

MINUTES OF MEETING
SIX MILE CREEK COMMUNITY DEVELOPMENT DISTRICT

A continued meeting of October 15, 2014 of the Board of Supervisors of the Six Mile Creek Community Development District was reconvened on Monday, October 27, 2014 at 2:00 p.m. at the offices of GMS, LLC, 475 West Town Place, Suite 114, St. Augustine, Florida 32092.

Present and constituting a quorum were:

Chris Kuhn	Chairman
Grady Miars	Vice Chairman (by phone)
Rose Bock	Supervisor
Mike Veazey	Supervisor

Also present were:

Jim Oliver	District Manager
Jim Perry	GMS, LLC
Wes Haber	District Counsel
Scott Wild	District Engineer
Peter Dame	Akerman, LLP (by phone)

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 2:00 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Consideration of Issuance of Refunding
Bonds**

**A. Consideration of Resolution 2015-05, Declaring Special Assessments to
Secure its 2014 Refunding Bonds and Remaining Series 2007 Bonds.**

Mr. Haber stated at the last meeting we continued the meeting in order to consider both the issuance of refunding bonds and the issuance of bonds for new improvements. That is what we are here to discuss today. The district has issued series 2007 bonds in the

approximate amount of \$47,000,000. There has been a request by 100% of the bondholders as well as the landowner to restructure those bonds. At the last meeting you bifurcated those bonds to create the series 2014A bonds and the 2007 bonds. I would say that began the restructure. Now we are in the second step of the restructure. That step is to refund the 2014 that you previously bifurcated. The bifurcation, while it has begun and all of the approvals have taken place, has not closed yet. We are in the process of closing that transaction. When it is closed the district will have two separate series of bonds outstanding, which are the 2014A and the 2007 bonds. The amounts will not change, but the bonds will be divided. We are now looking to refund the 2014A bond. The 2014A bond is secured by defined assessment areas. Those are the 105 lots that were addressed in the report that you heard in the last meeting with respect to the bifurcation of the bonds. The remaining 2007 bonds are secured by all of the rest of the developable property within the boundaries of the district. Today what we are going to begin is the process of issuing the refunding bonds. They would replace the 2014A bifurcated bonds. To issue the new bonds there is an initial step that you need to take. That step is to begin the process of levying the assessments that would secure the 2014 refunding bonds and the 2007 remaining bonds. We are going to follow all of the steps that Florida law requires for both the refunding bond and the outstanding 2007 assessments. Your district manager and assessment methodology consultant prepared a new assessment methodology for the refunding bond. You have four documents in front of you. They look very similar. If you look at the two resolutions there is one reference to 2014 about three lines down about refunding bonds. Right now we are focusing on the resolution that references refunding bonds. You also have two methodologies in front of you. One references the methodology report for the 2014A refunding bonds and one for the 2007 special assessment bonds. We are now looking at the report for the refunding bonds. There are two exhibits to this initial resolution that would kick off this assessment process. One exhibit is the methodology. The other exhibit is an updated version of your engineer's report. The updated version of the engineer's report updates the status of the 2007 project. That is the project that was identified when we first issued the 2007 bonds. It also adds improvements to that project. It mainly concerns the amenity center. It probably makes sense to have Jim Perry go through his report to explain details on the

assessment side of things. Scott Wild can go through his report as it relates to the 2007 project. We can finalize with the consideration of resolution 2015-05. It again is just to kick off the assessment project.

Mr. Perry stated there is a draft assessment methodology report in regards to the 2014A refunding bonds. You ended up with 2007 bonds that remained intact in the series 2014A bonds. This methodology would be canceling those 2014A bonds and doing a refunding issue for those bonds. The standard form report talks about the bond issues themselves and what was going to happen in regards to this refunding. It shows what the development program is and the different types of units for the 152 lots. There is going to be no change in the assessment levels. There might be some changes to the debt depending on the interest charges. Table 4 shows the assessment roll related to these.

Mr. Wild stated I have copies of the supplemental engineer's report. It is dated October 27, 2014. It is the most up to date version. This is essentially an update to the improvement plan that was adopted in 2006. We have added an amenity center. The cost for that is split between the 2007 project and the 2014 project. There is \$4,000,000 in the 2007 project and there is \$1,000,000 in the 2014 project. We have also added the cost for the phase two or assessment area two project. It is basically neighborhood infrastructure. All of those costs are in table 1A. We have also added two legal descriptions. One is for the assessment area one, which corresponds to the 2014A refunding bonds. The legal description for assessment area two, which would correspond to phase two improvements.

Mr. Haber stated there are two blanks in sections three and four that are to be filled in with the following information. Section three is a reference to the total costs of the entire improvement plan. For that blank it should be filled in with the amount in table 1B of the engineer's report, which is the \$156,326,750. That is the total estimated amount of all of the improvements that make up the district's improvement plan. Section four provides for the amount that the restructured assessments would defray. That number is the amount of the 2007 bonds that were originally issued. That amount is going to be higher than the actual amount that they are going to defray. For purposes of this resolution we would like to go with a higher amount. This is going to be the amount that the notices are based on. We would rather give notice on a higher amount of assessments

and go down from there. Our recommendation is that we fill that in with \$47,820,000, which is the amount of the previous 2007 bond issue. The remaining blanks are just resolution numbers and the title of Scott's report. The attorney for the landowner has asked that she have the opportunity to review the resolution. She was not able to do so before this meeting. This is a resolution that needs to get published in the newspaper together with another notice and a map. There are fundamental provisions that need to be included in this resolution under Florida Law. My recommendation would be that we approve this in substantial form and authorize your chair to sign off on the completed version when these amounts are filled in. The resolution numbers would be filled in and we would be able to address any questions or concerns that the landowner may raise.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor the Resolution 2015-05 in substantial form authorizing the chair to execute and staff to publish the final version for purposes of the Public Hearing was approved.

B. Consideration of Resolution 2015-07, Setting a Public Hearing Date To Secure its 2014 Refunding Bonds and Remaining Series 2007 Bonds

Mr. Haber stated Resolution 2015-07 is the resolution setting the public hearing to levy the assessments securing the refunding bonds and redoing the 2007 bonds. There is a mailed notice that needs to go out at least 30 days in advance of the public hearing. There is also a published notice that would get published together with a map and the resolution declaring that you just approved it. I spoke with Jim Oliver prior to the meeting and December 10, 2014 was a date we thought of as being able to meet those deadlines. I know the bondholder and the landowner also have deadlines. The statute requires that we adopt a resolution setting the date at the meeting. There is going to be two public hearings to levy these assessments. It is not uncommon for us to hold a public hearing on the assessments and then immediately after hold a pre-closing where the documents for the issuance of the refunding bonds and the new bonds are signed. If we go earlier than December 10, 2014 we have the option of continuing that meeting. December 1, 2014 is the absolute earliest. We can do it Wednesday, December 3, 2014.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor the Resolution 2015-07, setting the Public Hearing for December 3, 2014 at 2:00 p.m. was approved.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor the Authorization of District Staff, including bond counsel, for final Approval by District Chair to circulate an offering memo for the Refunding Bonds was approved.

FOURTH ORDER OF BUSINESS

Consideration of Bond Issue for New Improvements

A. Consideration of Resolution 2015-06, Declaring Special Assessments to Secure its 2014 Bonds

Mr. Haber stated the district is also contemplating issuing a new money bond. The refunding bond does not result in any new money coming to the district to spend for new improvements. Scott identified a 2014 project that identifies new improvements that the district would use new money that comes in from this bond issue to construct those improvements. It is necessary to levy assessments to secure that new bond issue. This resolution covers historically what has taken place. It covers the refunding that we just discussed and now it talks about the issuance of the new bond. GMS prepared a methodology for this one.

Mr. Perry stated consistent with the other methodology report that you had, it is structured in the same manner. There are a few minor differences. This is related to the 305 lots that are anticipated to be built. The other thing consistent with your other report is the 2007 bonds related to those development units would be cancelled and this would be a new assessment levied on these 305 units. Under table two is the anticipation of the funds that would come in. There are provisions for constructions funds, debt service, and interest reserve funds. The actual assessments for each of the developing units is consistent with the prior refunding bonds and the 2007 bond issue. There is no increase or decrease in the assessment level. The term of this bond would be for 30 years. The refunding bonds were for 23 years. There is an assessment roll on the back. When we issued that first bond issue we levied assessments across all of the property. The reason we are able to move forward with this one is because these assessments that we would be

levying on these 300 units would only be effective upon release of the current assessment lien on that property. The section three blank is going to be the total amount of improvements at \$156,326,750. It is our recommendation that you include \$9,000,000 in the section four blank.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor the Resolution 2015-06 was approved.

B. Consideration of Resolution 2015-08, Setting a Public Hearing Date to Secure its 2014 Bonds

Mr. Haber stated Resolution 2015-08 sets the public hearing. We would have two separate public hearings. This can also be held on December 3, 2014 at 2:00 p.m.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor the Resolution 2015-08, setting the Public Hearing for December 3, 2014 at 2:00 p.m. was approved.

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor the authorization of staff, including bond counsel, to prepare and circulate an offering document for the new bonds with the chair's approval of that document was approved.

FIFTH ORDER OF BUSINESS

Consideration of Construction Related Matters

There being none, the next item followed.

SIXTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

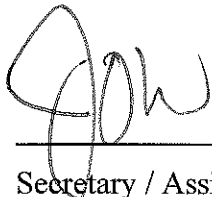
**Next Scheduled Meeting – Wednesday,
November 19, 2014 @ 2:00 p.m. at the
offices of GMS**

Mr. Oliver stated our next scheduled meeting is Wednesday, November 19, 2014 at 2:00 p.m.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Kuhn seconded by Mr. Veazey with all in favor the Meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman