

**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, May 21, 2012 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
Joshua Alexander	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Roy Van Wyk	Attorney: Hopping Green & Sams
Richard Dunn	Engineer
Brian Smith	Severn Trent Services

The following is a summary of the minutes and actions taken at the May 21, 2012 East Park Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Moyer called the meeting to order at 5:00 P.M. and stated that all Supervisors were in attendance with one vacant seat.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Appointment of Supervisor to Fill Vacancy in Seat 2

B. Oath of Office

C. Election of Officers – Resolution 2012-02

- Mr. Moyer addressed the following:
 - When there is a vacancy on the Board, Chapter 190 provides the remaining Board members will appoint someone to fill the unexpired term. The vacancy is in Seat 2, which expires November of 2012.
 - Mr. Colon indicated he did not have any nominations.

- Mr. Van Wyk recommended tabling this item until the November General Election.
- *There was consensus from the Board.*

THIRD ORDER OF BUSINESS

Approval of the Minutes of the March 26, 2012 Meeting

- Mr. Moyer stated that each Board member received a copy of the minutes of the March 26, 2012 meeting and requested any corrections, additions or deletions.
- Mr. Colon pointed out Page 3 shows he holds Seat 4, which he does not. Mr. Moyer confirmed Mr. Colon is in Seat 5.

On MOTION by Mr. Colon seconded by Ms. Von Blon with all in favor, the minutes of the March 26, 2012 meeting were approved as amended.

FOURTH ORDER OF BUSINESS

Presentation of Fiscal Year 2012 Proposed Budget

A. Discussion of Fiscal Year 2013 Proposed Budget

- Mr. Moyer provided the Board with the proposed budget for Fiscal Year 2013 and addressed the following:
 - Chapter 190 requires management to prepare a budget for the Board and present it. If it is in satisfactory form, the Board will be asked to adopt a resolution “approving” the budget for the purpose of a public hearing for the July meeting, at which time the Board will consider “adoption” of the budget.
 - The Board approving this budget, in no way commits the Board to this budget. All it commits the Board to do is to hold a public hearing in July.
 - What management provided to the Board is similar to the budget the Board adopted last year and does not increase assessments.
 - If the Board decides to re-bid the landscaping, there are sufficient monies in the Budget.
- Mr. Colon suggested budgeting funds for the lake erosion and obtaining estimates.
 - Mr. Smith confirmed they obtained estimates, but they do not have to do the entire lake, only the bad spots. One estimate was \$7 per linear foot for dirt, sod and littoral plantings. He recommended starting with 1,000 feet.

- Mr. Moyer pointed out in preparing the budget, the Accountant anticipated what the District would spend for the balance of the fiscal year. He estimated the budget coming in at \$100,000 under budget and suggested using some of this money for the lake erosion.
- Mr. Alexander addressed the following:
 - Questioned whether they were going to spend money on signage and lighting for the Easterfield Drive connection. Mr. Colon indicated they were going to look into this further. Mr. Moyer confirmed their projections do not include contributions to Easterfield Drive, but they had some funds available.
 - Questioned whether Girard was going to replace sod at the front entrance. Mr. Smith indicated Girard was responsible to replace sod that died, but they do not believe they are responsible because someone changed the timers. This was zoyzia grass, which is drought tolerant. Whatever sod does not come back, Girard would replace.
- Mr. Smith reported this year they plan to re-roof the gazeboes and re-paint the shade structures.

Discussion of Landscape Contract

- Mr. Colon indicated he requested a copy of the Girard contract due to complaints regarding the landscaping and management changes.
- Mr. Smith pointed out they use them for Celebration and were happy with their Project Manager. However, they were not happy with the Project Manager for this CDD. The contract expires in September. He recommended the Board re-bid the landscape maintenance after the sod was replaced.
- Mr. Moyer questioned whether Mr. Smith could resolve the issues with Girard and have proposals by the July meeting. Mr. Smith believes he can do this.
- Mr. Van Wyk requested a copy of the scope and specifications.
- Mr. Smith pointed out since the contract was under the bidding threshold, they could solicit bids and not go through a formal bidding process.
- Mr. Alexander suggested adding tree trimming to the scope.
- Mr. Smith will include a minimal scope for tree trimming, to keep the branches off the sidewalk and 14 feet off of the travel lane of the roadway.

- Mr. Smith pointed out issues with the maintenance of sidewalks and roadways as the CDD did not have a maintenance program. Mr. Dunn confirmed the sidewalks were dedicated to the City when the roads were completed.
- *Mr. Moyer directed Mr. Smith to bid the landscape maintenance and bring proposals to the July 30 meeting.*
- B. Consideration of Resolution 2012-05 Approving the FY 2013 Proposed Budget and Setting a Public Hearing**
- Mr. Moyer read Resolution 2012-05 into the record, which schedules the public hearing for July 30, 2012 in the Media Center at the Northlake YMCA.
- There being no further questions or comments,

On MOTION by Mr. Colon seconded by Mr. Rinehart with all in favor Resolution 2012-05 Approving the Fiscal Year 2013 Proposed Budget and Setting a Public Hearing for July 30, 2012 at 5:00 P.M. at the YMCA, 9055 Northlake Parkway, Orlando, Florida 32801 was adopted.

FIFTH ORDER OF BUSINESS

Action Items – Discussion of Landscape Agreement

- This item was discussed earlier in the meeting.

SIXTH ORDER OF BUSINESS

District Managers Report

A. Financial Statements

- Mr. Moyer reviewed the financial statements through April 30, 2012, which were included in the agenda package and noted the following:
 - The District collected \$364,000 of its non-ad valorem assessments against a \$506,000 levy or 72%. Last time this year the District collected 73%. It is anticipated the District will receive the remaining monies through tax certificates on delinquent properties
 - The District was \$31,000 under budget for administrative and \$50,000 under field operation expenditures, for a total amount under budget of \$81,000. This money can be used against the deficit of \$41,000 on the assessments.

B. Check Register

- Mr. Moyer reviewed the check register from March 1, 2012 through April 30, 2012, which was included in the agenda package.

- There being no questions or comments,

On MOTION by Mr. Colon seconded by Mr. Rinehart with all in favor the April financial statements and check registers for the period March 1, 2012 through April 30, 2012 in the amount of \$86,256.91 were approved.

C. Report on the Number of Registered Voters – 1,002

- Mr. Moyer reported under Chapter 190, the District was required to obtain the number of registered voters each year from the Supervisor of Elections.
- There are 1,002 registered voters in the CDD. This is for informational purposes only and will be included in the public record.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney - Consideration of Resolution 2012-06 Declaring a Default on the 2008 Bonds

- Mr. Van Wyk reported the following regarding Resolution 2012-06:
 - This resolution declares a default under the Trust Indenture.
 - The Trustee agreed to pay the costs of the foreclosure for the Village II area, subject to an Event of Default, which allows the Trustee under the Indenture to have access to some accounts. The CDD is limiting the event of default to the 2007 A & B bonds. It does not impact the 2002 bonds.
 - The Trustee will have access to \$1,000,000 in the Construction Fund for Village Center II to pay the ongoing costs of the foreclosure.
 - The CDD prevailed in the foreclosure and received a foreclosure judgment. However, the bank appealed the judgment and posted a \$500,000 bond.
 - When calculating the bond, the CDD estimated \$100,000 to defend the appeal. Should the bank lose, the CDD will receive \$500,000 to cover Attorney's fees and damages. The bank agreed to this.
 - The CDD received the appeal and has 20 days to respond. He believes the CDD will prevail.
 - Last week, the bank called to question the willingness of the bondholders to sell the bonds. The bondholders had the same response since day one. They

will take \$4.5 million from the \$9 million outstanding in bonds, including the money in the Construction Account, for a total of \$5.5 million.

- In order for the CDD to reimburse those funds, the Trustee wants to hear the CDD say “The reason we tapped the funds was not just because the bondholders told us to, but because the CDD was in default according to the Indenture”.
- Mr. Van Wyk recommended adoption of Resolution 2012-06 Declaring a Default on the 2008 Bonds.
- Upon adoption of this resolution, Mr. Moyer will provide this notice to the Trustee and Disclosure Agent and a notice of event will be posted and sent to the bondholders.

On MOTION by Mr. Rinehart seconded by Mr. Colon with all in favor Resolution 2012-06 Declaring an Event of Default Pursuant to the Trust Indenture for the District’s Special Assessment Bonds, Series 2008A and 2008B; Directing Staff to Provide Notice of Such Default; Providing a Severability Clause and Providing an Effective Date was adopted.

- Mr. Van Wyk reported the following regarding the Easterfield Drive construction project:
 - He spoke with the City Attorney this morning regarding commencement of the Easterfield Drive construction project. The City Attorney indicated the Water Management District was going to allow the CDD to be grandfathered in under the existing permit with a modification letter.
 - The project should commence within the next month. A monetary contribution was made by the CDD in order for the City to construct Easterfield Drive and the Interlocal Agreement was executed. It is awaiting approval by the City Commission.
- The following was addressed by the Board:
 - Mr. Rinehart questioned whether the City received the construction plans. Mr. Van Wyk confirmed the City was drafting their own construction plans.

Mr. Rinehart believed the CDD should receive a copy of the plans. Mr. Van Wyk will obtain a copy once they are finalized.

- Mr. Rinehart questioned the amount of the CDD contribution. Mr. Colon confirmed the CDD contributed \$55,000 and the HOA contributed \$7,500.
- Mr. Alexander questioned whether the CDD would be able to provide power to the entry walls while the City was building them. Mr. Colon indicated they would need to coordinate this with the City. Mr. Smith confirmed they were planning to install a meter box behind the wall, conduits under the road for electricity and another meter for the reuse water. Mr. Colon pointed out this should be part of the scope. Mr. Van Wyk will verify this.

B. Engineer

- There not being any, the next item followed.

C. Field Operations

i. Field Maintenance Report

ii. Landscaping Report

iii. Aquatic Weed Control Report

- Mr. Smith presented the monthly Field Maintenance, Landscaping and Aquatic Maintenance Reports, which were included in the agenda package and available for public review in the District Office during normal business hours and discussed the following:
 - The swing set was installed. The only remaining item was the mulch installation and painting.
 - The doggie pots were installed.
 - Ms. Von Blon pointed out no one cleaned them. Mr. Smith will speak to Girard.
 - The painting of the columns at the entry gate was completed. They will continue painting all of the columns throughout the community.
- Ms. Von Blon requested a new flag for the park. Mr. Alexander reported the City was supposed to provide one since the City owns the park. They were trying to get the City to lower the flag pole.

- Mr. Rinehart questioned whether each neighborhood had their own HOA. Mr. Alexander indicated there were four different HOA's.
- Mr. Alexander questioned the status of the knocked down fence. Mr. Smith confirmed they removed the gate, but this expenditure was supposed to be paid by the developer.
- Mr. Smith noticed someone mowing the area around the pond. Girard was not supposed to be back there. Mr. Rinehart believes D.R. Horton had someone mow this area since they own the pond. Mr. Alexander will contact D.R. Horton to request a fence because residents were trespassing. Mr. Smith recommended installing a chain link fence in the CDD's right-of-way. Mr. Alexander suggested installing barricades. *The Board agreed with having barricades.*

EIGHTH ORDER OF BUSINESS

Other Business – Update on Easterfield Drive Connection

- There not being any, the next item followed.

NINTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

- There not being any, the next item followed.

TENTH ORDER OF BUSINESS

Adjournment

- There being no further business,

<p>On MOTION by Mr. Colon seconded by Ms. Von Blon with all in favor, the meeting was adjourned.</p>
--

Gary L. Moyer
Secretary

Angel Colon
Chairman