

**MINUTES OF MEETING  
CREEKSIDE AT TWIN CREEKS  
COMMUNITY DEVELOPMENT DISTRICT**

A Special Meeting of the Board of Supervisors of the Creekside at Twin Creeks Community Development District was held on **Monday, February 1, 2016, at 11:00 a.m.**, at the **offices of Rogers Towers, P.A., 100 Whetstone Place, Suite 200, St. Augustine, Florida 32086.**

**Present at the meeting were:**

John Kinsey	Chair
Robert Furlong	Vice Chair
Bryan Kinsey	Assistant Secretary
Jared Bouskila <i>(via telephone)</i>	Assistant Secretary
Cora DiFiore <i>(via telephone)</i>	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Mark Watts	District Counsel
Neil Brockmeier	District Engineer
Stephen Sanford	Bond Counsel

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 11:02 a.m., and stated, for the record, that Supervisors John Kinsey, Bryan Kinsey and Robert Furlong were present, in person. Supervisors Jared Bouskila and Cora DiFiore were attending via telephone.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There being no public comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Consideration of Engineer's Report *(to be presented under separate cover)***

This item was deferred.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-8,  
Adopting the Supplemental Special**

**Assessment Methodology Report**  
*(resolution to be provided under separate cover)*

Mr. Wrathell presented the Assessment Methodology Report, dated February 1, 2016, for the Board's consideration. On Page 13, Table 1 shows the current development plan, recognizing that, with development, the product mix can change, in the future, as long as we do not lose units that require true up payments we will be in good shape. Table 2, on Page 14, is a summary of the Capital Improvement Plan (CIP) as developed by the District Engineer. We will fund stormwater, utilities, roadways and some soft costs, which totals \$21,250,000. Page 15 shows Preliminary Sources and Uses of Funds. This was provided directly from the Bond Underwriter. The Series 2016-A1 and 2016-A2 bonds are applicable to the first assessment area. The 2016-A1 bonds will have a 30-year maturity and the 2016-A2 bonds, to be confirmed by the underwriter, are expected to be up to ten-year bonds and anticipated to be paid off at closing. The Series 2016-A3 bonds, which are attributable to the second phase of the project. Bond Anticipation Notes (BAN) were issued two months ago, to help fund some of the initial infrastructure construction, were always anticipated to be retired by the bond. The 2016-A1 and A2 bonds a portion of will be used to pay off that BAN, upon issuance. The balance related to that, for the A2 and A3 bonds, will go toward the actual construction of the project itself. This is an integrated, interrelated system of improvements throughout the entire project, with the original debt allocation being put on this property in this particular fashion. The A3 bonds are anticipated, when there will be a new bond issue, to finance the balance of the infrastructure for the second phase. As anticipated, that will retire the A3 bonds and provide additional construction proceeds. The Capitalized Interest account reflects two years of capitalized interest. Page 16 shows the product mix, the Benefit Allocation, the Equivalent Residential Unit (ERU) weighted, per the Master Assessment Methodology. The right-hand column, particularly the Phase 1 bonds "Assessment Area One" bonds. I want to make sure the amounts we will have are under, at, or below the maximums contained in the right-hand column. For instance, the 43' single-family units we want at, or below a principal par amount of bonds for the A1 and A2 at \$42,713.84 per unit, and the corresponding amounts are for the 53' and 63'; as well.

Mr. Wrathell stated on Page 17, Table 5 Phase 1 Assessment Apportionment - Series 2016-A1 Bonds, the column second from the right shows the par amount of bonds per unit type and then the far right shows the Annual Debt Service Assessment payment, which would be due on those particular lot types, if they paid in March and did not take full advantage of the 4%

discount. If they paid in November, it would be 4% less. Table 6 shows the A2 bonds, currently determined to be ten-year bonds, which would be paid off at closing. Each of those product types would have \$15,000 par amount of bond allocated, anticipated to be paid off at closing, plus accrued interest. The phase is “Assessment Area One”, planned at 350 units. If it was added to the amounts on the table for the Debt Assessment per Unit, for the A1’s, plus the amounts for the A2’s, the two amounts joined together is what we want to make sure we stay under for the previous table, on Page 16; which we do. Page 18, Table 7, shows the “Assessment Apportionment – Series 2016-A1 and 2016-A2 Bonds” combined; it is the gross amount assigned to the particular unit’s product type. Table 8 below shows the per unit basis, which is what we are specifically concerned about, making sure we stay under the maximum debt allocations for the different product types. On Page 18, the 43’ the total par amount of bonds proposed is \$29,536.46. Comparing that to Page 16, it would be under the maximum \$42,713.84. Both the 53’ and 63’ unit types are under those amounts.

***\*\*\*Mr. Brockmeier arrived at the meeting at 11:09 a.m.\*\*\****

Mr. Wrathell stated Table 9 shows the “Phase 2 Assessment Apportionment – Series 2016-A3 Bonds”; the 43’ and 63’ are planned for the A3 bonds. The expectation would be that those A3 bonds would be retired, at some point from a new bond issue. Under Section 7, Appendix B, the “Assessment Area One” legal description, on Page 19 carried through to Page 32; then the “Assessment Area Two” legal description on Page 32, and totals 174.09. That totals 81.33 acres. Page 3, Section 2.2 of the Methodology Report describes the first phase, includes Parcels 1A, 1B, 1C, 1D and 2A, for a total of 350 units, discussed previously in the Tables. The second phase projected to include parcels 2B and 2C, for a total of 241 units. Page 9 reflects that the debt will, initially sit on 174.09 acres for the A1 and A2 will be the combined principal amount of \$10,795,000, levied across all 174.09 acres within the “Assessment Area One,” at a rate of \$62,008.16 per acre. The A3 bonds, in the principal amount of \$3,605,000, will be preliminarily levied on approximately 81.33 acres within the “Assessment Area Two” at a rate of \$44,325.59 per acre. Once lots are platted the debt will move from a gross per acre basis to each of the individual plat lots. When all lots are completed as planned, platted and infrastructure is available, there will be no debt sitting on any non-developable acres, it will be sitting on all the individual developed lots, at that point.

- **Consideration of Engineer’s Report (to be presented under separate cover)**

***\*\*\*This item, previously the Third Order of Business, was presented out of order.\*\*\****

Mr. Brockmeier stated the Supplemental Engineer’s Report identifies the total number of units in the two assessment areas, with “Assessment Area One” being 174.1 acres and “Assessment Area Two” being approximately 81.3 acres. The project was further defined for “Assessment Area One” including sub-phases 1A, 1B, 1C, 1D and sub-phase 2A, for a total ERU count of 350 units, and “Assessment Area Two” included sub-phase 2B and 2C, for a total number of 241 ERUs. We looked at the infrastructure improvements within the District, which included a stormwater management facility, roadway improvements, potable water main distribution, sewage collection and reuse irrigation distribution. The totals from the original Engineer’s Report were \$21,250,000 for the improvement plan. The improvements were assessed over the two different cost areas. “Assessment Area One” having an approximate cost total of \$16,451,000 and “Assessment Area Two,” a cost of \$4,799,000.

Mr. Wrathell asked if the infrastructure we are discussing funding, is listed on the bottom of Page 2; the stormwater, utilities, roadways and the soft costs.

Mr. Brockmeier responded that is correct.

Mr. Sanford asked if Mr. Watts checked the total acreage against the Ordinance acreage.

Mr. Watts replied not yet, I received that while en route this morning so I have not double checked but, when we ask for approval, we can make sure that we have the discretion to swap those out, if we need to.

**On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the Supplemental Engineer’s Report, prepared by Prosser, dated January 31, 2016, was approved.**

**On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, the Supplemental Special Assessment Methodology Report, dated February 1, 2016, was approved.**

Mr. Watts presented the 2016-8 for the Board’s consideration. The Master Assessment Methodology, approved in September, provided that, when we did the individual bonds issues, we would prepare a Supplemental Assessment Methodology. The Resolution takes the two updated documents, just approved, recognizing that the terms changed, somewhat or added detail to the Master Assessment Methodology, previously approved. The Supplemental Engineer’s

Report, dated January 31, 2016, incorporated as Exhibit A, and the Supplemental Assessment Methodology Report, approved this morning, will be incorporated as incorporated as Exhibit B. The versions attached now, are the version finalized last night for approval, which we are replacing with the version from this morning. As with the Supplemental Special Assessment Methodology, the exhibit attaches and incorporates into the assessment liens on “Assessment Area One” and “Assessment Area Two,” as laid out in the Supplemental Special Assessment Methodology Report.

**On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, Resolution 2016-8, Adopting the Supplemental Special Assessment Methodology Report and Engineer’s Report, as amended to include both Reports presented this morning as Exhibit, was adopted.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-9, Authorizing the Issuance of Not Exceeding \$7,000,000 Creekside at Twin Creeks Community Development District, Special Assessment Bonds, Series 2016A-1 (Assessment Area One Project) (the “A-1 Bonds”), the Issuance of Not Exceeding \$7,000,000 Creekside at Twin Creeks Community Development District Special Assessment Bonds, Series 2016A-2 (Assessment Area One Project) (The “A-2 Bonds”) and the Issuance of Not Exceeding \$5,000,000 Creekside at Twin Creeks Community Development District Special Assessment Bonds, Series 2016A-3 (Assessment Area Two Project) (The “A-3 Bonds” and, Together With the A-1 Bonds and the A-2 Bonds, the “Bonds”) to Finance Certain Public Infrastructure Within a Designated Assessment Area of the District; Determining the Need For a Negotiated Limited Offering of the Bonds and Providing For a Delegated Award of Such Bonds; Appointing the Underwriter For the Limited Offering of the Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect to the Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Second Supplemental Trust Indenture Governing the A-1 Bonds, a Third**

**Supplemental Trust Indenture Governing the A-2 Bonds, and a Fourth Supplemental Trust Indenture Governing the A-3 Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing the Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer's Report; Making Certain Declarations; Providing For the Registration of the Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection With the Issuance, Sale and Delivery of the Bonds; and Providing For Severability, Conflicts and an Effective Date**

Mr. Sanford stated we changed the not-to-exceed amount, making it a revised Resolution. The Board may have the "older" version; I like to make certain that the Board has the most recent version.

Mr. Wrathell replied the Board had the updated Resolution.

Mr. Sanford stated for background purposes, last year, the District, issued Bond Anticipation Notes (BAN) using the Master Trust Indenture and the First Supplemental Trust Indenture. The thought was once the proceeds from the notes were spent, we would come out with permanent financing, which is what this Resolution is about. It is the final act for the Board to take for these series of bonds to be issued and, as previously mentioned, the Resolution motion authorizes \$7 million of A1 bonds, which will be in "Assessment Area One," and a separate lien on the not-to-exceed \$7 million A2 bonds, which will be in "Assessment Area Two." The Board has more flexibility by characterizing and establishing there is a separate lien for each series of bonds. "Assessment Area Two" bonds, or A3, bonds will have its own lien. The Resolution is authorizing the series of bonds, approving certain necessary documents, including a bond purchase contract, which will be the contract between the District and FMS bonds to purchase the bonds and sell them to the investing public. There is a draft of a Preliminary Limited Offering memorandum (PLM) prospectus. It is preliminary because we do not know the terms of the bonds yet; however though it has all of the necessary disclosures about the District, project,

infrastructure and developer. Because we used a First Supplemental, there are three indenture exhibits; Second, Third and Fourth Supplemental, and each pertain to respectively, the A1 bonds, A2 bonds and A3 bonds. The Continuing Disclosure Agreement, required under current SEC rules is between the District and the developer, Wrathell, Hunt & Associates, LLC (WHA) as the dissemination agent, not only ensures adequate disclosure, at the time the bonds are issued but of any kind of secondary market for sale, the information about the bonds, the District and the project, is kept up to date. The Underwriters, under the honor rules, would be unable to purchase the bonds unless there is this undertaking by the District, which is what the Continuing Disclosure Agreement is about. This Resolution is, the Delegation Resolution; it is necessary to time it to the market, just right, to get the best execution for the District, so we set forth certain parameters. In Section 3, the Chair or Vice Chair, are delegated the ability to sign the bond purchase agreement, without having a special meeting, so as long as the pricing for the bonds, on the day they go into the market, falls within the parameters set forth in Section 3. The Chair's act of signing the bond purchase agreement is viewed as an administrative act. Section 3 caps the maximum amount on bonds that can be issued; \$7 million for A1, \$7 million for A2 and \$5 million for A3. Based on the Supplemental Methodology Report that is a very safe series of bonds. If the bonds will be subject to optional redemption, which is true for the A1 bonds but not true for the A2 bonds, latest call date would be 2029 for the A1 bonds and 2020 for the A3 bonds. When Mr. Kessler is in the marketplace, negotiating investments if the call dates for these bonds are his parameters, he cannot exceed them. The purchase price, with the Underwriter's compensation, will not be less than 97.5% of 2½%. If we meet all of those parameters on the day of the sale, then the Chair would be authorized to execute a Bond Purchase Agreement. Mr. Watts and I would review it prior to the Chair executing it. The Resolution also authorizes changes to be made to the Supplemental Methodology Report and Engineer's Report without the need for a special meeting.

Mr. Wrathell stated, as Mr. Sanford explained, this will be the revised Resolution which was distributed prior to today's meeting, with the amounts not-to-exceed \$7 million, for the 2016 A1, and not-to-exceed \$7 million, for the A2 bonds, and the A3 bonds remain at \$5 million.

**On MOTION by Mr. John Kinsey and seconded by Mr. Bryan Kinsey, with all in favor, Resolution 2016-9, Consideration of Resolution 2016-9, authorizing the Issuance of Not Exceeding \$7,000,000 Creekside at Twin Creeks Community Development District, Special Assessment Bonds, Series 2016A-1 (Assessment Area One Project) (the “A-1 Bonds”), the Issuance of Not Exceeding \$7,000,000 Creekside at Twin Creeks Community Development District Special Assessment Bonds, Series 2016A-2 (Assessment Area One Project) (The “A-2 Bonds”) and the Issuance of Not Exceeding \$5,000,000 Creekside at Twin Creeks Community Development District Special Assessment Bonds, Series 2016A-3 (Assessment Area Two Project) (The “A-3 Bonds” and, Together With the A-1 Bonds and the A-2 Bonds, the “Bonds”) to Finance Certain Public Infrastructure Within a Designated Assessment Area of the District; Determining the Need For a Negotiated Limited Offering of the Bonds and Providing For a Delegated Award of Such Bonds; Appointing the Underwriter For the Limited Offering of the Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect to the Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Second Supplemental Trust Indenture Governing the A-1 Bonds, a Third Supplemental Trust Indenture Governing the A-2 Bonds, and a Fourth Supplemental Trust Indenture Governing the A-3 Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing the Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer’s Report; Making Certain Declarations; Providing For the Registration of the Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection With the Issuance, Sale and Delivery of the Bonds; and Providing For Severability, Conflicts and an Effective Date, as amended, was adopted.**

**SIXTH ORDER OF BUSINESS****Consideration of Minutes**

- A. **November 6, 2015** Landowners’ Meeting
- B. **November 6, 2015** Public Hearings and Regular Meeting

Mr. Wrathell presented the November 6, 2015 Landowners’ and Public Hearings and Regular Meeting Minutes and asked for any additions, deletions or corrections.



**On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the November 6, 2015 Landowners' and Public Hearing and Regular Meeting Minutes, as presented, were approved.**

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being no other business, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Watts stated that he verified the acreages in the assessment areas and they are equal to the ordinance. Regarding legal descriptions, it was brought to our attention that there was a reverse directional call in the original legal description used when forming the District, but it should not create an issue. I am working on it with the County Attorney now, just to verify and correct it for the record.

Mr. Watts stated the hearing with Judge Maltz was this morning. We were validated for bond issuance; the Judge executed it today and there is a 30-day appeal period. We already have it calendared for March 3<sup>rd</sup> and are aiming for a March 8<sup>th</sup> pre-close date.

**B. Interim District Engineer**

Mr. Brockmeier stated for construction of "Assessment Area One" and "Assessment Area Two," all permits are in place for construction of sub-phases 1A through 1D, and sub-phase 2A is pending.

**C. District Manager**

**i. Approval of Unaudited Financial Statements as of December 31, 2015**

Mr. Wrathell presented the Unaudited Financial Statements as of December 31, 2015. The District had limited activity because it is landowner funded. When we issue bonds and retire the BANs we will see activity in the Debt Service fund.

**On MOTION by Mr. John Kinsey and seconded by Mr. Furlong, with all in favor, the Unaudited Financial Statements as of December 31, 2015, were approved.**

**NINTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

There being no Board Members' comments or requests, the next item followed.

**TENTH ORDER OF BUSINESS**

**Public Comments**

There being no public comments, the next item followed.

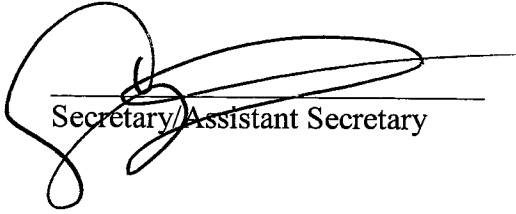
**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

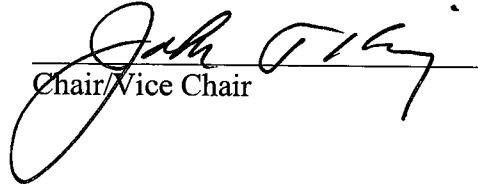
There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Furlong and seconded by Mr. Bryan Kinsey, with all in favor, the meeting adjourned at 11:32 a.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair