements was \$3,523,600.

Ms. Rigoni stated the report was already approved and there were no changes since; this was being provided for information purposes in preparation for financing Phase 2.

Mr. Hindle noted that since the adoption of the report, the District lands were annexed into the City of St. Cloud and the City permitted for utilities. The utilities were taken over by Toho who manages the utilities for the city. The report shows Toho as the water authority and the owning entity. The permit will show as the city of St. Cloud. He added annexation occurred in the city of St. Cloud; inspections were permitted through the county and is now a part of the city of St. Cloud property.

Ms. Rigoni added updates regarding ownership identity, absent bond counsel and underwriter counsel objection, can be explained via narrative in the offering document. Mr. Hindle added this was platted in Osceola County, but since lands have been annexed they will be ultimately conveyed to, owned and maintained by the city and this will reflect in the report.

Ms. Adams stated the engineer's report stands as is and all pertinent changes regarding the project, permitting, and ownership are accurately reflected in the offering document, so no action is required.

B. Consideration of Supplemental Assessment Methodology Report

Ms. Adams stated this report takes the capital improvement plan provided by the engineer and allocates the expenses fairly throughout those units that will benefit the District and identified as the single-family residential units. She reviewed all tables and noted this is in draft format until estimates can be confirmed. She suggested that this report be approved in substantial form.

Ms. Adams noted Table 1 shows that there are 118 units in this phase, and each is assigned 1 ERU. The total cost estimates take in the capital improvement plan with the eligible improvements identified in the engineer's report. The bond sizing is estimated numbers provided by the underwriter with an estimated of interest at 5.38%. Once this is finalized the Assessment Methodology report will be finalized.

Ms. Adams added the identified cost per unit and is \$29,861 per unit. The benefit par debt per unit is reflected at \$18,728.81. The par debt for each unit shows early payment discount and

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the gross annual debt assessment at \$1,350. The last Table is the assessment roll included in the report. She added this Assessment Report has been reviewed by the financing team and counsel.

Ms. Rigoni added this is approval in substantial form.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, the Supplemental Assessment Methodology Report, was approved in substantial form.

C. Consideration of Resolution 2025-01 Bond Delegation Resolution

- i. Exhibit A: Form of Bond Purchase Agreement**
- ii. Exhibit B: Form of Second Supplemental Indenture**
- iii. Exhibit C: Form of Preliminary Limited Offering Memorandum**
- iv. Exhibit D: Form of Continuing Disclosure Agreement**
- v. Exhibit E: Copy of Engineer’s Report**
- vi. Exhibit F: Form of Supplemental Assessment Methodology**

Ms. Wilhelm, bond counsel, presented the Bond Delegation stating this serves two main purposes. The first purpose is to delegate to the Chair of the Board the authority to enter into the purchase agreement within the parameters to be defined. The second purpose is to approve in substantial form all related documents.

Ms. Wilhem reviewed the parameters to include the maximum principal amount of the bonds is not exceed \$3,500,000, the maximum interest rate is the maximum statutory rate, the underwriter discounts a maximum of 2%, the maturity dated to not exceed May 1, 2056, optional redemption provisions are as they are provided in the bonds with optional redemption no later than May 1, 2037. This will be approved in substantial form.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Resolution 2025-01 Bond Delegation Resolution, was approved.

D. Consideration of Forms of Ancillary Documents for Series 2024 Bonds

- i. Completion Agreement**
- ii. True-Up Agreement**
- iii. Collateral Assignment and Assumption of Development and Contract Rights**
- iv. Declaration of Consent to Jurisdiction of the District and Imposition of Series 2024 Assessments**

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Ms. Adams stated these ancillary documents are for the Series 2024 bonds. Ms. Rigoni suggested that the documents can be approved all in one motion in substantial form. She stated these will act as part of the financing documents for the 2024 bonds and provided a brief summary of each.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Forms of Ancillary Documents for Series 2024 Bonds, were approved in substantial form.

SIXTH ORDER OF BUSINESS

Consideration of Acquisition of Phase 2 Improvements

Ms. Adams stated this is for acquisition of improvements with the understanding that these improvements are close to if not will be complete and ready for conveyance when the bond proceeds are ready. District counsel presented a summary of the proposed Phase 2 acquisition of improvements and the acquisition cost will not exceed \$2,700,000 based on the construction costs provided by the developer.

On MOTION by Mr. Owen, seconded by Mr. Franklin, with all in favor, the Acquisition of Phase 2 Improvements, was approved, as corrected.

SEVENTH ORDER OF BUSINESS

Consideration of Proposal for Series 2023 Arbitrage Services

Ms. Adams stated this is for arbitrage acquisition services. She stated the tax-exempt bonds are regulated by the IRS and require that there is not earning more interest than what is paid. She added these are run each year to determine there is not an arbitrage issue. She reviewed the service providers, and noted the low bidder was AMTEC and suggested the Board approve them as the provider. This is for \$450 annually.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, the Proposal for Series 2023 Arbitrage Services, was approved.

EIGHTH ORDER OF BUSINESS

Ratification of Fiscal Year 2024 Audit Engagement Letter

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Ms. Adams stated the Fiscal Year 2024 Audit Engagement letter was approved for 5 years with Grau and Associates. This is the second year, and the fee is for \$3,900 and is commensurate with previous amounts and the current budget. She added this was already DocuSigned by the chair.

On MOTION by Mr. Owen, seconded by Mr. Franklin, with all in favor, the Fiscal Year 2024 Audit Engagement Letter, was ratified.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Rigoni provided an overview of the timeline for the authorized Series 2024 bonds. She noted they will post the PLOM sometime next week and the pricing of the bonds expected to follow the following week. They anticipate bringing all documents necessary to pre-close immediately following the November meeting, with closing anticipated to be on November 8th.

B. Engineer

Mr. Hindle provided awareness to the Board regarding the Stormwater Management District stormwater issues and the tax roll and establishing if any property had changed hands. He added they were checking the transfer of permits to ensure they are determining any property has changed hands. He noted there was one client that transferred the permit and was completed incorrectly. The transfer of the bonds was completed to the CDD, but he was fined \$6000 for not transferring a permit. He added they were working to ensure the District has the correct permits for its stormwater ponds.

Mr. Hindle asked for permission for the Chair to sign the permit transfers with the water district.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Authorizing the Chair to Sign the Water Management Permit Transfers, was approved.

C. Field Manager

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Mr. Scheerer reviewed the field report to include the change of transfer landscaper wires the week of 16th or September. This has been in place or 3 weeks and is going well. He questioned a stormwater issue and who owns the inlets and roads in the CDD and the maintenance responsibility. Mr. Hindle responded that this CDD was established in the county and the roads are public. He added District-financed infrastructure is all public, so the respectively public entities are responsible for the maintenance. He added there was a problem with 1 member of the city council that is trying to make the CDD responsible for maintaining all roadways and infrastructure. It was clarified the difference in City/County and CDD responsibilities.

Mr. Scheerer stated so the ponds, inlets, roadways and curbs are public. Mr. Hindle explained a previous agreement and its problems. He noted this was all county including the sidewalks, but anything the CDD put in as far as greenery was the CDD’s responsibility. Discussion ensued on O&M, city services, and further clarification.

D. District Manager’s Report

i. Approval of Check Register

Ms. Adams presented the check register out of the general fund from July 1, 2024, through August 31, 2024 with a total amount of \$36,003.48.

On MOTION by Mr. Iorio, seconded by Mr. Owen with all in favor, the Check Register, was approved.

ii. Balance Sheet & Income Statement

Ms. Adams presented the balance sheet that is included in the agenda packet. No action was required at this time.

TENTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being no comments, the next item followed.

TWELTH ORDER OF BUSINESS

Adjournment

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Ms. Adams asked for a motion to adjourn.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor,
the meeting was adjourned.

Signed by:

Tricia Adams

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Secretary/Assistant Secretary

DocuSigned by:

Tony Iorio

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Chairman/Vice Chairman