

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**WATERLEFE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Waterlefe Community Development District was held on **Monday, July 18, 2016 at 2:09 p.m.** at the Waterlefe Golf Club Lefe Room, located at 1022 Fish Hook Cove Bradenton, FL 34212.

Present and constituting a quorum were:

Ken Bumgarner	Board Supervisor, Chairman
John Brocki	Board Supervisor, Vice Chairman
Chris Hogan	Board Supervisor, Assistant Secretary
Roz Warner	Board Supervisor, Assistant Secretary

Also present were:

Greg Cox	Regional District Manager, Rizzetta & Company, Inc.
Andy Cohen	District Counsel, Persson & Cohen
Rick Schappacher	District Engineer, Schappacher Engineering
Steve Dietz	General Manager of Golf Course Operations, Waterlefe Golf Club
John Crawford	Field Services Manager, Rizzetta & Company, Inc.
Scott Brizendine	Financial Consulting, Rizzetta & Company, Inc.
Chuck Gregory	Representative of the MPOA
Representative	Landscape & Irrigation Committee
Representative	Erosion Committee
Representative	Bond Investigation Committee
Representative	Golf Committee
Ken Artin	Special Bond Counsel
Brett Sealy	MBS Capital Markets
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cox called the meeting to order and conducted the roll call.

SECOND ORDER OF BUSINESS

Audience Comments

Audience was present. No comments were taken.

THIRD ORDER OF BUSINESS

Consideration of the Meeting Minutes from the Board of Supervisors' Meeting held on June 24, 2016

On a Motion by Ms. Warner, seconded by Mr. Hogan, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on June 24, 2016 for Waterlefe Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of the Meeting Minutes from the Board of Supervisors' Meeting held on June 27, 2016

On a Motion by Mr. Bumgarner, seconded by Mr. Hogan, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on June 27, 2016 for Waterlefe Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of Minutes from the Landscape Committee Meeting held May 23, 2016 and June 23, 2016

Mr. Cox presented the meeting minutes from May 23, 2016 and noted that the June 23, 2016 meeting minutes were also provided for the Board's consideration. See Exhibit A.

On a Motion by Ms. Warner, seconded by Mr. Bumgarner, with all in favor, the Board accepted the minutes of the Landscape Committee meetings held May 23, 2016 and June 23, 2016 for Waterlefe Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of the Operations and Maintenance Expenditures for June 2016

On a Motion by Ms. Warner, seconded by Mr. Brocki, with all in favor, the Board ratified the payment of the Operations and Maintenance expenditures for the month of June 2016 which totaled \$492,336.80 for Waterlefe Community Development District.

SEVENTH ORDER OF BUSINESS

Consideration of Recommendation of Audit Review Committee

On a Motion by Mr. Hogan, seconded by Mr. Bumgarner, with all in favor, the Board approved the recommendation of the Audit Review Committee to select Carr, Riggs & Ingram as the number one ranked auditor, and to give authority to the Chairman to execute the agreement with Carr, Riggs & Ingram, for Waterlefe Community Development District.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. Maintenance Reports****1. Aquatic Report**

Mr. Josh McGarry, with Aquatic Systems, was present and reviewed their monthly report with the Board. He discussed the status of the Hydrilla and advised that they performed a systemic treatment in late May, early June with continual treatments of the algae that is produced as a result of the treatment. He discussed the status of the Carp stocking and barrier approvals.

Mr. McGarry also provided a fish stocking update. He advised the Board that Bream will be stocked no later than November 2016; Bass will be stocked in April of 2017; and Carp will be stocked in the November – December 2016 timeframe. He reports that there will be an additional Carp barrier added to Pond 1 in August and that the application for the barrier will be amended. Mr. McGarry indicated he will notify everyone of when the fish will be stocked so that if anyone wanted to watch and take pictures, they could.

Ms. Warner inquired if the two islands on pond 9 were sprayed. Mr. McGarry advised that the treatment will be done before the end of July depending upon the availability of the boat.

Mr. Hogan reported that ponds 7 & 8 continue to have algae issues. Mr. McGarry reported that Aquatic Systems has altered their treatment chemicals to include one with a phosphorus binding agent in it to reduce the chemical treatments. He noted that the shallowness of these ponds help increase the algae production.

Mr. Brocki inquired if the phosphorus levels in the ponds had been checked as requested in the previous meetings. Mr. McGarry advised that the levels had been checked and that he will provide the most updated information to Mr. Cox for Board distribution. He provided the Board with additional information regarding phosphate levels and how they impact the ponds.

B. District Engineer

Mr. Schappacher presented and explained a Public Facilities Report that he had prepared. He noted that the report is updated every four to five years. Mr. Cohen, District Counsel, advised that the statute had been updated and the timing requirement of the report had been changed.

Mr. Brocki asked questions regarding the presence of a reserve study and the referenced maintenance plan. Mr. Hogan discussed the need to include items related to security provided by the District. Mr. Brocki requested information regarding the monument repair work status. Mr. Schappacher advised the Board that the work had been completed and the invoice has been sent in. Mr. Brocki commented that there was still some clean-up work that needed to be completed. Mr. Brocki addressed the issue of trees down at the Shores area and requested assistance from Mr. Schappacher.

Mr. Schappacher noted the drainage issue near hole 6 and Mr. Steve Dietz confirmed that his staff should be able to take care of the needed drainage. Mr. Dietz also confirmed that he will communicate the timeframe for completion to the residents.

Mr. Schappacher addressed an email he received from Mr. Alan Haibach about the installation of a fence on the south side of a resident's lot that would cross a small portion of CDD property. The Board discussed and agreed that the resident would need to submit his request to the MPOA Design Architectural Review Board for consideration.

Mr. Schappacher also provided an update on the installation of the crossings. He is currently coordinating with the vendor and will provide further updates as he receives them.

C. Public Hearing on the 2016 Benefit Special Assessments Revenue Bond

Mr. Brett Sealy of MBS Capital Markets presented a Supplement to the Investment Banking Agreement in place with the District that is required by regulatory agencies before MBS Capital Markets is authorized to advise the District on topics such as the Series 2016 revenue bond.

On a Motion by Mr. Bumgarner, seconded by Mr. Hogan, with all in favor, the Board approved the Supplement to the Investment Banking Agreement authorizing the continued engagement of MBS Capital Markets and to authorize the Chairman to execute the Supplement for Waterlefe Community Development District.

On a Motion by Mr. Brocki, seconded by Mr. Hogan, with all in favor, the Board opened the public hearing for the 2016 Benefit Special Assessments Revenue Bond for Waterlefe Community Development District.

Mr. Andy Cohen presented a background summary of the bond issuance process. He explained the resolutions that had been adopted to date related to the bond issuance and noted that notification letters had been mailed out to property owners in the District. Mr. Cohen explained the timeline associated with the bond issuance process.

Mr. Scott Brizendine, District Financial Consultant, presented the Preliminary Supplemental Methodology Report and he explained the differences in the methodology report for financing that was previously approved by the Board versus the one being presented at this meeting.

The Board discussed the report from Mr. Brizendine. It was explained that the assessments associated with the bond issuance would not be reflected in the next fiscal year's budget.

The Board received comments from the attending public regarding the Special

Assessments Revenue Bond. The comments included concerns over additional assessments; the benefits associated with the bond for the residents; discounts offered to residents by the golf course; payoff questions; why a flat rate was not used in the methodology; the participation of the golf course and the commercial properties; and how soon the bond assessment could be paid off.

The Board members discussed the issues associated with offering discounts or other benefits to the residents. Mr. Brizendine explained the logic with using a flat rate for the assessments associated with this bond issuance. There was also a discussion of whether the golf course and the boating community should have been included in the assessment methodology.

On a Motion by Mr. Bumgarner, seconded by Ms. Warner, with all in favor, the Board to close the public hearing for the 2016 Benefit Special Assessments Revenue Bond for Waterlefe Community Development District.

1. Consideration of Resolution 2016-09, Equalizing, Approving, Confirming and Levying Special Assessments

Mr. Andy Cohen presented the Resolution 2016-09 to the Board and explained its contents. He referenced two additional meetings that need to occur. The first meeting would need to be held on August 5, 2016 at 2:00 p.m. to execute the Delegation Resolution and the second meeting will need to be held on August 25, 2016 at 2:00 p.m. to review the final numbers. It was noted that the bond pre-closing could be done on August 25, 2016 as well. The Board discussed the potential changes to the assessment methodology and when those changes would be considered.

On a Motion by Mr. Hogan, seconded by Ms. Warner, with all in favor, the Board approved Resolution 2016-09, Equalizing, Approving, Confirming and Levying Special Assessments for Waterlefe Community Development District.

On a Motion by Mr. Hogan, seconded by Mr. Brocki, with all in favor, the Board authorized staff to advertise for the holding of Special Meetings for 2:00 p.m., August 5, 2016 and 2:00 p.m., August 25, 2016, for Waterlefe Community Development District.

NINTH ORDER OF BUSINESS

Staff Reports Continued

D. District Counsel

Mr. Andy Cohen provided an update of the Golf Course Bond issues. He summarized the meetings to be held which will finalize and validate the Bond. Mr. Cohen advised the Board that two remaining consent forms from the Bond Holders are still being obtained.

Mr. Cohen provided an update on WCI that is finalized and the payment was received. The release has been recorded and the debt has been resolved.

He also provided an update on the Shores. Mr. Cohen reported that the extension

to file the brief has been granted and that settlement negotiations are still ongoing. He reported that no settlement has been reached but he will provide another update as he obtains it.

Mr. Cohen advised that he has been working with Mr. Cox and Mr. Dietz on Request for Proposals (RFP) for the golf cart lease. He reminded the Board that the golf carts are on year three of a four-year lease.

On a Motion by Mr. Hogan, seconded by Ms. Warner, with all in favor, the Board authorized staff to issue and advertise the Golf Cart and Equipment Request for Proposals, for Waterlefe Community Development District.

E. Property Manager

Mr. Cox presented the Property Manager report to the Board for their review.

F. Director of Golf Course Operations

Mr. Steve Dietz provided an update of the Golf Course Operation. He reported that profits were up \$15,698.00 and that year-to-date the total net profits are \$57,391.00.

Mr. Dietz presented a copy of the fiscal year 2016-2017 Golf Course budget which will be addressed at the next Golf Committee meeting. He invited members of the Board to address any questions or comments they have about the budget to him or Mr. Tony Tierno.

Ms. Roz Warner posed the question about how many members were included in the budget. Mr. Dietz informed the Board that member count is 127 based on the amount of resignations and potential prospects and that the number of members should increase to 129.

A discussion ensued regarding the debit card to be issued to Mr. Dietz. Mr. Dietz reported that he will coordinate with District Management and Accounting to finalize the process.

A discussion ensued regarding the work needing to be completed behind hole #9. Mr. Dietz reported that White Diamond will commence the work this Saturday and follow through until next Saturday.

G. Golf Course Committee

Mr. Tony Tierno described the conclusion regarding the sign that is to be installed on the southern tip of the property. Mr. Tierno explained that the \$35,000 in the budget for the Golf Committee will be used to remodel rooms in the Club House. It was also discussed that they were attempting to accomplish much of the work in house.

G. Erosion and Waterways Committee Update

No report was provided.

H. Landscape Committee Update

Mr. Brocki provided an update to the Board regarding the landscape field inspection and noted that the vines are returning on the south wall and that Mr. Tyree Brown will be bringing back the beetles to rectify the situation. Mr. Cox took a moment to introduce Mr. John Crawford who will be taking over for Tyree Brown to perform field inspections for the District.

Mr. Brocki reported that the dead landscaping at the front entrance has been replaced.

He also reports that they are still waiting for the replacement of the peanut plant that was inadvertently removed which should be replaced with petite ixora this Wednesday and that the Board will have to pay the difference in the cost of the plants.

Mr. Brocki also provided an update on the cul-de-sac circle renovations and reports that a number of proposals have been received and the cost is estimated at \$2,800 per cul-de-sac circle. He reported that they have been working to reduce the cost by reducing the size of the planting area by adding sod and reducing the size of plants to be installed. He advised that he is having Yellowstone perform the work on the worst four cul-de-sacs in the community for amounts totaling \$1,500 and \$1,800 per cul-de-sac circle and that the cost should be reduced by \$250 per circle due to a miscalculation of mulch quantities. He reported that Sea Turtle, Discovery (on the far end), Portside and the east side of Conch Shell are the ones needing the work.

A discussion ensued regarding the current landscape within the cul-de-sacs.

On a Motion by Mr. Bumgarner, seconded by Mr. Hogan, with all in favor, the Board approved proposals for the renovation of the four cul-de-sacs with a not-to-exceed amount of \$7,000, for Waterlefe Community Development District.

A discussion ensued regarding the parking lot landscaping for the River and Golf Clubs. Mr. Brocki advised that he received a proposal for the replacement of the landscaping at this site for a total of \$3,435.84.

On a Motion by Mr. Bumgarner, seconded by Mr. Hogan, with all in favor, the Board approved proposals for \$2,810.53 and \$625.31 for the renovation of the Golf Club parking lot landscaping with a not-to-exceed amount of \$3,500, for Waterlefe Community Development District.

Mr. Brocki updated the Board on the main circle redesign that is being developed by Simply Verde. He noted that Simply Verde will be presenting revised proposals to the committee at the July 28th meeting and then hopefully to the CDD Board at the next regular meeting for approval. He informed the Board that the biggest roadblock in the redesign is a particular palm tree that is off center in the circle and raised above the rest of the circle. A discussion ensued about relocating, replacing or selling the tree.

Mr. Brocki updated the Board on the \$950.00 bill from Rizzetta & Company for

the redesign work for the main circle. He indicated that he will be meeting with Mr. John Toborg to discuss the bill and will provide further updates as he receives them.

I. District Manager Update

1. Mr. Cox reminded the Board that the next Regular meeting was scheduled for August 15, 2016 at 2:00 p.m.
2. Mr. Cox reviewed the monthly financials with the Board.
3. Mr. Cox reviewed the current action item list with the Board members and updated accordingly.
4. Mr. John Crawford presented the most recent field inspection report to the Board. Mr. Crawford informed the Board that with the amount rains received that the fertilizer is doing well and updated the Board on the status of the project to install Air Potato Beetles on the vines growing on walls in the community.

Mr. Crawford informed the Board that the palm trimming will be commencing throughout the next couple of weeks and answered the Boards questions regarding the report.

A proposal was presented for the removal of Juniper to be replaced with Variegated Arboricola for the amount of \$1,082.93. This proposal was tabled by the Board.

TENTH ORDER OF BUSINESS

Supervisor Requests

Mr. Hogan provided comments regarding the back gate and the expected signage. He indicated that he would like to make the gate policy effective September 1, 2016. He notes that information will be provided to residents via email blasts as the time draws closer.

Ms. Roz Warner paid compliment to the Mr. Bumgarner for the summer update conducted. She suggests that some of the information provided today should be in the monthly magazine. Mr. Bumgarner commented that he will forward the information.

Mr. Cox reminded the Board that Mr. Bill Stollo had qualified for Mr. Hogan's Supervisor seat and reminded the Board that Sunshine Laws apply to him since he is the presumptive candidate.

Mr. Bumgarner provided thanks to all of the individuals who helped with the Golf Course Bond issue.

ELEVENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Brocki, seconded by Ms. Warner, with all in favor, the Board adjourned the meeting at 4:14 p.m. for Waterlefe Community Development District.


Secretary / Assistant Secretary


Chairman / Vice Chairman