

MINUTES OF MEETING  
WESTSIDE  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Westside Community Development District was held Wednesday, July 3, 2019 at 11:00 a.m. at the offices of Hanson Walter & Associates, 8 Broadway Avenue, Suite 104, Kissimmee, Florida.

Present and constituting a quorum were:

Bennett Ruedas	Chairman
Tom Franklin	Vice Chairman
Scott Stewart	Assistant Secretary
Steven Rivera	Assistant Secretary

Also present were:

Jason Showe	District Manager
Andrew d'Adesky	District Counsel
Mark Vincutonis	District Engineer
William Viasalyers	Field Manager
Justin Rowan	MBS Capital Markets

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Showe called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

- A. Acceptance of Resignation of Keith Trace and Appointment of Individual to Fill the Board Vacancy with a Term Ending November 2020**

On MOTION by Mr. Franklin seconded by Mr. Ruedas with all in favor Keith Trace's resignation was accepted.
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Mr. Showe asked is there a nomination to fill that seat?

On MOTION by Mr. Ruedas seconded by Mr. Stewart with all in favor Steven Rivera was appointed to fill the unexpired term of office.

**B. Appointment of Individuals to Fill Seats 3 & 5**

This item deferred.

**C. Administration of Oath of Office to Newly Appointed Board Members**

Mr. Showe being a notary public of the State of Florida Administered the oath of office to Mr. Rivera.

Mr. Showe stated behind the Oath of Office form is an information page and if you will fill that out before you leave today so we will have your contact information. Next is the Form 1 Statement of Financial Interests and this is required to be completed and turned in to the Supervisor of Elections in the County in which you reside within 30 days of today. Behind that is the final form financial statement and is required to be completed and filed within 60 days of leaving office and is there for information. As a member of the Board you are entitled to receive compensation of \$200 per meeting and you can accept or waive compensation. The last item is a booklet on the Florida Commission on Ethics Guide to the Sunshine Amendment. As a Board Member you are now a public official and you cannot discuss anything that may come up for a vote with another Board Member outside of a publicly noticed meeting. That includes emails, text messages, phone calls, any social media. You will notice when you get emails from us if other Board Members are on it, it will say please do not reply to all at the bottom as a reminder. You are not required to keep records from any of these meetings, that is our job as District Manager, we are the official record keeper. If you do keep anything we recommend you keep it separate from your personal files so if there is a public records request it is in one spot and your personal files are not intermingled.

Mr. d'Adesky stated we will send you a packet of information.

**D. Consideration of Resolution 2019-19 Electing Officers**

Mr. Showe stated at this time you have no Chair and we need to elect officers. At this time Ariel Lovera in our office serves as Treasurer, George Flint is Secretary and Jason Showe is an Assistant Secretary.

Mr. d'Adesky stated in order to execute checks they have to have their staff able to sign checks and other documents.

Mr. Showe stated Mr. Franklin serves as Vice Chair, Mr. Stewart and Mr. Ruedas serve as Assistant Secretaries.

On MOTION by Mr. Stewart seconded by Mr. Franklin with all in favor Resolution 2019-19 was approved reflecting the following officers: Mr. Ruedas Chairman, Tom Franklin Vice Chairman, Ariel Lovera Treasurer, George Flint Secretary, Scott Stewart, Steven Rivera and Jason Showe Assistant Secretaries.

#### **FOURTH ORDER OF BUSINESS**

#### **Approval of the Minutes of the June 5, 2019 Meeting**

On MOTION by Mr. Franklin seconded by Mr. Ruedas with all in favor the minutes of the June 5, 2019 meeting were approved, as presented.

#### **FIFTH ORDER OF BUSINESS**

#### **Review and Acceptance of Fiscal Year 2018 Audit Report**

Mr. Showe gave an overview of the audit report and stated we continue to have the same findings that we have had since 2011 related to the debt service payments not being made. The rest of the items they look at are in compliance and Counsel has reviewed it.

Mr. d'Adesky stated we have reviewed it and it is as clean as possible with the exception of the bonds that we have no power to correct.

Mr. Showe stated there are management responses to all these findings and the findings have been in there since 2011 and 2012.

On MOTION by Mr. Stewart seconded by Mr. Franklin with all in favor the Fiscal Year 2018 Audit was accepted and staff was authorized to transmit the final report to the State of Florida.

#### **SIXTH ORDER OF BUSINESS**

#### **Consideration of Acquisition Agreement**

Mr. d'Adesky stated the acquisition agreement is with Pulte for Windsor at Westside. They still have not given us comments on this document despite the fact that we sent it to them

in early May. We are approving it in substantially final form assuming they might have some minor comments. Having an acquisition agreement in advance will allow them to convey any infrastructure prior to the actual closing on the bonds and will allow those pieces of infrastructure to be reimbursable on the bond series. If they don't close we have a bond funding agreement so they are going to be paying my bills for the work we are doing on this currently. This is the same form we have used for Mattamy.

On MOTION by Mr. Ruedas seconded by Mr. Stewart with all in favor the acquisition agreement with Pulte for Windsor at Westside was approved in substantially final form and the Chairman was authorized to execute the agreement.

**SEVENTH ORDER OF BUSINESS****Consideration of Resolution 2019-20  
Ratifying Conveyance of Property**

This item was tabled.

**EIGHTH ORDER OF BUSINESS****Consideration of Resolution 2019-21**

Mr. d'Adesky stated Resolution 2019-21 is approval of the execution of the Phase 2 Plat, approval of the dedications on the plat and approval of prior actions, severability, effective date. The dedications really don't change it is really how they drew the lines in the plat that change. It doesn't really impact anything that is coming to the CDD or add extra burden for the CDD in terms of maintenance or operational responsibilities.

Mr. Ruedas stated from what I understand in talking to the surveyor the geometry is identical to what was done before. What happened was an older version of the plat was platted, not the current version of the plat and a lot of things had changed between then and when we went in for platting and was inadvertently recorded. This replat changed that, it is not a scrivener's error it had to be a replat because of tract names and easements from the old version to the intended version. We have taken measures to make sure that none of the property had been conveyed to anybody prior to the replat other than the pond.

Mr. d'Adesky stated the pond that is going to be transferred to the District the one that is marked Tract P3A Water Management Area, the way pond P3 was originally platted and transferred to the CDD it actually overlaps on lots 489, 488, 487 and 486. When we transferred out and transferred back those lots will be Mattamy lots. It still serves the same function for the

District, it still forms a component of the same stormwater system that is going to be able to service that phase of the development.

Mr. Ruedas stated this resolution pretty much gives us the greenlight to be in front of Osceola County in case they are looking for it, which we anticipate they are.

Mr. d'Adesky stated this is pretty much the Osceola County required resolution, we use it in all our Districts in Osceola County.

On MOTION by Mr. Franklin seconded by Mr. Stewart with all in favor Resolution 2019-21 was approved.

## **NINTH ORDER OF BUSINESS**

### **Presentation by MBS Capital Markets**

Mr. Rowan stated I wanted to revisit an opportunity to refinance the Districts 2005 and 2007 bonds. At the last Board meeting I made a presentation that based on the interest rates we had assumed a month or two ago that a refunding could generate about 7% annual reduction in debt service for the 2005 Bonds and a 17% annual reduction in the debt service for the 2007 bonds. The Board had wanted to digest all that. Upon doing some additional research on timing the way the indentures dictate when the bonds can be refinanced is on any interest payment date, which is May 1 or November 1 and then there also needs to be a 30-day notice period to existing bondholders if bonds are going to be called. That means going forward we have to close on the bonds by October 1<sup>st</sup> of this year or April 1<sup>st</sup> of next year; those are the only two opportunities.

Mr. Stewart asked do the savings you mentioned include the cost of refinancing?

Mr. Rowan stated those are net costs of refinancing. The Board would need to go through most likely the assessment process because the principal amount of the bonds may increase slightly about 2% because we are rolling the closing costs into the new bond issue even though there still is a reduction in debt service. If we want to meet that deadline by this October, we would need to start the assessment process at the next Board meeting.

Mr. d'Adesky asked didn't we do an authorization resolution for this? I know we approved the underwriting agreement at the last meeting. I will bring an authorization resolution back to the next meeting that will ratify prior actions because we are going to have to do some work on this in good faith and based on this Board's direction that a refinancing is beneficial to the District.

Mr. Franklin stated it is, wasn't there would be no reason to do it; a 7% or 17% on the overall is gigantic.

Mr. Ruedas asked do you have the details on exactly what the principal increase would be and does that take into consideration that savings?

Mr. Rowan stated yes, I like to use the analogy that if you were refinancing your mortgage you can roll in the closing costs of the mortgage and still have a reduction in the monthly payment as a result of lower interest rates.

Mr. Ruedas stated you have looked at the life of it and said 7% and 17% difference including rolling in the closing costs.

Mr. Rowan stated correct and again on each of those deals it is about a \$200,000 increase in the total principal of the bonds that are outstanding today.

Mr. Showe stated because we are increasing principal we do have to send mailed notices to all the residents alerting them that we are increasing principal, however, their assessments will likely go down.

Mr. Ruedas asked can this all be done by August 1<sup>st</sup>?

Mr. d'Adesky stated yes. We know it is coming, we can prepare the form of the letter and have it ready to go and pretty much pull the trigger at the next meeting.

Technically this item and the plat was not on the agenda, there are no members of the public here it is just staff so we don't have to take additional public comment on those items.

I don't see any problem with the timeline, it is feasible to get it done by October 1<sup>st</sup>.

Mr. Franklin stated if something changes before that we have the option not to do it.

Mr. d'Adesky stated right.

Mr. Ruedas asked what interest rate are we at now?

Mr. Rowan stated on these refinancing's we assumed a 4.3% on each of them and rates have not moved dramatically in the last month. The existing rates are 5.65% and 7.2%.

Mr. Franklin stated I would say move forward with this.

Mr. d'Adesky stated we will bring back the appropriate resolutions and notices for the next meeting. Based on the agreement we had at the last meeting you are directing us to do this consensually as a Board. We can bring all those items back for the next meeting and if we have to we can call a special meeting.

Mr. Rowan stated with respect to notices we are also looking at a concurrent schedule with Pulte's bond issuance and starting the assessment process at the next Board meeting as well so there will be two separate notices.

## **TENTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Attorney**

Mr. d'Adesky stated we are going to contact Pulte about their timeline in getting document comments. They had some internal checklist they had us help them with, which was just for their own corporate business.

I think we had a question and I don't know that we resolved it on the road conveyance and whether that was finalized.

Mr. Showe stated I will double check on that.

#### **B. Engineer**

There being none, the next item followed.

#### **C. Manager**

##### **i. Approval of Check Register**

Mr. Showe presented the check register from May 29, 2019 through June 26, 2019 in the amount of \$399,574.67.

On MOTION by Mr. Franklin seconded by Mr. Stewart with all in favor the check register was approved.

##### **ii. Balance Sheet and Income Statement**

A copy of the balance sheet and income statement were included in the agenda package.

##### **iii. Discussion of Direct Bill Status**

A copy of the direct bill status was included in the agenda package.

##### **iv. Statement of Financial Interests Filing Reminder**

Mr. Showe stated Mr. Stewart and Ms. Nyariri have not turned in their forms yet.

**ELEVENTH ORDER OF BUSINESS**

**Supervisor's Requests**

There being none, the next item followed.

**TWELFTH ORDER OF BUSINESS**

**Other Business**

There being none,

On MOTION by Mr. Stewart seconded by Mr. Franklin with all in favor the meeting adjourned at 11:32 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman