

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**HERITAGE HARBOUR SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Heritage Harbour South Community Development District was held on **Tuesday, April 7, 2015 at 4:00 p.m.** at the Stoneybrook Golf Club located at 8000 Stone Harbour Loop, Bradenton, Florida 34212.

Present and constituting a quorum were:

Michelle Patterson	Board Supervisor, Chairman
Richard Lane	Board Supervisor, Vice Chairman
George Mosinskis	Board Supervisor, Asst. Secretary
Tad Parker	Board Supervisor, Asst. Secretary
Joyce Sandy	Board Supervisor, Asst. Secretary

Also present were:

Greg Cox	District Manager; Rizzetta & Company
Pete Williams	Vice President; Rizzetta & Company
Brooke DeVito	Financial Consultant; Rizzetta & Company
Andy Cohen	District Counsel; Persson & Cohen
Rick Schappacher	District Engineer; Schappacher Engineering
Brett Sealy	Underwriter; MBS Capital Markets (via phone)

Audience

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cox called the meeting to order and conducted roll call.

SECOND ORDER OF BUSINESS

Audience Comments

There were no questions or comments from the audience.

THIRD ORDER OF BUSINESS

**Consideration of Minutes of Board of
Supervisors' Meeting Held Mar. 3, 2015**

Mr. Cox presented the minutes of the Board of Supervisors' meeting held on March 3, 2015 to the Board for consideration. Several of the Board members indicated they had not read the minutes, therefore consideration of these minutes was tabled until the May 5, 2015 meeting.

FOURTH ORDER OF BUSINESS

**Consideration of Operation &
Maintenance Expenditures**

Mr. Cox presented the February 2015 Operation & Maintenance expenditures totaling \$22,665.25 to the Board for ratification. Mr. Cohen addressed a question from Mr. Parker regarding the topic of discussion referenced in his firm's invoice. Mr. Parker also questioned why the expenditures could not be seen by the Board earlier. Mr. Cox explained the timing of the processing of the invoices.

On a Motion by Mr. Parker, seconded by Mr. Lane, with all in favor, the Board of Supervisors ratified the February 2015 Operation & Maintenance Expenditures for \$22,665.25 for the Heritage Harbour South Community Development District.

FIFTH ORDER OF BUSINESS

HOA Updates

Comments were received from the Stoneybrook HOA representative expressing their appreciation for the on-going work.

SIXTH ORDER OF BUSINESS

Lighthouse Cove HOA Update

Ms. Leah Burton, counsel for the Lighthouse Cove HOA, provided comments for Mr. Joe Ramsey regarding his opinion of the assessment methodology and how "taxes are skewed towards Stoneybrook". Mr. Mosinskis provided additional comments regarding the direction of the water flow in the Lighthouse Cove area and also expressed his interest in getting that clarified along with the actual acreage numbers used in the assessment.

SEVENTH ORDER OF BUSINESS

Golf Course Update

There was no update provided from the golf course staff.

EIGHTH ORDER OF BUSINESS

Discussion of Assessment Methodology

Mr. Pete Williams with Rizzetta and Company led a discussion regarding the current assessment methodology issues relative to Mr. Joe Ramsey's claims as well as changes forthcoming from the development of the parcel 17 area with townhomes. Mr. Williams explained where the 37% drainage area factor was derived and how it was used in the methodology. He explained that he could accept the logic that Lighthouse Cove should have the 37% factor removed in their assessment calculation and recommended that the Board considered doing that. He reviewed the assessment assertions Mr. Ramsey had presented and showed where certain errors were made in his calculations. Mr. Williams also presented a chart that compared the assessment charges that would occur, using the Fiscal Year 14-15 budget, when the parcel 17 area townhomes are factored in as well as removing the 37% factor from Lighthouse Cove.

Mr. Williams suggested two options for the Board. One option was to move forward with

the removal of the 37% factor for Lighthouse Cove for the Fiscal Year 15-16 budget. The second option would be to have the District Engineer perform a recalculation of all the percentages used in the current methodology to verify their accuracy.

On a Motion by Mr. Parker, seconded by Ms. Patterson, with all in favor, the Board of Supervisors authorized staff to remove the 37% storm water factor from the Lighthouse Cove assessment formulas within the methodology for the Fiscal Year 15-16 budget and to authorize Mr. Pete Williams to prepare a response to Mr. Joe Ramsey as a representative position for the Heritage Harbour South Community Development District.

Mr. Cox informed the Board that he had received a request from District Underwriter, Brett Sealy, to speak to the Board regarding the potential refinancing of the Series 2003 Bond for the Lighthouse Cove area of the District.

On a Motion by Ms. Patterson, seconded by Ms. Sandy, with all in favor, the Board of Supervisors added the discussion of the Series 2003 Lighthouse Cove Bond refinancing to the meeting agenda for the Heritage Harbour South Community Development District.

Mr. Sealy, addressing the Board by phone, informed the Board that with the development of the parcel 17 area into townhomes by the developer, the former concerns with the District credit rating changed for the positive. He explained that as before, due to the size of the bond, the cost of issuance factor would require an increase in principal of an estimated \$75,000 but the annual savings to the residents would be approximately \$43 for the townhomes and \$50 for the single family homes. He explained that over the life of the bond, the total savings would greatly exceed the increase in principal.

Mr. Sealy explained that the first step in the process would be to obtain a credit rating. He wanted to make sure that the Board was certain about moving forward due to the cost of the credit rating and addressed the issue of the Board not proceeding the last time the process was initiated. The Board members discussed the topic.

Being that this item was added to the agenda, Mr. Cox requested comments from the public on this topic. Ms. Harrietta Marinetti indicated that it was a positive move.

On a Motion by Ms. Patterson, seconded by Mr. Lane, with all in favor, the Board of Supervisors voted to proceed with the refinancing of the Series 2003 Bond and authorized the staff to take steps to inform the Lighthouse Cove community for the Heritage Harbour South Community Development District.

NINTH ORDER OF BUSINESS

Discussion of Roadway Repair Plan

Mr. Cox presented a draft plan to address the roadway assessment report that had been prepared by Mr. Shappacher. He explained that he divided the work load into the next 15 years by

fiscal year. The Board discussed the draft plan and requested that it be taken several steps further by attempting to determine what material would be required for the areas identified by Mr. Shappacher.

Mr. Cox also indicated that Mr. Shappacher was working to obtain proposals for a small number of immediate repair requirements within the District.

TENTH ORDER OF BUSINESS

**Consideration of Resolution 2015-02,
Designating District Records Location**

Mr. Cox presented Resolution 2015-02, Designating the District's Record Location, and explained the purpose of the resolution and the legal requirement for it.

On a Motion by Mr. Parker, seconded by Mr. Mosinskis, with all in favor, the Board of Supervisors adopted the Resolution 2015-02, Designating the District Records Location as Schappacher Engineering, LLC located at 3604 53rd Ave East, Bradenton, Florida 34212 for the Heritage Harbour South Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Proposal for Striping
Roads from AAA Striping Plus**

Mr. Cox presented the proposal from AAA Striping Plus for the roadway striping within the District and explained how through confusion within the AAA Striping Plus company, they proceeded with doing the work prior to getting Board approval. The Board discussed the situation and agreed to approve the work that had been done.

On a Motion by Ms. Patterson, seconded by Mr. Parker, with all in favor, the Board of Supervisors ratified the acceptance of the proposal from AAA Striping Plus for \$1,240.22 for roadway striping within the Heritage Harbour South Community Development District.

TWELFTH ORDER OF BUSINESS

**Consideration of Audited Financial Report
for Year Ending September 30, 2014**

Mr. Cox presented the audit report for the fiscal year ending September 30, 2014 to the Board and explained that all comments within the report were positive and that there were no findings or issues.

A Motion by Ms. Patterson, seconded by Ms. Sandy, with all in favor, the Board of Supervisors accepted the Audit Financial Report for fiscal year ending September 30, 2014 for the Heritage Harbour South Community Development District.

On a Motion by Ms. Patterson to extend the meeting by an additional 30 minutes failed to gain a second, therefore the motion failed.

Ms. Patterson indicated that all she was seeking was feedback from the Board regarding the use of the tablets vs. the hard copy agendas. Mr. Lane and Ms. Sandy both indicated they wanted their hard copy agendas mailed to them once again.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Cohen informed the Board that he and Mr. Cox were still working on the Master Association to finalize the maintenance agreement.

B. District Manager

Mr. Cox informed the Board that the next regular meeting is scheduled to be held on May 5, 2015 at 4:00 p.m.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Parker, seconded by Mr. Mosinskis, with all in favor, the Board of Supervisors' meeting was adjourned at 6:00 p.m. for the Heritage Harbour South Community Development District.


Secretary / Assistant Secretary


Chairman / Vice Chairman