

**MINUTES OF MEETING  
KEPLER ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Kepler Road Community Development District was held Monday, **February 12, 2024** at 11:00 a.m. at the Gateway Center for the Arts, 880 Highway 17, DeBary, Florida.

Present and constituting a quorum:

Tony Iorio	Chairman
Doug Beasley	Vice Chairman
Duane "Rocky" Owen	Assistant Secretary

Also present were:

George Flint	District Manager, GMS
Sarah Sandy	District Counsel
Sean Fortier	District Engineer, Kelly, Collins & Gentry, Inc.
Scott Stuart	District Engineer, Kelly, Collins & Gentry, Inc.
Sara Zare	MBS
Kendall Bulleit	MBS
Cynthia Wilhelm	Nabors Giblin & Nickerson, PA

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order and called the roll. Three Board members were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint stated that there were only Board members and staff are present today.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Administration of Oaths of Office to Newly Elected Supervisors**

Mr. Flint stated a landowner meeting was held prior to the Board meeting and the three Board members present Mr. Iorio, Mr. Beasley and Mr. Owen were all elected in that landowners' election. Mr. Flint administered the oath of office to the three Supervisors.

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**B. Consideration of Resolution 2024-26 Canvassing and Certifying the Results of the Landowners' Election**

Mr. Flint stated the Board sits as the canvassing Board for purposes of certifying the landowner election results. The resolution would be filled out as follows: Seat 1 will be filled by Anthony Iorio with 150 votes, seat 2 Doug Beasley with 150 votes and seat 3 with Jason Lonas 149, seat 4 Rocky Owen 149 and seat 5 Tom Franklin with 149 votes. Mr. Iorio and Mr. Beasley would serve four-year terms and the other three Board members names would be inserted next to the two-year term blanks.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, Resolution 2024-26 Canvassing and Certifying the Results of the Landowners' Election, was approved.
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**C. Election of Officers**

Mr. Flint stated after each election the statutes require that you consider election of officers.

**D. Consideration of Resolution 2024-27 Electing Officers**

Mr. Flint stated this elects a Chair, Vice Chair, Secretary, Assistant Secretary, Treasurer and Assistant Treasurers. Previously Mr. Iorio was Chairman, Mr. Beasley was Vice Chair and the other three Board members were Assistant Secretaries, Mr. Flint was Secretary, Jill Burns Treasurer and Katie Costa and Darrin Mossing, Sr. were Assistant Treasurers.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Resolution 2024-07 Electing Existing Officers as slated above, was approved.
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**FOURTH ORDER OF BUSINESS****Approval of Minutes of the December 11, 2023 Board of Supervisors Meeting**

Mr. Flint presented the minutes from the December 11, 2023 Board of Supervisors meeting. He asked for any comments or corrections to the minutes. Hearing none.

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On MOTION by Mr. Owen, seconded by Mr. Beasley, with all in favor, the Minutes of the December 11, 2023 Board of Supervisors Meeting, was approved.

**FIFTH ORDER OF BUSINESS****Public Hearings****A. Public Hearing on the District's Use of the Uniform Method of Levying, Collection, and Enforcement of Non-Ad Valorem Assessments**

Mr. Flint stated this is the public hearing allowing the District to use the tax bill as the collection method for the debt and O&M assessments.

**i. Presentation of Affidavit of Publication of Notice**

At the organizational meeting, the Board authorized the public hearing for today to be advertised. There were four notices that were run in the newspaper four consecutive weeks. He asked for a motion to open the public hearing.

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

Mr. Flint noted the public hearing is open. There are no members of the public present to provide comment or testimony.

**ii. Public Comment and Board Discussion**

Mr. Flint stated there were no members of the public present.

**iii. Consideration of Resolution 2024-28 Expressing the District's Intent to Utilize the Uniform Method of Collection**

Ms. Sandy noted this resolution and public hearing is in regard to the Districts intent to utilize the Uniform Method of Collection. This is done prior to the District levying any kind of assessments and allows the District to use the uniform method which is the method of placing special assessments on county property tax bills that landowners receive. Mr. Flint asked for any questions on the resolution and if not he noted that they were looking for a motion to approve.

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On MOTION by Mr. Owen, seconded by Mr. Beasley, with all in favor, Resolution 2024-28 Expressing the District's Intent to Utilize the Uniform Method of Collection, was approved.

Mr. Flint asked for a motion to close the public hearing.

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

**B. Public Hearing on the Adoption of the District Rules of Procedure**

Mr. Flint asked for a motion to open the public hearing for the District Rules of Procedure.

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

**i. Presentation of Affidavit of Publication of Notice of Rule Development and Rulemaking**

Mr. Flint noted at the organizational meeting the public hearing was set for today for the District to consider the Districts rules. There were two notices 29 and 28 days in advance of today advertised for this public hearing.

**ii. Public Command and Board Discussion**

Mr. Flint stated there were no members of the public to provide comment so will bring it back to the Board.

**iii. Consideration of Resolution 2024-29 Adopting the Rules of Procedure**

Mr. Flint stated this is adopting the proposed rules that the Board had seen at the organizational meeting. Ms. Sandy noted these are standard rules that are recommended for all of our Boards and have not changed since the organizational meeting.

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, Resolution 2024-29 Adopting the Rules of Procedure, was approved.

Mr. Flint asked for a motion to close the public hearing.

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

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

Mr. Flint stated this public hearing deals with adopting the FY24 budget which is the fiscal year that they are currently in. It runs from October 1, 2023 through September 30, 2024.

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

**i. Presentation of Affidavit of Publication of Notice**

Mr. Flint stated at the organizational meeting the Board approved the proposed budget and set today for the public hearing. The hearing was advertised as required by statutes.

**ii. Public Comment and Board Discussion**

Mr. Flint stated for the record there were no members of the public present so we will bring it back to the Board for discussion.

**iii. Consideration of Resolution 2024-30 Adopting the District's Fiscal Year 2024 Budget and Appropriating Funds**

Mr. Flint noted attached to this resolution is the proposed budget. It is a prorated standard administrative budget and the funding source is developer contributions. He noted the Board approved the Developer Funding Agreement at the last meeting and this would be funded under that funding agreement.

On MOTION by Mr. Beasley, seconded by Mr. Owen with all in favor, Resolution 2024-30 Adopting the District's Fiscal Year 2024 Budget and Appropriating Funds, was approved.

Mr. Flint asked for a motion to close the public hearing.

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

**SIXTH ORDER OF BUSINESS                      Financing Matters**

**A. Consideration of Master Engineer's Report**

Ms. Sandy stated this includes the assessment process in part to allow us to move forward with validating bonds for the District to issue in the future. She noted they are not quite ready but likely towards the end of the year. Mr. Fortier will present the Master Engineer's Report.

Mr. Fortier noted the chart is a good summary. The master utility system which is going to be fully owned by the city so ownership and maintenance will be by the city but the District will be funding that. The master storm water system will be financed through the District and owned and maintained by the District which would be the seven main stormwater ponds. The electrical undergrounding will be financed by the District and any portions that need to be installed by the developer will be financed by the District and the ownership and maintenance will be by Duke Energy. The conservation mitigation area will be owned, maintained, and financed by the District. Onsite and offsite roadways will both be financed by the District. Off-site roadways are all county roadways so owned and maintained by the county. Onsite roadways will be City of Deland ownership and maintenance. There are no private roads. There are portions within the public ride of way that will be financed by the District but may be partially maintained by the HOA. The multi-modal trail which is the internal paved trail will have an easement for the city and financed by the District. The operation and maintenance will be city or District and ownership will be city or District. He noted they just aren't sure how the city is going to take ownership if they will. The internal trails will be financed by the District and stay open to the public so trails will be owned by the CDD. Any landscaping that is not an amenity to the project such as the dog parks, etc. anything other than those types of things would be owned by the CDD including hardscape and irrigation systems with the option for HOA to maintain those. The community park on the South West corner will be maintained by the CDD. Ms. Sandy noted the estimated cost of the project is \$33,036,830.

Ms. Sandy asked if the cost estimates within the report are reasonable for a project of this size and scope. Mr. Fortier answered yes. Ms. Sandy asked Mr. Fortier if there is any reason that the District cannot carry out this project at this time. Mr. Fortier stated not to his knowledge. Mr.

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Beasley pointed out on page 3 table 1.2 phasing summary the unit count for the 50's does not add up properly but the total unit count for 543 does so some review needs to be done there.

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, Master Engineer's Report Subject to Changes Discussed, was approved.

### **B. Consideration of Master Assessment Methodology**

Mr. Flint stated they took the Engineer's Report table 1 which is the Development Program with a combination of townhomes, single family 50's and single family 60's and totals 543 units. He noted a revised version of this was sent out this morning and the ERU factor for townhomes has been adjusted 0.64 based on the size of the townhomes. Table 2 is the estimated cost of the infrastructure \$33,036,830 as identified in the Master Engineer's Report. Table 3 is a very conservative bond sizing based on the estimated construction cost that includes a debt service reserve of one year max annual debt, capitalized interest for the statutory maximum of 36 months, underwriters discount of 2%, cost of issuance of \$650,000 assumes two bond issues and then contingency to round that to a par amount of \$48,900,000. An estimated coupon rate of 7% over 30 years. Table 4 allocation of benefit based on improvement cost. Table 5 allocation of benefit based on par debt. Table 6 shows if they were to fund all of the improvements at the conservative parameters what the annual assessment rates would be. Table 7 Preliminary Assessment Roll he noted this table needs work because there is a mismatch on the property appraiser's acreage versus the acres that are in District.

Ms. Sandy asked if the assessments within the methodology are reasonably and fairly allocated to the land that benefit from them and Mr. Flint answered yes. Ms. Sandy asked if the land being assessed receives special benefits that are equal to or in excess of assessments, Mr. Flint answered yes.

On MOTION by Mr. Beasley seconded by Mr. Owen, with all in favor, the Master Assessment Methodology Subject to Truing up Table 7 Acreage, was approved.

### **C. Consideration of Resolution 2024-31 Declaring Special Assessments**

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Ms. Sandy stated this declares the District's intent to levy assessments based on the reports that were just presented with a total estimated cost for that improvement \$33,036,830 and total par amount of the assessments at \$48.9M. She noted the \$48.9M is the amount needed that they believe would finance this whole project. She noted she would be happy to answer any questions.

On MOTION by Mr. Beasley, seconded by Mr. Iorio, with all in favor, Resolution 2024-31 Declaring Special Assessments, was approved.

**D. Consideration of Resolution 2024-32 Setting a Public Hearing for Special Assessments**

Ms. Sandy noted this sets the public hearing on the assessments that were just discussed. This also provides direction to staff in order to publish and mail the required notice. She noted they have not discussed a date on when that public hearing will be set. Mr. Flint recommended doing it at the April 8<sup>th</sup> regular meeting.

On MOTION by Mr. Owen, seconded by Mr. Beasley, with all in favor, Resolution 2024-32 Setting a Public Hearing for Special Assessments on April 8, 2024, was approved.

**E. Consideration of Resolution 2024-33 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings**

Mr. Flint stated this is the initial bond resolution that authorizes the District to issue bonds and commence validation proceedings. Cynthia Wilhelm with Nabors Giblin & Nickerson, PA is your bond counsel. Mr. Wilhelm noted this is the bond validation resolution. First, they approve the form of the Master Indenture, appoint US Bank as the trustee, registrar and paying agent, approve the capital improvement program, and authorize District Counsel to file in circuit court and go through that process.

On MOTION by Mr. Owen, seconded by Mr. Beasley, with all in favor, Resolution 2024-33 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings, was approved.

**SEVENTH ORDER OF BUSINESS**

**Ranking of Proposals for District Engineering Services and Authorization to**



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**Issue Notice of Intent to Award and Enter  
Negotiations with Number-One Ranked  
Firm**

Mr. Flint noted at the organizational meeting the Board retained KCG as the interim District Engineer and authorized them to advertise for District Engineering Services because it falls under a statutory obligation that requires the District to bid it out. It is bid out based on qualifications. He noted they received two responses, one from Kelly, Collins and Gentry and one from Alliant. In discussions before the meeting, the Chair asked them to consider continuing this item or deferring action until the next Board meeting to give the Board a little time to review and rank them according to their ranking sheets. Mr. Flint asked for a motion to continue this item to the next Board meeting.

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, Continuing the Ranking of Proposals for District Engineering Services to the Next Board Meeting, approved.
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**EIGHTH ORDER OF BUSINESS****Staff Reports****A. Attorney****i. Ratification of Revised District Counsel Agreement with Kutak Rock**

Ms. Sandy stated this is the updated version so wanted to bring it back for ratification by the Board. Mr. Flint noted it has already been executed by the Chair.

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, the Revised District Counsel Agreement with Kutak Rock, ratified.
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**B. Engineer**

Mr. Fortier stated he had nothing further to report.

**C. District Manager's Report**

Mr. Flint noted he had nothing to report.

**NINTH ORDER OF BUSINESS****Other Business**

There being no comment, the next item followed.

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**TENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience  
Comments**

There being no comment, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Beasley, seconded by Mr. Owen, with all in favor, the meeting was adjourned.

DocuSigned by:  
*George Flint*  
Secretary/Assistant Secretary

DocuSigned by:  
*Tony Lorio*  
Chairman/Vice Chairman