

**MINUTES OF MEETING
GRANDE PINES
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Grande Pines Community Development District was held Monday, **February 19, 2024** at 10:00 a.m. at the Offices of GMS-CF, LLC at 219 East Livingston Street, Orlando, Florida.

Present and constituting a quorum:

Amanda Whitney
Linda Kepfer
Achal Aggarwal
Suhel Rojas

Chairperson
Vice Chairperson
Assistant Secretary
Assistant Secretary

Also present were:

George Flint
Jay Lazarovich
Christina Baxter *by phone*
Tim Bramwell *by phone*
Sara Zare *by phone*
Kendall Bulleit *by phone*
Jarett Wright

District Manager, GMS
District Counsel
District Engineer
Bond Counsel
MBS Underwriter
MBS Underwriter
GMS

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll. Four Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Next is public comment period and we just have the Board and staff here.

February 19, 2024

Grande Pines CDD

THIRD ORDER OF BUSINESS

Approval of Minutes of the October 16, 2023 Meeting

Mr. Flint: You have approval of the minutes of the October 16th meeting. Were there any comments or corrections to those?

Ms. Whitney: I'll make a motion to approve.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Minutes of the October 16, 2023 Meeting, were approved.

FOURTH ORDER OF BUSINESS

Financing Matters

Mr. Flint: A couple of items here. One is to start the process on Assessment Area Two which are Phases 3 & 5. Also, there is a Delegation Resolution which delegates certain authority to the Chair to go out and issue the bonds.

A. Consideration of Master Engineer's Report

Mr. Flint: Ms. Baxter will present her updated report included in the agenda.

Ms. Baxter: With this update they went through and updated with respect to urgency of parcels and updated some of the most current status of permits and approval and added full descriptions for Phases 3 & 5 for Assessment Area Two. The cost for the capital improvement program for infrastructure remained as previously approved in the Engineer's Report at a little over \$7M. Happy to answer any questions.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Master Engineer's Report, was approved.

B. Consideration of Master Assessment Methodology Report for Assessment Area Two

Mr. Flint: We took from Ms. Baxter's updated report the cost numbers that they reviewed and were not substantially different than the original estimates they had prepared so they remain the same. He noted this report is more complicated than normal. We took all the units and all the costs and basically spread the benefit of those improvements by ERU so that the costs for Assessment Area Two are based on taking all of the costs, all of the ERU's and allocating the number of ERU's to Assessment Area Two. Go to Table 1 on page 70 this is the total development

February 19, 2024

Grande Pines CDD

plan for Assessment Area 1 & 2 and you can see it is a combination of townhomes, single family 50's and single family 70's. Assessment Area Two has 203 total units. Table 2 these are the infrastructure cost estimates that Christy prepared that shows both assessment areas. This report is intended to cover Assessment Area Two but we had to show all of the cost because of how we are allocating the benefit. Table 3 is a conservative bond sizing. You can see the construction funds numbers at \$8.9M and the way we get to the \$8.9M is take all of the costs and all of the ERU's divide them and then multiply them by the number of ERU's in Assessment Area Two. That \$8.9M is higher than the \$7M of cost estimates just for Assessment Area Two. All of the infrastructure is Master Infrastructure and all of the units are benefitting from it. The bond sizing we take the construction funds based on ERU's. There is a debt service reserve of one year's max annual debt, capitalized interest of 24 months. We assume an interest rate of 6.5% and then a cost of issuance. These are all very conservative numbers and would expect the interest rate to be lower than that but trying to give the Board maximum flexibility by using conservative numbers on these. Table 4 is the allocation of benefit based on improvement cost by product type. There is an issue with the table headings that I corrected this morning. Your agenda still has the development plan for Assessment Area Two as the headings for a couple of these tables and that has been fixed. Table 5 is the allocation of benefit based on par debt. Table 6 is if we were to fund 100% of all of the improvements at the very conservative parameters and bond sizing, this is what the pre unit annual assessments would be. They are higher than what the target assessments are but we believe the target assessments will match up Assessment Area Two with Assessment Area One so all of the units are paying the same. We are doing this for the master lean process and setting the ceiling here. When we actually price, we will do it based on the targets. Table 7 is the preliminary assessment roll and legal descriptions attached.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Master Assessment Methodology Report for Assessment Area Two, was approved.
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C. Consideration of Resolution 2024-01 Declaring Special Assessments

Mr. Flint: This resolution declares the Board's intent to levy assessments. Attached is the Engineer's Report that you just approved and the Master Assessment Methodology.

February 19, 2024

Grande Pines CDD

On MOTION by Ms. Whitney seconded by Mr. Aggarwal, with all in favor, Resolution 2024-01 Declaring Special Assessments, was approved.

D. Consideration of Resolution 2024-02 Setting a Public Hearing for Special Assessments

Mr. Flint: This resolution sets the public hearing. There is a 30-day mailed notice and some legal notices that have to be placed but the 30-day mailed notice really drives the earliest we can hold that hearing. Your regular March meeting is the 18th which won't give us the 30 days so the earliest we could have the meeting if we got the mailed notice out today would be the 20th around 11:00 a.m.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, Resolution 2024-02 Setting a Public Hearing for March 20, 2024 at 11:00 a.m. at the Offices of GMS-CF, LLC, was approved.

E. Consideration of Resolution 2024-03 Delegation Resolution

- i. Exhibit A – Form of Supplemental Indenture**
- ii. Exhibit B – Form of Bond Purchase Contract**
- iii. Exhibit C – Form of Preliminary Limited Offering Memorandum**
- iv. Exhibit D – Form of Continuing Disclosure Agreement**
- v. Exhibit E – Form of Acquisition Agreement, Completion Agreement, Collateral Assignment, True-Up Agreement, and Tri-Party Agreement**

Mr. Flint: In conjunction with starting the assessment process today, we are also asking you to consider a Delegation Resolution and what that allows us to do is once we hold the hearing in March parallel to now and that hearing, the underwriter will be working with Park Square to prepare the Offering Memorandum and then they can actually price and we can close not long after the actual assessment hearing if you adopt that Delegation Resolution today. Tim Bramwell who is your bond counsel is on the phone.

Mr. Bramwell: The Delegation Resolution supplements the District's existing Bond Resolution 2020-14 which was adopted November 18, 2019. It approved a Master Indenture and authorized the District to issue special assessment revenue bond with an aggregate amount NTE \$28M. The Bond Resolution was subsequently validated on March 25, 2020 and you have since issued one series of bonds, the Series 2021 bonds with an aggregate principal amount of \$6,760,000 pursuant to First Supplemental Indenture. This Delegation Resolution supplements Resolution 2020-14 to authorize the second series of bonds at an aggregate principal amount NTE

February 19, 2024

Grande Pines CDD

\$11,955,000 in order to finance a portion of the Assessment Area Two Capital Improvement Program and the Resolution approves the related principal bond documents including a second Supplemental Trust Indenture. The resolution authorizes the Board to engage MBS Capital Markets as its underwriter and authorizes MBS to market the bonds using the Preliminary Limited Offering Memorandum that is attached to this Delegation Resolution as well. Section 5 of the Delegation Resolution establishes certain parameters for the 2024 bonds so long as MBS delivers an offer to purchase the bonds and meets these parameters pursuant to this Delegation Resolution the District Officers are authorized to enter into a Bond Purchase Agreement and the form for that Bond Purchase Agreement is also attached to this Delegation Resolution. To summarize those parameters in section 5, aggregate principal amount of the bonds cannot exceed \$11,955,000. The average interest rate on the bonds cannot exceed the maximum level permitted under Florida Law which is 300 basis points over the bond buyer 20 GO bond index. For tax exempt bonds that are priced during February that would be 6.43%. The underwriters discount on the bonds cannot exceed 2% and the bonds shall be subject to optional redemption no later than May 1, 2037 without premium and finally the final maturity of the bonds shall be no later than May 1, 2056. This Delegation Resolution also approves forms of Continuing Disclosure Agreement and an Acquisition Agreement, Completion Agreement, Collateral Assignment, True-Up Agreement, and a Triparty Agreement with the landowner and its lender.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, Resolution 2024-03 Delegation Resolution and Exhibit A through E, was approved.
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F. Consideration of Supplemental Assessment Methodology Report for Assessment Area Two

Mr. Flint: You just approved a Master Assessment Methodology for purposes of setting the public hearing to levy assessments which will create once you hold the public hearing a ceiling up to where you can impose an assessment up to that amount. During the marketing of the bonds there is a Preliminary Limited Offering Memorandum which is used to market and sale the bonds and in that would be a pre-pricing Supplemental Assessment Methodology. Once the bonds are actually issued, there will be a Supplemental Report based on the actual terms and interest rates and target assessments. In the Offering Memorandum, they put a preliminary version of that in

February 19, 2024

Grande Pines CDD

there. What you have in the agenda is what we call pre-pricing or Preliminary Supplement Report. This ties closer to what the underwrite believes will be the actual terms when they go out and price. Table 1 is the development plan. Table 2 shows the estimated infrastructure cost for Assessment Area Two. Table 3 is where it changes. We have brought the interest rate down to 5.75% from the 6.5 which we are basing the master lean on. We are looking at a par amount of about \$5.66M. The other tables allocate the benefit based on improvement costs and par amount. Table 6 these are the target assessment amounts that matchup with Assessment Area One. This report basically takes those target assessment amounts and works backwards based on interest rate and other assumptions to come up with a par amount that the underwriter believes is closer to what we will actually see when they go out and price. If we have time, we like to get the Board to approve the preliminary version of this report. It will come back to you after the bonds are actually priced and finalized and you will finalize the assessments and see the final version of this.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Preliminary Supplemental Assessment Methodology Report for Assessment Area Two, was approved.

G. Consideration of Supplemental Investment Banking Agreement with MBS Capital Markets

Mr. Flint: As Tim mentioned the Delegation Resolution authorizes you to engage MBS as your underwriter but we also do a separate agreement on each issue with them and they are also required to make certain disclosures. In the agenda you will see their standard underwriting agreement. Sara Zare is on the phone if the Board has any questions.

Mr. Flint: Anything for the Board?

Ms. Zare: No. We are in the near final form on the PLOM. We have a couple of items that we will look to wrap up prior to posting the PLOM. As soon we post the PLOM, we will enter into the marketing phase and hopefully look to close in conjunction with the March meeting. Otherwise, we are headed in the right path here.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Supplemental Investment Banking Agreement with MBS Capital Markets, was approved.

February 19, 2024

Grande Pines CDD

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Flint: Jay, anything else?

Mr. Lazarovich: No updates.

B. Engineer

Mr. Flint: Christy, anything else?

Mr. Baxter: I don't have any other items today.

C. District Manager's Report

i. Check Register

Mr. Flint: You have the check register for the General Fund going back to October 3rd through January 31st that totals \$116,036.43.

Mr. Aggarwal: Minor clerical issue, some of these are dated January 2023 at the bottom so just need to be corrected to 2024.

Mr. Flint: Yes, in the summary. The check themselves have the correct year. We will make sure we make that revision.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the Check Register with the Correction to the Summary Dates, was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: You also have the balance sheet and income statement. These are unaudited through December 31st. If the Board has any discussion, we can discuss those. No action required.

iii. Ratification of Requisitions #18-21

Mr. Flint: Requisitions #18-#21 are in the agenda and have been signed by the Engineer and by the District and submitted to the Trustee. We are asking the Board to ratify those.

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, Requisitions #18-#21, were ratified.

February 19, 2024

Grande Pines CDD

D. Field Manager's Report

Mr. Wright: We started pressure washing through the community starting with the main boulevard, and all of the sidewalks and monuments. It has started to get slippery. We are continuing to schedule pond cleanings with trash removal due to construction debris and will spot treat and pressure wash the rest of the community as needed in certain areas especially towards the Phase 2 side. It gets build up with mud and construction debris. We are going through and resetting the property landscaping wise for the beginning of the year. We reset all of the ornamental grasses along the entrance. United Land is working to get me the proposals for replacing the palm tree that is right behind the guardhouse and then we are also looking at updating the declining plant material there. There are a couple of areas behind the guardhouse where the guard parking spot is and around the front, we would like to change from rose plants to blue daze plants that have a longer life span and will be in bloom most of the year. They are cheap plants but highly effective for the area. You already have some of that in the median so it would not be a drastic change. They are also getting us proposals for doing the palm injections. They are starting to look slightly rough but with the quarterly injections they will brighten up really quick. The best timeframe for that will be next month. As we are warming up, it will be a good time for planting. The only other thing is issues with some of the officers that work at the guard shack and some discrepancies between night shift and day shift. Those issues have been addressed with the vendor. The vendor is really good about if we reach out to them with concern, they will immediately change it. They don't want any issues. A lot of that has been corrected now and based off reports from last night, you can see somebody is there that cares about what they are doing and actually doing their job. If anything else comes up, we just address it as it comes.

Mr. Flint: In regards to the guardhouse and operations. We had a call on Friday and the CDD owns the guardhouse and we are contracting with the security vendor but the HOA owns the amenity. They are going to have onsite staffing and have an access control system for the clubhouse which we want to make sure is consistent with whatever access control system we have for the guardhouse. It makes sense since they are on site, they are going to have staff onsite for them to be issuing any access passes or dealing with the residents in regards to the guardhouse and the gates. We discussed on Friday the CDD entering into an agreement with the HOA which would authorize the HOA to operate the guardhouse. As it is right now, the internet and everything is going from the clubhouse into the guardhouse. It makes sense for them to probably maintain the

February 19, 2024

Grande Pines CDD

access control system for both. We do not want to create a situation where people are having to run around between the CDD and the HOA. We want to make it as seamless as possible and it seems like that would be the best approach. I have got some examples from other Districts where we have had agreements with the HOA to operate guardhouses. Most of the communities where we own the roads and have guardhouses, we have that responsibility but we also own the amenities but in this case we don't so it makes more sense probably for them to do that. Just giving the Board an update on that. I do not have the draft agreement for you this morning because we just talked about it on Friday. We will be working on that and I will get with the Chair and whatever we need to do to get that in place.

SIXTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisors Requests

There being no comments, the next item followed.

EIGHTH ORDER OF BUSINESS

Adjournment

Mr. Flint: Is there a motion to adjourn?

On MOTION by Ms. Whitney, seconded by Mr. Aggarwal, with all in favor, the meeting was adjourned.

DocuSigned by:

George Flint

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Secretary/Assistant Secretary

DocuSigned by:

Amanda Whitney

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Chairman/Vice Chairman