

**MINUTES OF MEETING
EAST PARK COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the East Park Community Development District was held at 5:00 P.M. on Monday, March 28, 2011 at the offices of Leland Management, 6972 Lake Gloria Blvd., Orlando, Florida.

Present and constituting a quorum were:

Angel Colon	Chairman
Donn Rinehart	Vice Chairman
Gracila Von Blon	Assistant Secretary
Thomas Hagood	Assistant Secretary
Joshua Alexander	Assistant Secretary

Also present were:

Brenda Burgess	Moyer Management Group
Roy Van Wyk	Attorney: Hopping Green & Sams
Chris Anderson	Leland Management
Brian Smith	Severn Trent Services (by phone)

The following is a summary of the minutes and actions taken at the March 28, 2011 East Park Board of Supervisors meeting.

Ms. Burgess reported that the January 24, 2011 was continued to February 21, 2011, but, this meeting was not held.

On MOTION by Mr. Colon seconded by Mr. Rinehart with all in favor, the January 24, 2011 meeting was adjourned.
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FIRST ORDER OF BUSINESS

Roll Call

Ms. Burgess called the meeting to order at 5:00 P.M. and stated that all Supervisors were in attendance.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the January 24, 2011 Meeting

Ms. Burgess stated that each Board member received a copy of the minutes of the January 24, 2011 meeting and requested any corrections, additions or deletions.

- On Page 6, the word “*judgement*” should be “*judgment*”.

- Mr. Van Wyk provided the following corrections:
 - On Page 6, under the first bullet, the “*District*” issued the bonds, not the “*developer*”. Also, the value of the land was “*more than*” not “*as much as*” the debt of the land.
 - On Page 8, Mr. Dunn indicated that the ends of each side of the wall would have to be modified.

On MOTION by Mr. Hagood seconded by Ms. Von Blon with all in favor, the minutes of the January 24, 2011 meeting were approved as amended.

THIRD ORDER OF BUSINESS

Consideration of Interlocal Agreement with the City of Orlando for the Easterfield Drive Connection

Mr. Van Wyk reported the following:

- At the last meeting, the Board authorized him to send another letter to the City informing them that the CDD was willing to give the \$50,000, but was not in a position at this time to go out for bids and award the contract. The letter was sent to the Mayor and commissioners and their response was that they offered to do all of the bidding so long as the CDD provided them with a form of contract and they would find a contractor to do the work for less than the \$100,000 estimate. They would use the CDD’s form of agreement to enter into a contract with the contractor for design and building of the roadway and splitting the costs with the City for \$100,000 or less.
- There was discussion about the City entering into the contract, but they were not interested.
- Mr. Hagood agreed that this was a good way to proceed.
- He recommended that the Chairman be authorized to enter into an Interlocal Agreement with the City with the parameters that the CDD would enter into a contract with the low bidder and the City would pay 50% of the costs of the roadway.

- He met with Mr. Roy Payne and promised to get back to him tomorrow regarding this matter. The form of the agreement has been drafted and needs to be updated and provided to Mr. Payne. This can be done fairly quickly.

On MOTION by Mr. Hagood seconded by Mr. Rinehart with all in favor, the Chairman was authorized to enter into an Interlocal Agreement with the City with the parameters that the CDD would enter into a contract with the low bidder and the City would pay 50% of the costs of the roadway.

- Mr. Van Wyk promised to provide the agreement to the City as soon as possible.

FOURTH ORDER OF BUSINESS

Action Items

- Mr. Colon requested that a letter be sent to DR Horton at the last meeting.
- Mr. Van Wyk explained that he wanted to give Mr. Smith an opportunity to speak to representatives at DR Horton before sending out the letter.
- Mr. Smith noted that there were issues that needed to be resolved. He spoke to an individual who promised to look into this matter, but it looks like they have not done anything as far as blocking off the area. He also contacted the City to see if they could get into contact with DR Horton. He will place another call to DR Horton.
- Mr. Colon pointed out that the area was cleaned, but now more accessible to traffic.
- Mr. Smith pointed out that he was trying to get DR Horton to put up a barricade.
- Mr. Van Wyk questioned the right type of barricade.
- Mr. Smith believed that a cattle fence was sufficient.
- Mr. Hagood agreed because it was the least expensive option and not hard to repair when damaged.
- Mr. Van Wyk questioned the amount of fence needed.
- Mr. Smith estimated approximately 100 feet of fence and recommended barb wire fencing.
- Mr. Hagood believes they would have to fence the entire area, which was 300 feet.
- Mr. Van Wyk requested that Mr. Smith contact him in regards to the letter after he speaks with DR Horton.

FIFTH ORDER OF BUSINESS

District Managers Report

A. Financial Statements

Ms. Burgess reviewed the financial statements through the end of February, which were included in the agenda package and will be made a part of the minutes of this meeting. She noted the following:

- They are half way through the fiscal year.
- They are slightly over budget in the General Fund for Attorney's expenses due to the current issues. At the end of the fiscal year, they will provide a budget amendment to memorialize this item being over budget and monies being moved to equalize the budget.
- Everything else looks good.
- Through today, the District collected 70% of its assessments versus 53% collected last year at this time.

B. Check Register

Ms. Burgess reviewed the check register from January 1, 2011 to February 28, 2011, which was included in the agenda package and will be made a part of the minutes of this meeting.

Mr. Colon addressed the following:

- Questioned why there were payments made to Prager, Sealy. *Ms. Burgess explained that these were Dissemination Agent payments through a quarterly contract.*
- Questioned why there were two transactions to a money market account; one for \$150,000 and the other for \$50,000. *Ms. Burgess believes they had better interest rates and the District had access to their money, but she will ask the accountant.*

There being no further questions or comments,

On MOTION by Mr. Hagood seconded by Mr. Colon with all in favor. the financial statements for February and check registers for the period of January 1, 2011 to February 28, 2011 in the amount of \$666,063.53 were approved.
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SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk reported the following:

- Rules of Procedure: Provided a summary of changes to the current Rules of Procedure, which have not been updated since 2002. All of the requirements have been updated due to new changes in the laws as well as some operational changes. This was being done in all of their CDDs. In order to incorporate these changes, there would need to be two notices of public hearing on the adoption of the amended rules; one 29 days and the other 28 days prior to the public hearing, which will be at the May regular meeting.
 - Ms. Burgess noted that the proposed budget will be distributed at the May meeting for a public hearing in July 27, 2011.

Mr. Hagood moved to authorize staff to advertise the amendments to the rules of procedure for May 23, 2011 and Mr. Colon seconded the motion.

- Mr. Hagood questioned whether a member by phone counts as a quorum. *Mr. Van Wyk confirmed that this person did not count as a quorum as three persons needed to be in the room.*

On VOICE VOTE with all in favor, the prior motion to authorize staff to advertise the amendments to the rules of procedure for May 23, 2011 was approved.

- Board of Supervisors Guide to Relevant State Law: Provided a guide to the Board on relevant state law, which included the following:
 - Memorandum regarding membership, obligations and responsibilities
 - Ordinance establishing the District
 - General location map of the District
 - District contact list: *Board members and term limits.*
 - 2002 Rules of Procedure
 - Disclosure of public financing: *Required by statute. This was amended recently to reflect the 2008 financing. It shows what the bond money was used for.*
 - Travel reimbursement information

- Chapter 190 of the Florida Statutes (2010): *The Chapter the District was established under, which was known as the “uniform charter”.*
- Florida Commission on Ethics Guide to the Sunshine amendment and Code of Ethics for public officers and employees:
 - Foreclosure Efforts: At the last meeting, the Board authorized the Attorney to foreclose against the lien on 16 lots within Village Center II. The first set of depositions was filed and they received a settlement proposal. M&I Bank has a purchaser for the property and are motivated to settle this matter and proceed to closing. The proposal items are split between the District and bondholders. The items pertaining to the CDD are:
 1. *Decelerate the bonds:* When a special assessment payment is missed, the assessments automatically become fully due and payable. This is similar to an acceleration clause for a mortgage. In order to do this, there needs to be bondholder and CDD Board consent.
 2. They agree to pay the April 2010 and October 2010 assessments for the 2008B bonds on lots 1 through 8, which are the front parcels and reapportion the assessments. They provided numbers, which are the actual assessment numbers due to the 1% penalty per month due to the assessments being delinquent. Since the assessments are delinquent, there is a question with respect to the 1% penalty being added to these numbers. They want to bring the front lots current. time to pay the back lots and think about whether or not they are going to pay those.
 3. Upon receipt of payments 1 through 8, the CDD will amend the foreclosure action and move those parcels. In other words, they will take the front parcels out of the foreclosure suit.
 4. The CDD will invoice them for the 2008B bonds on lots 9 through 13, excluding the 1% penalty that is due.
 5. M&I has 90 days to pay the invoices for those lots.
 6. M&I would provide a stipulated entry of foreclosure for the back lots.

7. M&I would be free to seek recovery for its payment of the 2008 assessments on lots 1 through 8 by filing a separate action against the CDD, showing that the improvements to Village Center II were made.
8. Each party shall bear its own Attorneys fees and costs.
 - For clarification purposes, they are willing to bring the front lots current by paying the special assessments if the bondholders agree not to accelerate the lien, the CDD will invoice them for the back lots and M&I will provide a stipulation of foreclosure entry on the back lots. In case that they do not pay the invoices, the District does not have to do anything except file the stipulated entry of foreclosure entry with the judge and proceed to foreclosure.
 - Mr. Hagood questioned whether they were going to change the methodology of the assessments. *Mr. Van Wyk explained that they agreed to the reapportionment.*
 - Mr. Van Wyk discussed this matter with the Chairman and Mr. Moyer prior to the meeting. The Attorneys fees will amount to \$20,000 and the recommendation was to agree not to be sued in the future or pay Attorneys fees because they caused the delinquency. This was communicated back to their Attorney who indicated that not suing the CDD was fine, but they still wanted to have each party pay their own Attorneys fees.
 - He had not heard from the bondholders as each one needed to be contacted individually to get their opinions on whether or not to accept the settlement offer.
 - Mr. Van Wyk recommended that the Board not agree to be sued in the future or pay Attorneys fees and approve the other items, subject to bondholder consent. However, he agreed that a good offer would be to bring the front lots current, provide a stipulated foreclosure on the back lots and charge the 1% fee or give a credit back to the property owner or bank as a partial payment on the Attorneys fees in order to help reduce the amount of Attorneys fees.

- Mr. Hagood believed this was a good compromise in order to proceed with the sale. He was not concerned about the back lots as the front lots were the premium lots.
- Mr. Van Wyk reported that he spoke to a representative of the buyer who told him not to be concerned about the Attorneys fees because they were willing to pay them as well as payoff the short term bonds (B bonds) and leave the A bonds. They were permitted under the indenture to pay off the short term bonds.
- Mr. Hagood questioned what the 1% would amount to. *Mr. Colon believed that it amounted to \$18,000.*

On MOTION by Mr. Hagood seconded by Mr. Colon with all in favor, the proposal from M&I Bank as stated above was approved, subject to bondholder approval.

B. Engineer

There not being any, the next item followed.

C. Field Operations

Mr. Smith presented the Monthly Highlight Report, which was included in the agenda package and available for public review in the District Office during normal business hours.

Mr. Smith reported the following:

- The signs out front were repainted and the bordering was repaired. They will continue doing this throughout the project.
- The fountain was finally repaired. Staff did most of the repairs.
- The tennis court nets were replaced.
- They cleaned out the canal to get the water down another four inches. He will go out there tomorrow to see how the rains affected the canal. However, the drainage should be working much better.
- They performed normal maintenance this month such as painting and cleaning.
- He is waiting on a proposal from Girard for the back lake.
- They will continue working on the erosion problem from now until summer since the water level in the canal was now under control.

The Board addressed the following:

- Ms. Von Blon questioned whether they were going to add brush to the lake as the water level was fairly low. *Mr. Smith confirmed that they were going to add sod, however, sod could be expensive. If this happens, they could add some rip rap in order to keep the erosion from continuing.*
 - Mr. Van Wyk questioned when this would start. *Mr. Smith confirmed that they were waiting for a dry period such as April or May, which was the driest time of year. The water level in the back needs to go down in the back, where there was the greatest erosion.*
 - Mr. Van Wyk questioned whether the lake level was lower than normal. *Ms. Von Blon confirmed that the level was very low. Mr. Smith pointed out that they have not had rain for weeks until today.*
- Ms. Von Blon pointed out that the trimming of the Spanish Moss was not done adequately. *Mr. Smith explained that Spanish Moss was hard to treat and was more of an aesthetic issue. He offered to get the contractor to prune the Spanish Moss at no additional cost.*
- Mr. Alexander pointed out that along the canal; there was tall dead tree, which could fall down. *Mr. Smith will look at the tree tomorrow.*
- Mr. Smith questioned whether the graffiti on the playhouse was sufficiently removed. Mr. Alexander acknowledged that he has not been there since he brought the matter up. Mr. Smith has someone checking the playhouse regularly.
- Mr. Alexander noticed graffiti on the dock rafters.

SEVENTH ORDER OF BUSINESS

Other Business

There not being any, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests and Audience Comments

The Board addressed the following:

- Mr. Colon pointed out that when he spoke to City staff last week regarding Easterfield Drive, they claimed it was a CDD road.
 - Mr. Van Wyk confirmed that it was a CDD road that would be conveyed to the City. The road was contemplated in the Improvement Plan.

- Mr. Hagood pointed out that once a road was completed it becomes a City road.
- Mr. Alexander pointed out that he sent an email regarding the construction site behind the tennis courts and questioned whether this was CDD property.
 - Ms. Burgess will find out.
 - Mr. Rinehart confirmed that it was an undeveloped subdivision that was part of the CDD.
 - Mr. Alexander noted that this property was around Lake District Road next to the tennis courts. He noticed hundreds of feet of aluminum fencing, which has since been removed.

NINTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Colon seconded by Mr. Rinehart with all in favor, the meeting was adjourned.

Gary L. Moyer
Secretary

Angel Colon
Chairman