

**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, **October 14, 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
Rocky Owen
Tom Franklin

Chairman
Assistant Secretary
Assistant Secretary

Also present were:

George Flint
Michelle Rigoni *by phone*
Sean Fortier
Sara Zare
Cynthia Wilhelm *by phone*

District Manager, GMS
District Counsel
District Engineer, Kelly, Collins & Gentry, Inc.
MBS
Bond Counsel

FIRST ORDER OF BUSINESS

Roll Call

Mr. Iorio called the meeting to order at 11:00 a.m. and called roll. Three Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

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

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the August 12,
2024 Board of Supervisors Meeting**

Mr. Flint presented the minutes from the August 12, 2024, Board of Supervisors meeting and asked for any comments or corrections. The Board had no changes to the minutes.

October 14, 2024

Kepler Road CDD

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Minutes from the August 12, 2024, Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS**Financing Matters for Series 2024 Bonds****A. Consideration of the Supplemental Engineer's Report**

Mr. Flint stated a footnote was added to the cost table this morning. It is not reflected in what you have in the agenda. Other than that, what you have is the most recent version. The foot note indicated the asphalt multimodal path costs are included in the roadway item so that would be the only change. Mr. Fortier noted this supplemental report is mostly the same as the original Master Engineer's Report with the exception it is just for Phase 1 & 2. He clarified through each section what parts were actually constructed now and when they are projected to be done. At the end, he updated the cost estimate to only show Phases 1 & 2. The footnotes were just clarifiers about what was being built in each line item and some exclusions. Ms. Rigoni asked if the cost estimates are still reasonable and proper for the project of this size scope. Mr. Fortier noted yes. She asked if he had any reason to believe that the District cannot carry out the project at this time. Mr. Fortier noted no.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Supplemental Engineer's Report, was approved in substantial form.

B. Consideration of the First Supplemental Assessment Methodology Report Mr. Flint noted the Board approved a Master Engineer's Report and a Master Assessment

Report previously and they are moving forward with the bond issue. These reports supplement those original reports. The First Supplemental Assessment Methodology will be used in the offering document that will be used to market the bonds. It includes assumptions that are more closely to what it is believed the market will be. Table 1 shows 309 units. Table 2 shows the cost estimates for Series 2024 project which is Phase 1 & 2 of the project totaling \$22,087,050 and those costs are derived from Sean's Supplemental Engineer Report. Table 3 is the bond sizing for purposes of marketing the bonds. The report will be updated once the bonds are priced. There is an estimated average coupon of 5.25%, 30-year amortization, 12 months of capitalized interest that would go through November of next year when it goes on the tax bill, 50% max annual debt, and 2% underwriters'

October 14, 2024

Kepler Road CDD

discount. It results in construction funds estimated to be \$4.4M. Table 4 & Table 5 demonstrate the benefit to assessments lands by way of improvements costs per product type, potential allocation of par debt per unit and estimated allocation of 2024 par debt per unit. Table 6 shows the target assessment amounts. Table 7 is the preliminary assessment roll.

Ms. Rigoni asked will the lands receive special benefits from the series 2024 project. Mr. Flint noted yes. Ms. Rigoni asked if the special assessments are reasonably and fairly allocated in accordance with the methodology. Mr. Flint noted yes. Ms. Rigoni asked per the methodology are the assessments receiving special benefits equal to or in excess of the special assessment to be levied. Mr. Flint stated yes.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the First Supplemental Assessment Methodology Report, was approved.

C. Consideration of Resolution 2025-01 Bond Delegation Resolution

- i. Exhibit A: Form of Bond Purchase Agreement**
- ii. Exhibit B: Form of Master Indenture and Supplemental Indenture**
- iii. Exhibit C: Form of Preliminary Limited Offering Memorandum**
- iv. Exhibit D: Form of Continuing Disclosure Agreement**
- v. Exhibit E: Form of Engineer's Report**
- vi. Exhibit F: Form of Supplemental Assessment Methodology** Ms. Wilhelm noted this resolution delegates the Chair the authority to enter into a bond

purchase agreement so long as the terms of the purchase agreement are within certain parameters that the Board is going to approve this morning. It also approves the forms of certain documents that are needed in order to market, price and sale the bonds. Also, within this resolution, they approve the forms of the Engineer's Report that was just approved and the Supplemental Assessment Methodology Report. Schedule I includes the parameters in which the Chair may accept the bond purchase agreement on page 68 of the agenda package.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2025-01 Bond Delegation Resolution, was approved.

October 14, 2024

Kepler Road CDD

D. Consideration of Forms of Ancillary Documents for Series 2024 Bonds

- i. Completion Agreement**
- ii. True-Up Agreement**
- iii. Collateral Assignment and Assumption of Development and Contract Rights**
- iv. Declaration of Consent to Jurisdiction of the District and Imposition of Series 2024 Assessments**

Ms. Rigoni noted the Board previously approved the Acquisition Agreement. She reviewed the proposed forms of Completion Agreement, True Up Agreement, Collateral Assignment and Assumption Agreement, and Declaration of Consent to Jurisdiction of the District and Imposition of Series 2024 Assessments.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Forms of Ancillary Documents for Series 2024 Bonds, was approved in substantial form.

FIFTH ORDER OF BUSINESS

**Consideration of Acquisition of Phase 1
Improvements (Revised to Include
Acquisition Cost)**

Ms. Rigoni asked the Board to reauthorization the Phase 1 improvement acquisition, previously authorized in August, to include the acquisition cost. There was some miscommunication at the earlier meeting presenting it as an acquisition for donation however these are the set of improvements that are within the bonded project so will be paid out once the bonds are issued and proceeds are available.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Acquisition of Phase 1 Improvements (Revised to Include Acquisition Cost), was approved.

SIXTH ORDER OF BUSINESS

**Consideration of Fiscal Year 2025 Budget
Funding Agreement with Landsea Phases
1 & 2**

Ms. Rigoni noted portions of the property within the District has been sold to Landsea Homes. In order to obligate the new landowner to their portion of share of the O&M assessments, she brought forth the proposed Amended and Restated Budget Funding Agreement to make Landsea an obligated party. The proposed split of the cost share for the general fund between Hanover entity

October 14, 2024

Kepler Road CDD

and Landsea entity is based on the acreage that they own. Hanover will be responsible for 41% of the general fund and the Landsea will be responsible for 59%.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Fiscal Year 2025 Budget Funding Agreement with Landsea Phases 1 & 2 with Authority of Chair to Sign the Final Form, was approved in substantial form.

SEVENTH ORDER OF BUSINESS

Appointment of Audit Committee

Mr. Flint stated the District is required to have an annual independent audit and statutes require appointing an Audit Committee. He recommended the Board appoint themselves as the Audit Committee. The role of the Audit Committee is to approve the form of the RFQ that is issued and then review and rank those when they come in and make recommendation to the Board.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Appointment of the Board as Audit Committee, was approved.

Mr. Flint noted a Chair needs to be designated for the Audit Committee.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the Appointment of Tony Iorio as Chair of Audit Committee, was approved.

Mr. Flint asked for a motion to ratify staffs' action in advertising the Audit Committee meeting for immediately after this meeting.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Staff's Actions of Advertising the Audit Committee Meeting, was ratified.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Rigoni had nothing further to report.

October 14, 2024

Kepler Road CDD

B. Engineer

Mr. Fortier provided a construction update.

C. District Manager's Report

i. Balance Sheet & Income Statement

Mr. Flint presented the unaudited financials and asked for any questions.

ii. Ratification of Funding Requests No. 10-13

Mr. Flint presented funding requests No. 10-13 and asked for ratification.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Funding Requests No. 10-13, were ratified.

NINTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

TENTH ORDER OF BUSINESS

Supervisors

Requests There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

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

DocuSigned by:

George Flint

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Secretary/Assistant Secretary

Signed by:

Doug Brasley

365DC03F87A4445...
Chairman/Vice Chairman