

**MINUTES OF MEETING  
SCENIC TERRACE SOUTH  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Scenic Terrace South Community Development District was held Wednesday, **July 19, 2023** at 1:45 p.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum:

Lauren Schwenk  
Patricia Hudson  
Daniel Arnette  
Chuck Cavaretta

Vice Chair  
Assistant Secretary  
Assistant Secretary  
Assistant Secretary

Also present were:

Jill Burns  
Roy Van Wyk  
Rey Malave *by Zoom*

District Manager, GMS  
District Counsel, KVV Law  
District Engineer, Dewberry

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order and called the roll. Four Board members were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Ms. Burns noted that there were no members of the public present at this time or via Zoom.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the May 17, 2023  
Board of Supervisors Meetings**

Ms. Burns presented the minutes from the May 17, 2023 Board of Supervisors meeting and asked for any changes or corrections from the Board.

<p>On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, the Minutes of the May 17, 2023 Board of Supervisors Meeting, were approved.</p>
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July 19, 2023

Scenic Terrace South CDD

**FOURTH ORDER OF BUSINESS**

**Presentation and Approval of Supplemental Assessment Methodology for Series 2023 Bonds dated July 19, 2023**

Ms. Burns stated this is the supplemental report for Phase 4 which is the 99 lots that were added to the boundary amendment. This is based on the bond sizing that was sent over from FMS. In the tables attached, Table 1 shows the development program and there are 99 lots within this area. The capital improvement plan cost estimate is \$5,003,427 and an estimated bond sizing of \$2,450,000. She noted Table 4 shows the improvement cost per unit and Table 5 shows a par debt per unit for each of those 99 lots of \$24,747. Table 6 shows the net and gross annual debt assessment per unit. The net annual debt assessment per unit is \$1,750. The gross amount that we collected on the roll would be \$1,882. Table 7 shows the preliminary assessment roll and we have one landowner, STS Dev Partners, LLC. Ms. Burns asked for any questions. Mr. Van Wyk asked if in her opinion are these assessments fairly and reasonably apportioned and it's in your opinion that the benefit is equal to or exceeds the burden placed upon the lots by the assessments? Ms. Burns answered yes to both.

On MOTION by Mr. Cavaretta, seconded by Ms. Hudson, with all in favor, the Supplemental Assessment Methodology for Series 2023 Bonds dated July 19, 2023, was approved.

**FIFTH ORDER OF BUSINESS**

**Public Hearings**

**A. Public Hearing on the Adoption of the Fiscal Year 2024 Budget.**

Ms. Burns stated this public hearing has been advertised in the paper. Do we have a motion to open?

On MOTION by Ms. Hudson, seconded by Mr. Arnette, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns stated no members of the public are present at this time so asking for a motion to close.

On MOTION by Mr. Arnette, seconded by Mr. Cavaretta, with all in favor, Closing the Public Hearing, was approved.

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Scenic Terrace South CDD

**i. Consideration of Resolution 2023-09 Adopting the District's Fiscal Year 2024 Budget and Appropriating Funds**

Ms. Burns stated there are two budgets listed in the agenda, option A & B. She noted option A is the one used for the mailed notice. At the last meeting, a preliminary budget was approved which included a field contingency for notice purposes so that we don't have to go back and re-notice. Option B is the budget with that larger field contingency that is based on the development timeline on what may be coming online. She noted the 744 platted lots in that first assessment area have a gross per unit assessment of \$681.18 and the unplatted which is an assessed portion of the admin only, that per unit is \$171.78. She noted that is the new boundary area that won't have any field expenses for the next year. There is no infrastructure installed at this point that is being maintained or contracts in place. She stated this is just estimates based on landscaping plans, amenity plans and things that were provided. Ms. Schwenk asked about option A. Ms. Burns stated option A is used for notice which is a higher amount with a larger field contingency and the per unit assessment on the platted lots would be \$948.56. Ms. Schwenk proposed to approve Option B.

<p>On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, Resolution 2023-09 Adopting the District's Fiscal Year 2024 Budget and Appropriating Funds – Option B, was approved.</p>
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**B. Public Hearing on the Imposition of Operations and Maintenance Special Assessments**

Ms. Burns stated this will be continued to the August meeting because the 99 units that were recently brought into the District, the mailed notices need to be sent and when it was brought in there was not enough time for the hearing. Ms. Burns noted we have adopted our budget so we will continue the hearing to levy the assessment and approve the tax roll to where we can send the mailed notice, which has already been sent but we need 30 days of notice between that and the hearing date. The notice was sent to the owners of the 99 lots.

<p>On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, Opening the Public Hearing, was approved.</p>
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Scenic Terrace South CDD

**i. Consideration of Resolution 2023-10 Continuing the Public Hearing Regarding the Imposition of Special Assessments for Fiscal Year 2023/2024**

Ms. Burns asked for a motion to continue this hearing to August 16<sup>th</sup> at 1:45 p.m. at this location.

On MOTION by Ms. Hudson, seconded by Mr. Cavaretta, with all in favor, Resolution 2023-10 Continuing the Public Hearing Regarding the Imposition of Special Assessments for the Fiscal Year 2023/2024 to August 16<sup>th</sup> at 1:45 p.m. at this location, was approved.

**C. Public Hearing on the Imposition of Special Assessments on Boundary Amendment Parcels**

Ms. Burns stated this is the public hearing that was set at the last meeting and mailed notice was sent to property owners within this boundary amendment area. Do we have a motion to open?

On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns stated there are no members of the public present at this time and asked for a motion to close the public hearing.

On MOTION by Ms. Schwenk seconded by Mr. Arnette, with all in favor, Closing the Public Hearing, was approved.

**i. Presentation of Engineer’s Report – Amended and Restated dated May 16, 2023**

Mr. Malave stated the date of report as submitted is May 16, 2023 consisting of the property located as shown in various drawings and exhibits, again adding additional land and brings the total land up to 211.11 acres for a total number of units 843. He noted the total cost as shown in Exhibit 7B of approximately \$40,593,501. He stated these are current dollars and believe these are adequate for the construction of the proposed capital improvement projects. He asked for any questions.

On MOTION by Ms. Schwenk, seconded by Mr. Arnette, with all in favor, the Engineer’s Report – Amended and Restated dated May 16, 2023, was approved.

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**ii. Presentation of Amended and Restated Master Assessment Methodology dated May 17, 2023**

Ms. Burns stated this report updates the prior Master Assessment Methodology that was issued and it allocates the debt to the property spaces on the improvements that each receives from the capital improvement plan that Ray just reviewed. Table 1 shows the updated development program with a total of 843 lots in the community. She noted it is 293 single family 40' lots and then 550 single family 50' lots. Table 2 shows the capital improvement plan cost estimate of \$40,593,501 and Table 3 shows an estimated bond sizing of \$47,660,00. Table 4 shows the improvement cost per unit for both of those product types and Table 5 shows the par debt per unit which would be the most amount of debt that would be placed on those product types within the community. The single family 40' would be \$48,608 and single family 50' would be \$60,760. Table 6 breaks down the net and gross annual debt assessment per unit. The gross annual debt assessment per unit when collected on the Polk County tax bill will be \$3,227 for the 40' lots and then \$4,034 for the 50' lots. Again, this is the master levy on that boundary amendment parcel so that would be the most amount of debt we would issue.

Mr. Van Wyk asked with the revisions, it is still your opinion that the assessments are fairly and reasonably apportioned across all the product types within the District including the 99 lots and is it in your opinion that it is greater than or equal to the assessment prior to being placed. Ms. Burns answered yes to both.

On MOTION by Mr. Cavaretta, seconded by Ms. Hudson, with all in favor, the Amended and Restated Master Assessment Methodology dated May 17, 2023, was approved.
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**iii. Consideration of Resolution 2023-11 Levying Special Assessments**

Ms. Burns stated this will levy assessments across that boundary amendment parcel similar to the process that we went through on the existing District. Mr. Van Wyk stated you are making findings that are consistent with all of the statements by the engineer as to the construction of the improvements and cost of those improvements and you are also making a finding that there is a benefit to the parcels as stated by Jill and the assessments are fairly and reasonably apportioned and there is a benefit to each parcel located within the District and provides for the adoption of a supplemental assessment when and if we issue bonds.

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On MOTION by Mr. Cavaretta, seconded by Mr. Arnette, with all in favor, Resolution 2023-11 Leving Special Assessments was approved.

**D. Public Hearing on the District’s Use of the Uniform Method of Levying, Collection, & Enforcement of Non-Ad Valorem Assessments on Boundary Amendment Parcels**

Ms. Burns stated this public hearing has been advertised in the paper. She asked for a motion to open the public hearing.

On MOTION by Mr. Arnette, seconded by Mr. Cavaretta, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns stated no members of the public are present at this time. She asked for a motion to close the public hearing.

On MOTION by Mr. Arnette, seconded by Mr. Cavaretta, with all in favor, Closing the Public Hearing, was approved.

**i. Construction of Resolution 2023-12 Expressing the District’s Intent to Utilize the Uniform Method of Collection**

Ms. Burns stated this will allow us to use the tax bill as our collection method for the boundary amendment parcels.

On MOTION by Mr. Arnette, seconded by Ms. Hudson, with all in favor, Resolution 2023-12 Expressing the District’s Intent to Utilize the Uniform Method of Collection, was approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-13 Designation of a Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2024**

Ms. Burns stated the schedule in the agenda package is the same as the current schedule for this year.

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On MOTION by Mr. Cavaretta, seconded by Ms. Hudson, with all in favor, Resolution 2023-13 Designation of a Regular Monthly Meeting Date, time, and Location for Fiscal Year 2024, was approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-14 Designating a Date, Time, and Location for a Landowners’ Meeting and Election**

Ms. Burns stated this needs to be held on November 7<sup>th</sup> the first Tuesday of the month by Statute. The time proposed is 9:15 at the Holiday Inn down the street.

On MOTION by Ms. Schwenk, seconded by Mr. Arnette, with all in favor, Resolution 2023-14 Designating November 7<sup>th</sup> at 9:15 a.m. at Holiday Inn for the Landowner’s Meeting and Election, was approved.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Proposal for Arbitrage Rebate Services for Series 2022 Project Bonds from AMTEC**

Ms. Burns stated this proposal is from AMTEC who provides that service for most of the other bond issuances that you have. This is a report required by the Trust Indenture that the District has to demonstrate that we are not earning more interest than we pay on the bonds. She noted it is \$450 annually.

On MOTION by Mr. Cavaretta, seconded by Ms. Hudson, with all in favor, the Proposal for Arbitrage Rebate Services for Series 2022 Project Bonds from AMTEC, was approved.

**NINTH ORDER OF BUSINESS**

**Consideration of Non-Exclusive Perpetual Easement Agreement with Town of Lake Hamilton, Florida – ADDED**

Ms. Burns stated this was added, something that the police chief was asking for. We are looking for a motion to approve in substantial form and authorize the Chair to sign should the city not have any comments.

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On MOTION by Mr. Cavaretta, seconded by Ms. Schwenk, with all in favor, the Non-Exclusive Perpetual Easement Agreement with Twon of Lake Hamilton, Florida, was approved in substantial form.

**TENTH ORDER OF BUSINESS**

**Acceptance of Fiscal Year 2022 Audit Report**

Ms. Burns stated page 30 of the agenda has the report to management which summarizes this audit. She noted it was a clean audit with no findings or incidents of noncompliance. The District does not meet any of the conditions for financial emergency and submitted to the state by the June 30<sup>th</sup> deadline.

On MOTION by Ms. Hudson, seconded by Mr. Cavaretta, with all in favor, Accepting the Fiscal Year 2022 Audit Report, was approved.

**ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

**i. Memo Regarding Ethics Training for Elected Officials**

Mr. Van Wyk stated included in the agenda are the ethics training requirements and some of the options for the Supervisors to consider.

**B. Engineer**

**i. Acceptance of Annual District Engineering Report**

Mr. Malave noted the notice of the Annual District Engineering Report and acceptance of. He noted the letter basically says the District has set aside funds and the facilities that are currently under construction will be as per originally approved and the permits.

On MOTION by Mr. Cavaretta seconded by Ms. Schwenk, with all in favor, Accepting the Annual District Engineering Report, was approved.

**C. District Manager’s Report**

**i. Approval of Check Register**

Ms. Burns presented the check register that is included in the agenda package for the Board to review from April through May totaling \$2,916,673.28. She asked for any questions on those, otherwise looking for a motion to approve.



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On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, the Check Register of \$2,916,673.28, was approved.

**ii. Balance Sheet & Income Statement**

Ms. Burns stated financial packets were included in the package for review. No action is necessary from the Board.

**TWELFTH ORDER OF BUSINESS**

**Other Business**

There being no comments, the next item followed.

**THIRTEENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience Comments**

There being no comments, the next item followed.

**FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns adjourned the meeting.

On MOTION by Ms. Schwenk, seconded by Mr. Cavaretta, with all in favor, the meeting was adjourned.

*Jill Burns*

Secretary/Assistant Secretary

DocuSigned by:

*Rennie Heath*

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Chairman/Vice Chairman