

MINUTES OF MEETING
PINE ISLAND
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Pine Island Community Development District was held Thursday, April 13, 2017 at 10:00 a.m. at the Bella Collina Clubhouse, 16350 Vetta Drive, Montverde, Florida.

Present and constituting a quorum were:

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| David Burman | Vice Chairman |
| Duane Owen | Assistant Secretary |
| Andrew Gorrill | Assistant Secretary |
| DeWitt Holt III | Assistant Secretary |

Also present were:

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| George Flint | District Manager |
| Andrew d'Adesky | District Counsel |
| Jeff Einhouse | District Engineer |
| Brian Smith | Field Manager |

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of March 9, 2017 Board of
Supervisor's Meeting**

Mr. Flint: Does the Board have additions, deletions, or corrections to the minutes?

On MOTION by Mr. Holt, seconded by Mr. Burman, with all in favor, the minutes of the March 9, 2017 Board of Supervisor's Meeting were approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2017-05
Approving the Proposed Fiscal Year 2018
Budget and Setting a Public Hearing**

Mr. Flint: The Board is required to approve a proposed budget by June 15th of each year. It is the start of the budget process, it is not a binding document because you can make changes any time between now and the public hearing. We are recommending you set the public hearing for July 13th at 10:00 a.m. in this location. Exhibit A is the proposed budget, it assumes the assessment levels will remain the same as they are in the current year for O&M and for debt. You can see the per unit on a single family is \$225. There is a water and sewer standby fee on the undeveloped lots for \$195. Once the lot is developed that drops off. You have the 2004 special debt service assessments, that is on page 6. You can see on a single-family home that is \$1,899. That goes through the year 2035 unless it is paid off early. The water and sewer fund is on page 8, the revenue for the water and sewer fund is the monthly fees as well as the standby fee. The Board can make changes to this up to and at the public hearing. However, if there is a desire to increase assessments some steps would need to be taken prior to that. I don't see any need for assessment increases. Does the Board have any questions on the proposed budget?

Mr. Burman: I have a question George, on page 1. Under administrative expenses, the maintenance contingency and operating reserve, I see in 2018 we don't set aside anything for those two.

Mr. Flint: We recognized a carry forward coming into 2017 and there is some for 2018. Any other questions?

Mr. Gorrill: So, the standby fees are on lots that are not developed?

Mr. Flint: Correct.

Mr. Gorrill: So that's monthly?

Mr. Flint: No, that's on the tax bill.

Mr. Flint: The \$225 is the operating and maintenance assessment and we also have a water and sewer standby fee which is only on undeveloped lots. We have 801 lots here, and we've got a water and sewer system that is designed to serve 800 lots. When you only have 50 or 60 homes we have to create a standby fee. It goes away once there is a home on there and water and sewer revenue starts happening.

Mr. Burman: On page 8, is that basically for the grinder pump wash?

Mr. Flint: Yes. We don't budget the grinder fees because we don't know how many homes are going to be constructed. We could project it but because it is a wash, we typically don't budget it.

On MOTION by Mr. Owen, seconded by Mr. Holt, Resolution 2017-05 was approved.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2017-06
Ratifying Resolution 2014-02 Related to
the District Expansion**

Mr. Flint: Resolution 2014-02 was previously approved by the Board. This is related to the filing of a proposed expansion to the boundaries of the District. I'll let Andrew present this to you.

Mr. d'Adesky: As you can see on the map, there is a certain parcel which looks like a large property. What that really is, is several parcels, some of which were residential lots and some were open space tracks. If you look at the map the blue dot is a very good reference point for the CDD boundary. The issue is, the District Manager was contacted by the property appraiser notifying us of this. We previously approved expansion in 2014 to take in this property, but we were told to hold off because of pending deals with the city of Montverde. Based on their current political climate, which hasn't gotten much done, we have to take action. There are several issues with this. What we would like to do is ratify the 2014 petition. This is step 1 and the methodology is step 2.

Mr. Flint: Are there any questions on the resolution? This resolution just ratifies a prior action the Board already took.

On MOTION by Mr. Burman, seconded by Mr. Holt, with all in favor, Resolution 2017-06 was ratified.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: They are still confirming whether our petition is sufficient, and like I said with the state, sometimes these things take longer. I believe that was the only issue that has been presented recently. One other thing was Montverde, I updated the agreement with them. Apparently, their attorney has expressed some interest in moving forward and I think that the staff is getting the idea that this is necessary. We just need to convince the mayor and get the executive side to sign off on this. It seems like it is something that will come eminently and we are ready for that.

Mr. Flint: That will help with water and sewer revenue if we are able to connect on those commercial uses and get that revenue coming in. It will help everyone.

B. Engineer

Mr. Einhouse: I don't have anything at this time.

C. District Manager's Report

i. Approval of Check Register

Mr. Flint: This is a summary of the checks for the month of March. For the general fund, the water and sewer fund, and payroll the total is \$109,288.93. The detailed register is behind the summary. Are there any questions?

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

ii. Balance Sheet and Income Statement

Mr. Flint: This is through February 28th and there is no action required. If the Board has any questions we can discuss those. There is a beginning fund balance in the general fund of \$82,664. There are two arbitrage rebate calculation reports. The first one is the utility system revenue bonds, there is a negative arbitrage rebate requirement of \$353,000. The special assessment bonds have a negative rebate requirement of \$1,994,000. This is something we are required to do to make sure we are not earning more interest than we are paying.

On MOTION by Mr. Holt, seconded by Mr. Burman, with all in favor, the Arbitrage Rebate Calculation Report was approved.

iii. SBA Florida PRIME Monthly Summary Report

Mr. Flint: Based on Mr. Owen’s request, we have the summary report for Florida PRIME. That is just for informational purposes. Any questions on that information?

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Gorrill, seconded by Mr. Burman, with all in favor, the meeting adjourned at 10:21 a.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman

RANDALL F. GUSENE