

**MINUTES OF MEETING
LANGLEY SOUTH COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Langley South Community Development District held Public Hearings, a Regular Meeting and Audit Committee Meeting on January 11, 2024 at 10:30 a.m., at the City of Minneola City Hall, 800 N US Hwy 27, Minneola, Florida 34715.

Present at the meeting were:

Nora Schuster	Chair
Daniel LaRosa	Vice Chair
Susan Kane	Assistant Secretary
Shane Willows	Assistant Secretary

Also present:

Cindy Cerbone	District Manager
Andrew Kantarzhi	Wrathell, Hunt and Associates, LLC (WHA)
Jere Earlywine (via telephone)	District Counsel
Bennett Davenport (via telephone)	Kutak Rock LLP
Renee Baxter	Taylor Morrison

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 10:30 a.m., and noted that the Oath of Office was administered to Mr. Daniel LaRosa prior to the meeting.

Supervisors Schuster, Kane, Willows and LaRosa were present. Supervisor Evans was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no comments from the public.

THIRD ORDER OF BUSINESS

**Administration of Oath of Office to
Supervisor Daniel LaRosa**

This item was addressed during the First Order of Business.

Ms. Cerbone stated she will forward Kutak Rock's email with information about completing the annually required four-hour ethics continuing education course. She noted that Mr. LaRosa must file his Form 1 within the next 30 days and asked if Mr. LaRosa can defer checking the Ethics Training box on Form 1. Mr. Earlywine asked Mr. Davenport to research and confirm that the Board Members have a year to complete the requirement.

FOURTH ORDER OF BUSINESS

Public Hearing Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District's Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date

- A. Affidavit/Proof of Publication
- B. Consideration of Resolution 2024-31, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Langley South Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date

On MOTION by Ms. Kane and seconded by Ms. Schuster, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was closed.

On MOTION by Ms. Schuster and seconded by Mr. Willows, with all in favor, Resolution 2024-31, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Langley South Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Consider the Adoption of an Assessment Roll and the Imposition of Special Assessments Relating to the Financing and Securing of Certain Public Improvements

A. Affidavit/Proof of Publication

B. Mailed Notice to Property Owner(s)

These items were presented for informational purposes.

Mr. Earlywine noted plans to schedule another assessment hearing for some of the later properties; today, the CDD will be proceeding with just the first 299 lots in the Developer Plan. He discussed the timing of the bonds with Mr. LaRue and Mr. Kessler and conveyed plans to issue an oversized A Bond or B Bonds instead of just a regular A Bond.

C. Presentation of Engineer's Report

Mr. Earlywine stated that the Engineer's Report dated September 2023 is the same version presented at prior meetings. He highlighted the Capital Improvement Plan (CIP) as follows:

- Section 1: The proposed CIP consists of developing 1,053 residential units in multiple phases.
- Section 5: The estimated cost of the CIP is \$44,628,454. The site is listed as being open to the public; the list outlines the entity responsible for Operation & Maintenance (O&M).

On MOTION by Mr. Willows and seconded by Ms. Kane, with all in favor, the Engineer's Report dated September 2023, in substantial form, was approved.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was opened.

D. Presentation of Master Special Assessment Methodology Report

Ms. Kane voiced her opinion that the Assessment Apportionment Cost, in Table 5, seems steep. Ms. Cerbone stated that District Management typically recommends spreading the maximum assessment cost across the entire project and, after the bond issue, a Final First Supplemental Methodology Report will be presented outlining the exact unit count and costs levied across the units, which usually is considerably lower than anticipated.

Mr. Earlywine stated that both the Engineer's Report and the Methodology Report contain the findings the Board needs to make the findings today to adopt the assessments. Specifically, the findings include that the properties benefit by the project in an amount equal to or in excess of the amount set forth in the Engineer's Report. The Methodology Report further finds that there is sufficient benefit based on the Engineer's Report to support the assessments and that they are fairly and reasonably allocated, consistent with the Equivalent Residential Unit (ERU) factors.

Mr. Earlywine concurred with Ms. Cerbone's earlier comment that the approach is the same for all Florida-based projects, to cap the ceiling amount, which includes grossing up the maximum amount 20% to account for financing costs and then spread the assessment across the project. After the bond issue, a Final First Supplemental Methodology Report will be presented, which will duplicate the bond structure. He asked Board if there are any concerns about the ERU weights, as this is harder to change later on, or the unit count.

- **Hear testimony from the affected property owners as to the propriety and advisability of making the improvements and funding them with special assessments on the property.**

No affected property owners or members of the public spoke.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was closed.

Ms. Cerbone asked if the Board wished to make any change to the motion approving the Engineer's Report, in substantial form. The response was no.

On MOTION by Ms. Kane and seconded by Mr. Willows, with all in favor, the Master Special Assessment Methodology Report dated September 2023, in substantial form, was approved.

E. Consideration of Resolution 2024-32, Making Certain Findings; Authorizing a Capital Improvement Plan; Adopting an Engineer's Report; Providing an Estimated Cost of Improvements; Adopting an Assessment Report; Equalizing, Approving, Confirming and Levying Debt Assessments; Addressing the Finalization of Special Assessments; Addressing the Payment of Debt Assessments and the Method of Collection; Providing for the Allocation of Debt Assessments and True-Up Payments; Addressing Government Property, and Transfers of Property to Units of Local, State and Federal Government; Authorizing an Assessment Notice; and Providing for Severability, Conflicts and an Effective Date

Ms. Cerbone presented Resolution 2024-32 and read the title.

Mr. Earlywine reiterated that the Board is making findings based on the representations made in the Engineer's Report and the Methodology Report and, finally, essentially finding that the assessments are consistent with Florida Law and will benefit the property and will be fairly reasonably allocated. Resolution 2024-32, known as the Master Assessment Resolution accomplishes the following:

- Section 3: Adopts the Engineer's Report.
- Section 5: Approves the Methodology Report.
- Section 6: Equalizes, approves and confirms the levied assessments, including 6a, which speaks to the Supplemental Assessment Resolution for bonds that will be presented once bonds are issued along with a similar Resolution to adopt that matches the assessments to the specific bond analysis, 6c, which contemplates contributions, and 6d, which contemplates impact fee credits.

- Section 7: Finalizes Debt Assessment to complete the project.
- Section 8: Deals with Payment, including 8b, which deals with prepayment and contemplates a reserve credit if a prepayment is made, and 8c, which relates to collecting debt on the tax roll.
- Section 9: Speaks on the True-Up process.
- **Thereafter, the governing authority shall meet as an equalizing board to hear any and all complaints as to the special assessments on a basis of justice and right.**

The Board, sitting as the Equalizing Board, made no changes to the assessment levels.

On MOTION by Ms. Kane and seconded by Mr. Willows, with all in favor, Resolution 2024-32, Making Certain Findings; Authorizing a Capital Improvement Plan; Adopting an Engineer's Report; Providing an Estimated Cost of Improvements; Adopting an Assessment Report; Equalizing, Approving, Confirming and Levying Debt Assessments; Addressing the Finalization of Special Assessments; Addressing the Payment of Debt Assessments and the Method of Collection; Providing for the Allocation of Debt Assessments and True-Up Payments; Addressing Government Property, and Transfers of Property to Units of Local, State and Federal Government; Authorizing an Assessment Notice; and Providing for Severability, Conflicts and an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Public Hearing to Hear Public Comments and Objections to the Adoption of the Rules of Procedure, Pursuant to Sections 120.54 and 190.035 Florida Statutes

- A. Affidavits of Publication**
- B. Consideration of Resolution 2024-33, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date**

Ms. Cerbone stated that, while the Florida Statute guides CDD Rules of Procedure, more detail and substance is included to allow the CDD and its Board to function to its maximum potential.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Ms. Kane and seconded by Ms. Schuster, with all in favor, the Public Hearing was closed.

On MOTION by Ms. Schuster and seconded by Mr. Willows, with all in favor, Resolution 2024-33, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2023/2024 Budget

- A. Affidavit of Publication**
- B. Consideration of Resolution 2024-34, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date**

Ms. Cerbone stated that the proposed Fiscal Year 2024 budget is the same version presented at the prior meeting. It is a Landowner-funded budget, with expenses funded as incurred. If the bond issue is delayed, District Management's Fee will be reduced to \$2,000 a month until bonds are issued.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Willows and seconded by Ms. Kane, with all in favor, Resolution 2024-34, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2024-35, Designating the Primary Administration Office of the District and Providing for an Effective Date

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, Resolution 2024-35, Designating the Office of Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, as the Primary Administration Office of the District and Providing for an Effective Date, was adopted.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2024-36, Designating the Location of the Local District Records Office and Providing an Effective Date

This item was deferred.

TENTH ORDER OF BUSINESS

Recess Regular Meeting/Commencement of Audit Selection Committee Meeting

The Regular Meeting recessed and the Audit Selection Committee Meeting convened at 10:54 a.m.

ELEVENTH ORDER OF BUSINESS

Review of Responses to Request for Proposals (RFP) for Annual Audit Services

- A. Affidavits of Publication
- B. RFP Package
- C. Respondent(s)

I. Grau & Associates

II. Berger, Toombs, Elam, Gaines & Frank

Ms. Cerbone, stated that she has worked with both respondents and voiced her opinion that both are qualified to perform the CDD's audit.

D. Auditor Evaluation Matrix/Ranking

Ms. Cerbone reviewed each firms bid and stated that Grau & Associates (Grau) bid \$4,700, includes bonds, and the Berger, Toombs, Elam, Gaines & Frank (BTEGF) bid \$3,470 includes bonds. She shared her proposed scores and ranking, in which she scored the full points to each respondent in each category except for scoring Grau 19 points in the price category, instead of 20.

Ms. Cerbone presented her overall scores and ranking, as follows:

#1 Berger, Tombs, Elam, Gaines & Frank 100 points

#2 Grau & Associates 99 points

Mr. Earlywine, before leaving, noted plans are to issue bonds within the next 60 days. The bond validation hearing is scheduled for January 24, 2023 and the CDD is eligible to issues bonds 30 days after that.

On MOTION by Ms. Schuster and seconded by Mr. Willows, with all in favor, accepting Ms. Cerbone's overall scores and ranking as the Audit Selection Committee's scores and ranking, was approved.

TWELFTH ORDER OF BUSINESS

Termination of Audit Selection Committee Meeting/Reconvene Regular Meeting

The Audit Selection Committee was terminated and the Regular Meeting reconvened at 10:59 a.m.

THIRTEENTH ORDER OF BUSINESS

Consider Recommendation of Audit Selection Committee

- **Award of Contract**

On MOTION by Mr. Willows and seconded by Mr. LaRosa, with all in favor, the Audit Selection Committee scores, ranking and recommendation, were accepted, and awarding the Annual Audit Services contract to Berger, Tombs, Elam, Gaines & Frank, the #1 ranked respondent to the RFP for Annual Audit Services, was approved.

FOURTEENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of November 30, 2023

On MOTION by Ms. Kane and seconded by Ms. Schuster, with all in favor, the Unaudited Financial Statements as of November 30, 2023, were accepted.

FIFTEENTH ORDER OF BUSINESS

Approval of Minutes

- A. October 30, 2023 Landowners' Meeting
- B. October 30, 2023 Organizational Meeting

On MOTION by Ms. Kane and seconded by Mr. LaRosa, with all in favor, the October 30, 2023 Landowners' Meeting and the October 30, 2023 Organizational Meeting Minutes, as presented, were approved.

SIXTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel: Kutak Rock LLP

Mr. Davenport stated that he prepared the bond validation documents for filing in preparation for the Bond Validation hearing on January 24, 2024. He will need Mr. LaRosa's Oath of Office.

- B. District Engineer (Interim): Madden Moorhead & Stokes, LLC
- C. District Manager: Wrathell, Hunt and Associates, LLC

There were no District Engineer or District Manager reports.

- NEXT MEETING DATE: February 8, 2024 at 10:30 AM
 - Quorum Check

The February 8, 2024 meeting will likely be cancelled. The next meeting will likely be on March 14, 2024 and include responses to the Request for Qualifications (RFQ) for Engineering Services.

SEVENTEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

Mr. LaRosa asked when the decision was made to float bonds in the next 60 days and what was budgeted for the bond rate. Ms. Cerbone thinks that the decision might have occurred during discussions with Mr. LaRue, one of Lennar's representative, and Mr. Kessler. She pointed out the Assumption Coupon Rate is 8.5%, as outlined on Page 14 of the Methodology Report.

Mr. LaRosa voiced his concern about carrying bonds when he anticipates there might be delays with certain projects. In his opinion, the group might have to rethink if it is in the best interest to float the bonds in the next 60 days. Ms. Kane will have Mr. LaRue contact Mr. LaRosa to discuss his concerns.

EIGHTEENTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

NINETEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Schuster and seconded by Ms. Kane, with all in favor, the meeting adjourned at 11:09 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair