

**MINUTES OF MEETING
WILDBLUE
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Board of Supervisors of the WildBlue Community Development District was held on Thursday, January 25, 2018 at 10:00 a.m., at the offices of PEG, located at 12800 University Dr., Suite 275, Fort Myers, Florida 33907.

Present at the meeting were:

Don Schrotenboer	Chair
Carol Douglas	Vice Chair
Mark Price	Assistant Secretary
Michelle Preiss	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Jonathan Johnson	District Counsel
Camille Evans (<i>via telephone</i>)	Bond Counsel, Greenberg Traurig, P.A.
Ashton Bligh	Greenberg Traurig LLP
Carl Barraco	Interim District Engineer
Brett Sealy	MBS Capital Markets, LLC
Seti Zere	MBS Capital Markets, LLC

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 10:15 a.m. Supervisors Schrotenboer, Douglas, Price and Preiss, were present, in person. Supervisor Morris was not present.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Supervisor Greg Morris

This item was deferred to the next meeting.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-06, Designating the Primary Administrative

Office and Principal Headquarters of the District; Designating the Location of the Local District Records Office; and Providing an Effective Date

Mr. Wrathell presented Resolution 2018-06. This Resolution designates Wrathell, Hunt and Associates, LLC, as the Primary Administrative Office for the District, the location of their Principal Headquarters in Lee County, Florida and Henderson, Franklin, Starnes & Holt, P.A., as the Local Records Office. This Resolution would be revised to reflect the correct name of Henderson, Franklin, Starnes & Holt, P.A.

On MOTION by Ms. Douglas and seconded by Mr. Schrottenboer, with all in favor, Resolution 2018-06, Designating Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 as the Primary Administrative Office and Lee County, Florida as the Principal Headquarters of the District; Designating Henderson, Franklin, Starnes & Holt, P.A., 1715 Monroe Street, Fort Myers, Florida 33901 as the Location of the Local Records Office; and Providing an Effective Date, as amended, was adopted.

FIFTH ORDER OF BUSINESS

Presentation of Draft Master Engineer's Report: *Barraco and Associates, Inc.*

Mr. Wrathell stated the purpose of presenting the Draft Master Engineer's Report was to be able to move the bond validation process further along and to also receive authorization to file for the bond validation. If approved, the Report would be incorporated into Resolution 2018-25, as part of the Bond Validation Complaint. He anticipated presenting an updated Report, along with the Master Assessment Methodology Report and several other resolutions to initiate the assessment public hearing process.

Mr. Barraco stated the Report, which was discussed in greater detail at the last meeting, was essentially the same one presented today. He would highlight the revisions. Background information was contained in the first few pages and revisions were as follows:

- Page 4 - Future Land Use Map: Minor changes to the Legend
- Page 5 – Projected Land Use and Product Types Table: New and revised data was inserted into Table 1, which contains the number of units and land use types that were approved for the entire WildBlue Development, as well as specifically within the District.

Mr. Barraco stated the District received approval for 550 units; however, it could potentially increase another 96, in the future. In response to the question of whether the boundary and method were clear and whether the Cal Atlantic homes had been carved out, Mr. Price and Ms. Preiss replied affirmatively.

- Page 8 – Proposed District Infrastructure: The six items listed in the Report are the only items that could be funded using bond money.

In response to Mr. Schrottenboer’s question of whether the items listed were set by State Statute as to what could be included within the District, Mr. Barraco replied affirmatively. The items listed in the Report are considered standard projects, which have never been questioned, and adding more could potentially raise questions, specifically from the tax attorneys, and cause more delays.

Mr. Schrottenboer reaffirmed that the projects listed in the Report were based off the District’s plans of what they considered potentially paying up against the development cost estimated for the infrastructure. This resulted in the maximum bonding amount; however, the District did not expect to use the full amount because there are agreements under contract with home builders that would be doing a lineal front footage. Discussion ensued regarding whether there were other items that should be on the list; however, it was a moot point since the maximum bond amount already exceeds what the District was willing to do.

Mr. Barraco anticipated construction to begin the first quarter of 2018 and the CDD infrastructure as defined, to be completed in or about the fourth quarter of 2022; however, these dates may be subject to change.

- Page 12 – Distribution of costs: The estimated costs noted are conservative
- Page 13 –Outlines the Ownership, Financing and the Operation & Maintenance for each component of the infrastructure.

Mr. Wrathell explained the differences between the \$34,790,000 Distribution of Cost figure and the \$46,760,000 Bond Resolution to Authorize filing for Bond Validation, related to the potential financing costs. Mr. Sealy incorporated the full estimated total cost figure noted in the Report, in his calculations to arrive at the hypothetical bond validation figure, if the District was being fully funded. The same applies to the Master Methodology Report, if the same 100% financing applied. The bond figure includes the capitalized interest, debt services and costs of issuance and netted to arrive at the cost figure.

Mr. Barraco continued discussing the Draft Master Engineer’s Report.

- Page 13 – Ownership, Operation, and Maintenance Responsibilities: Upon completion of the project, ownership for each of the entities is listed. Lee County Utilities would receive ownership of the utilities.
- Page 14 – Permitting Matrix: A full listing of all required permits and their status' are noted.

Mr. Barraco stated the majority of the permits were received and he does not expect any issues in obtaining other permits, during the course of the project. The expired South Florida Water Management District (SFWMD) Irrigation permit was submitted and approved. The permitting list would be updated continually, until finalized.

Mr. Wrathell stated he did not expect the District to use the full amount outlined in the Report, since a number of agreements are being approved during the process of the bond issuance, specifically the Completion Agreement, which stipulates that the Developer would be required to privately fund the balances of those improvements not financed by the bonds.

In response to a question of when the determination to allocate the funds would occur, Mr. Wrathell briefly explained the timeline and processes leading up to the court proceeding and after. He expected to have the final structuring information available sometime either in March or April.

Mr. Barraco continued discussing the Draft Master Engineer's Report

- The only items the District could fund using bond money, are those outlined in the Report under Table 3; however, the District could also choose not to fund any of those items. Once the Report is finalized, no changes could be made to allocate funding elsewhere.

Mr. Johnson asked the following question:

Mr. Johnson: Based upon your years of experience as a Professional Engineer, the cost estimates that you presented for this, to the Board, are reasonable and appropriate for their consideration?

Mr. Barraco: That's correct.

Mr. Johnson: Is there anything to your knowledge that would prohibit the District from being able to accomplish this improvement program assuming due financing, etc?

Mr. Barraco: There is not.

Mr. Wrathell asked District Counsel, in light of the next item on the agenda, presenting and then passing of the general bond Resolution 2018-25, whether to have the Board approve the Draft Engineer's Report. Mr. Johnson agreed and discussion ensued regarding the ongoing

changes and revisions and how the original complaint would be affected. Mr. Wrathell recommended approving the Draft Engineer’s Report, in substantial form, pending comments from the Chair and Staff.

On MOTION by Mr. Schrottenboer and seconded by Mr. Price, with all in favor, the Draft Engineer’s Report, in substantial form, pending the Chair and Staff’s further comments, was approved.

In response to a question, Mr. Wrathell stated, with the Board approving the changes today, they would still have the opportunity to approve the revised Report, at the February meeting.

Ms. Evans stated that the comments to the Engineer’s Report, submitted by her firm, had more to do with adding clarifying language, making sure that the improvements ultimately be financed with bond proceeds and are consistent with the Tax Regulations that govern tax exempt debt; it does not impact the actual plan of finance or the overall project. Mr. Schrottenboer stated, based on his review of those comments, he concurred with Ms. Evans statement.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2018-25, Authorizing the Issuance of Not To Exceed \$46,760,000 Aggregate Principal Amount of Special Assessment Bonds, In One Or More Series To Pay All Or A Portion of the Costs of the Planning, Financing, Acquisition, Construction, Equipping and Installation of Public Infrastructure Improvements Including, But Not Limited To Roadways, Stormwater Management Systems, Recreation, Decorative Walls, Fences, Water Sewer, Reclaim Facilities and Associated Professional Fees and Incidental Costs Related Thereto Pursuant To Chapter 190, Florida Statutes, As Amended; Appointing A Trustee; Approving the Form of and Authorizing the Execution and Delivery of a Master Trust Indenture; Providing That Such Bonds Shall Not Constitute a Debt, Liability or Obligation of WildBlue

Community Development District, Lee County, Florida, or the State of Florida or of Any Political Subdivision Thereof, But Shall Be Payable From Special Assessments Assessed and Levied On the Property Within the District Benefited By the Improvements and Subject to Assessment; Providing For the Judicial Validation of Such Bonds; and Providing For Other Related Matters

Mr. Johnson presented Resolution 2018-25. This Resolution grants authority to finalize the validation complaint to include all the pertinent documents, such as the official copy of the Engineer's Report, and file the complaint, with the attachments, by next week. Securing the right and authority to issue bonds was the first step in the process but it does not obligate the District to issue bonds, undertake any particular improvements nor does it constitute a lien on the property, at this time.

Mr. Johnson asked if "Recreation" should be deleted from the Resolution.

Ms. Evans agreed that "Recreation" should be stricken from the executed document, since it was not one of the projects listed in the Master Engineer's Report. Ms. Evans gave an overview of the Resolution and what it accomplishes, such as specifically authorizing the not-to-exceed amount of \$46,760,000 of special assessment backed bonds, in one or more series, the bond process, funding the acquisitions and infrastructure improvements, execution of a Master Trust Indenture and the general perimeters of the bonds relating to interest rate, the validation complaint, etc.

The data relating to the infrastructure improvements and estimated costs contained in Schedule 1 would be revised to reflect the information contained in the Master Engineer's Final Report. The Bond Resolution amount is larger because it includes the standard and normal costs for financing of common debt issuance, which are capitalized interest, debt service reserve account deposits and costs of issuance (COI). Those amounts were estimated, based on the anticipated financing figure in Schedule 1.

Mr. Sealy gave a procedural overview in response to the question raised by Ms. Douglas regarding who determines the interest rate on the bonds. A Preliminary Limited Offering Memorandum (PLOM) would be mailed to investors and, within a two week marketing period, interested investors would be invited to tour the community, provided map and graphic material

that would then culminate in MBS Capital holding a two hour order period resulting in setting final the interest rate and terms of the bond.

In response to the question of when that process would occur, Mr. Sealy stated the District was instructed by the Landowner to market the bonds and, after the validation hearing, mailings of the offering document could go out within the 30-day appeal period; however, they would not be able to close on the bond issue until the appeal period expires.

The figures and calculation process will be clearly shown in the Master Methodology Report, once completed. Discussion ensued in response to questions by Ms. Douglas regarding the Landowner cashing out, as to what time their cash requirements would be needed, the timing of the capitalized interest period and when the assessments would be on the tax bill, etc. Mr. Wrathell recommended approval of Resolution 2018-25, as amended, removing verbiage related to "Recreation". Mr. Johnson asked for Mr. Schrottenboer's consent to remove the word "Recreation" from the document. Mr. Schrottenboer consented.

On MOTION by Mr. Price and seconded by Ms. Douglas, with all in favor, Resolution 2018-25, Authorizing the Issuance of Not To Exceed \$46,760,000 Aggregate Principal Amount of Special Assessment Bonds, In One Or More Series To Pay All Or A Portion of the Costs of the Planning, Financing, Acquisition, Construction, Equipping and Installation of Public Infrastructure Improvements Including, But Not Limited To Roadways, Stormwater Management Systems, Recreation, Decorative Walls, Fences, Water Sewer, Reclaim Facilities and Associated Professional Fees and Incidental Costs Related Thereto Pursuant To Chapter 190, Florida Statutes, As Amended; Appointing A Trustee; Approving the Form of and Authorizing the Execution and Delivery of a Master Trust Indenture; Providing That Such Bonds Shall Not Constitute a Debt, Liability or Obligation of WildBlue Community Development District, Lee County, Florida, or the State of Florida or of Any Political Subdivision Thereof, But Shall Be Payable From Special Assessments Assessed and Levied On the Property Within the District Benefited By the Improvements and Subject to Assessment; Providing For the Judicial Validation of Such Bonds; and Providing For Other Related Matters, as amended, striking "Recreation" throughout the Resolution, was adopted.

Ms. Evans would email a revised Resolution with "Recreation" stricken.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2018-26, Ratifying the Actions of the District Manager in Re-Scheduling and Re-Noticing the Landowners’ Meeting and Public Hearing on the District’s Rules of Procedure; Amending Resolutions 2018-13 and 2018-14; Providing a Severability Clause; and Providing an Effective Date

Mr. Wrathell presented Resolution 2018-26. This Resolution enables the District Manager to reschedule and re-notice the Landowner’s Election meeting and Public Hearing date from January 25, 2018 to February 5, 2018. Board Members are not required to attend the Landowners’ Meeting; if Mr. Wrathell is the proxy holder, he could cast the votes.

On MOTION by Ms. Douglas and seconded by Ms. Preiss, with all in favor, Resolution 2018-26, Ratifying the Actions of the District Manager in Re-Scheduling and Re-Noticing the Landowners’ Meeting and Public Hearing on the District’s Rules of Procedure; Amending Resolutions 2018-13 and 2018-14; Providing a Severability Clause; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Approval of Unaudited Financial Statements as of December 31, 2017

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2017. Revenues and expenditures were minimal, as it was early in the new fiscal year and the District has not issued bonds. With the Landowner funding the District’s operations, payables appear higher, until receipt of funding. Mr. Wrathell would confirm that his office submitted a reimbursement request to Ms. Douglas. The Operating costs differ from the bond COI.

On MOTION by Ms. Douglas and seconded by Mr. Price, with all in favor, the Unaudited Financial Statements as of December 31, 2017, were approved.

NINTH ORDER OF BUSINESS

Consideration of November 29, 2017 Organizational Meeting Minutes

Mr. Wrathell presented the November 29, 2017 Organizational Meeting Minutes and asked for any additions, deletions or corrections. The following changes were made:

Line 14: Change “Michele” to “Michelle”

Line 727 through the end of the document: Change “Preiss” to “Douglas”

Line 732: Change “O.J.” to “OJ”

On MOTION by Mr. Price and seconded by Mr. Schrotenboer, with all in favor, the November 29, 2017 Organizational Meeting Minutes, as amended, were approved.

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Hopping, Green & Sams, P.A.*

There being no report, the next item followed.

B. District Engineer: (Interim): *Barraco and Associates, Inc.*

There being no report, the next item followed.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

i. UPCOMING MEETINGS

- **February 5, 2018 at 10:00 A.M. – Landowners’ Meeting (*Board Members are not required to attend this meeting*)**
- **February 22, 2018 at 10:00 A.M. – Public Hearings and Regular Board of Supervisors Meeting**

The Landowners’ Meeting will be on Monday, February 5, 2018 at 10:00 a.m., at this location, and the next Regular Meeting and Public Hearings will be on Thursday, February 22, 2018 at 10:00 a.m., at this location.

ELEVENTH ORDER OF BUSINESS

Board Members’ Comments/Requests

There being no Board Members’ comments or requests, the next item followed.

TWELFTH ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Ms. Douglas and seconded by Ms. Preiss,
with all in favor, the meeting adjourned at 11:01 a.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair