

**MINUTES OF MEETING
HICKORY TREE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Hickory Tree Community Development District was held Wednesday, **September 6, 2023** at 9:18 a.m. at the West Osceola Branch Library, 305 Campus Street, Celebration, Florida.

Present and constituting a quorum:

Milton Andrade	Chairman
Brian Walsh <i>via Zoom</i>	Vice Chairman
Jeff Shenefield	Assistant Secretary
Garret Parkinson	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Grace Kobitter	District Counsel, Kilinski Van Wyk Law
Jennifer Kilinski <i>by Zoom</i>	District Counsel, Kilinski van Wykl Law
Rey Malave <i>by Zoom</i>	District Engineer, Dewberry
Ashton Bligh <i>by Zoom</i>	Bond Counsel, Greenberg Traurig
Bob Gang <i>by Zoom</i>	Bond Counsel, Greenberg Traurig

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order and called the roll. Three Board members were present constituting a quorum and one Board member was present via Zoom.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present for the meeting.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the August 2, 2023
Board of Supervisors Meeting and Audit
Committee Meeting**

Ms. Burns presented the minutes of the August 2, 2023 Board of Supervisors and Audit Committee meeting. She asked if the Board had any questions or changes to those meeting minutes. The Board had no changes to the minutes.

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On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the Minutes of the August 2, 2023 Board of Supervisors and Audit Committee Meetings, were approved.

FOURTH ORDER OF BUSINESS

Presentation and Approval of Supplemental Engineer's Report dated September 6, 2023

Ms. Burns presented the engineer's report that can be found in the agenda package and turned it over to Mr. Malave to review for the Board. Mr. Malave stated that the basic part of the report provides the delineation of what Phase 1 and 2A as the first assessment area will be as well as part as the first bond. The number of lots in Phase 1 and 2A is presented as 406 lots total and the total number of the project stays the same. No cost change has been made since the master engineer's report was presented. Based on Table 7A the cost is divided into two parts with the first portion of the project totaling \$28,538,360 with the second part totaling \$11,378,649. He believes the costs for the infrastructure are adequate to build out the project and the numbers are based on current construction costs and trends. Ms. Burns asked if there were any questions for the District Engineer. Hearing none, she asked for a motion of approval.

On MOTION by Mr. Andrade, seconded by Mr. Parkinson, with all in favor, the Supplemental Engineer's Report Dated September 6, 2023, was approved.

FIFTH ORDER OF BUSINESS

Presentation and Approval of First Supplemental Assessment Methodology Report for Assessment Area One dated September 6, 2023

Ms. Burns noted that this assessment report allocates debt to the properties within assessment area 1 based on the benefits that they receive from the Assessment Area 1 capital improvement program. This has been updated based on the changes to the engineer's report that were made as well as the most recent bond sizing. Table one presents four product types: townhomes, 45' single family homes, 50' single family homes, and 70' single family homes. Table two outlines the infrastructure cost estimates for Assessment Area 1. Table three shows an estimated bond sizing of \$14,860,000. Table four outlines the improvement cost per unit for each product type. Table five shows the par debt per unit which Ms. Burns summarized and can be

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found in the agenda package. Table six shows the gross annual debt assessment per unit. Table seven shows the total par debt per acer that is allocated and includes the updated legal that was referenced in the updated engineer's report. She offered to answer any questions on the methodology. Hearing none, she asked for a motion of approval.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the First Supplemental Assessment Methodology Report for Area One Dated September 6, 2023, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-07 Delegation Resolution (Series 2023 Assessment Area One Bonds)

Ms. Burns presented the resolution to the Board and Ms. Bligh reviewed it for the Board stating that it is a supplemental resolution that was contemplated when the Board adopted the original resolution in July of 2022. This presents documents as exhibits to sell one series of bonds which is the District's first series of bonds for the primary purpose of providing funds to pay all or a portion of the costs for the public infrastructure for the 406 residential units in the District.

Ms. Burns summarized the forms of documents attached to the resolution for the Board and they can be found in the agenda package. She highlighted section four and stated that Florida law requires certain findings so the District does not have to have a public offering. The findings are listed under section four and the perimeters for the bonds are listed under section five. The interest rate on the bonds will not exceed that maximum statutory rate. The aggregate principal amount shall not exceed \$16,000,000. The Assessment Area 1 bond should have a final maturity not greater than the maximum term allowed by Florida law which is currently 30-years of principal amortization. The price at which the Assessment Area 1 bond shall be sold to underwriters will not be less than 98% of the aggerate face amount of the assessment area bonds. She offered to answer any questions the Board may have. Hearing none, she asked for a motion of approval for the resolution.

On MOTION by Mr. Shenefield, seconded by Mr. Parkinson, with all in favor, Resolution 2023-07 Delegation Resolution (Series 2023 Assessment Area One Bonds), was approved.

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SEVENTH ORDER OF BUSINESS

**Consideration of Developer Agreements
(Series 2023 Assessment Area One Bonds):**

A. True-Up Agreement

Ms. Kobitter stated that the true-up agreement provides a payment should there be the lack of the anticipated amount of lots platted on the property, the developer would then owe the true-up agreement to bring the assessment levels back to the target numbers listed in the methodology report.

B. Collateral Assignment Agreement

Ms. Kobitter noted that this would come into play in the event of a default on payment of the bonds or failure to complete the project in which the developer would agree to give developer rights to the District so that they may complete the project.

C. Completion Agreement

Ms. Kobitter presented the completion agreement which sets forth the developer’s agreement and contractual obligation to actually complete the project.

D. Acquisition Agreement

The Acquisition Agreement sets the terms by which the District can acquire infrastructure, work product, and real property that has already been completed by the developer and to be paid out by the bond proceeds if they are available.

E. Declaration of Consent

This declaration gives the developer declared consent to the jurisdiction of the District, the assessments on the property, and the proceedings that levy them.

Ms. Kobitter offered to answer any questions on any of the developer agreements and asked for a motion of approval to accept all agreements in their substantial form.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the Developer Agreements (Series 2023 Assessment Area One Bonds), were approved in substantial form.

F. Consideration of Resolution 2023-08 Supplemental Delegation Assessment Resolution

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Ms. Burns stated that this resolution outlines the perimeters of the Bonds and authorizes staff to go ahead with the finalization and issuance of the bonds based on the perimeters.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, Resolution 2023-08 Supplemental Delegation Assessment Resolution, was approved.

EIGHTH ORDER OF BUSINESS

Ratification of Audit Services Engagement Letter with DiBartolomeo, McBee, Hartley & Barnes, P.A.

Ms. Burns noted that the Audit Committee reviewed and ranked the proposals at the last meeting and the Board awarded the contract and this is the actual agreement that has already been signed.

On MOTION by Mr. Shenefield, seconded by Mr. Andrade, with all in favor, the Audit Services Engagement Letter with DiBartolomeo, McBee, Hartley & Barnes, P.A., was ratified.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Kobitter had nothing further for the Board and offered to answer any questions. Hearing none, the next item followed.

B. Engineer

Mr. Malave had nothing to report to the Board.

C. District Manager's Report

i. Approval of Check Register

Ms. Burns presented the check register totaling \$4,874.23 and offered to answer any questions for the Board. Hearing none she asked for a motion of approval.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the Check Register, was approved.

ii. Balance Sheet & Income Statement

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Ms. Burns noted that financial statements are included in the agenda package for review and stated that there is no action necessary from the Board.

TENTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being no comments, the next item followed.

TWELFTH ORDER OF BUSINESS

Adjournment

Ms. Burns asked for a motion to adjourn the meeting.

On MOTION by Mr. Shenefield, seconded by Mr. Parkinson, with all in favor, the meeting was adjourned.

Jill Burns

Secretary

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Milton Andrade
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Chairman