

**VARREA SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

August 20, 2021

**BOARD OF SUPERVISORS
PUBLIC HEARING AND
REGULAR MEETING
AGENDA**

Varrea South Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

NOTE: Masks are required when in common spaces/areas of the building AND completion of COVID protocol paperwork

August 13, 2021

ATTENDEES:
Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors
Varrea South Community Development District

Dear Board Members:

The Board of Supervisors of the Varrea South Community Development District will hold a Public Hearing and Regular Meeting on August 20, 2021 at 10:00 a.m., at the offices of Stantec, 777 S. Harbour Island Blvd., Suite 600, Tampa, Florida 33602. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Ratification of Engagement with KE Law Group, PLLC
 - Consideration of Fee Agreement
4. Public Hearing on Adoption of Fiscal Year 2021/2022 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2021-33, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date
5. Consideration of Fiscal Year 2021/2022 Budget Funding Agreement
6. Update: Bond Financing
7. Update: CDD Development Agreement (WUSF 3 Harvest Gove N, LLC, WUSF 4 Harvest Grove 5, LLC and Walton Acquisitions FL, LLC)
8. Acceptance of Unaudited Financial Statements as of June 30, 2021
9. Approval of June 11, 2021 Regular Meeting Minutes

10. Staff Reports

- A. District Counsel: *Hopping Green & Sams, P.A.*
- B. District Engineer: *Stantec*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - NEXT MEETING DATE: October 8, 2021 at 10:00 a.m.

○ QUORUM CHECK

Ryan Zook	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Brian Mihelich	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Teddianne Sherman	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
William Conerly	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Ryan Hoppe	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO

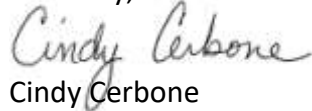
11. Board Members' Comments/Requests

12. Public Comments

13. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (561) 346-5294.

Sincerely,



Cindy Cerbone
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL-IN NUMBER: 1-888-354-0094

PARTICIPANT CODE: 801 901 3513

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

3

Hopping Green & Sams

Attorneys and Counselors

July 21, 2021

Ryan Zook
Chairperson
Varrea South CDD
c/o D.R. Horton, Inc.
10541 Ben C Pratt Six Mile Cypress Pkwy.
Fort Myers, Florida 33966
razook@drhorton.com

-and-

Brian Mihelich
BMMihelich@drhorton.com

-and-

Cindy Cerbone
c/o Wrathell Hunt & Associates
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431
cerbonec@whhassociates.com

RE: Varrea South CDD

VIA EMAIL

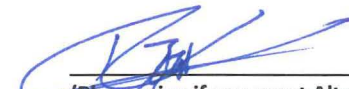
RE: JOINT LETTER BY HOPPING GREEN & SAMS AND KE LAW GROUP, PLLC, ANNOUNCING THE DEPARTURE OF ROY VAN WYK, JERE EARLYWINE, SARAH WARREN, LAUREN GENTRY, AND JENNIFER KILINSKI TO KE LAW GROUP, PLLC

Dear Ryan, Brian, and Cindy,

As of July 19, 2021, Roy Van Wyk, Jere Earlywine, Sarah Warren, Lauren Gentry, and Jennifer Kilinski ("Attorneys") will be withdrawing as Attorneys from Hopping Green & Sams, P.A. ("HGS") and will be working for KE Law Group, PLLC ("KE Law"). Attorneys have provided services in connection with this Firm's representation of the Client on the above referenced matter(s) (the "Client Matters"). While Attorneys through their new firm, KE Law, and HGS, are each prepared to continue as the Clients' legal counsel with respect to the Client Matters, it is the Client's choice as to who should serve as its legal counsel, and whether the Client Matters and files should be transferred to KE Law, or remain with HGS.

Please select one of the following alternatives:

1. ALTERNATIVE #1. The Client asks that the Client Matters be transferred to Attorneys and their new firm, KE Law. Please transfer to Attorneys and their new firm all original files and electronic files relating to the Client Matters. The Client understands that HGS will have the right to keep a copy of those files. HGS's legal representation of the Client will cease on the date of HGS's receipt of their written notice. After that date, Attorneys and their new firm, KE Law, will be responsible for legal representation of the Client in the Client Matters. To the extent that HGS is holding any trust funds or other property of the Client, HGS is further instructed to transfer such funds or property KE Law.


(Please sign if you want Alternative #1;
otherwise, do not sign on this line.)

7/26/2021
[DATE]



P.O. Box 6386, Tallahassee, Florida 32314

**KE LAW GROUP, PLLC
FEE AGREEMENT
VARREA SOUTH CDD**

I. PARTIES

THIS AGREEMENT (“Agreement”) is made and entered into by and between the following parties:

A. Varrea South Community Development District (“Client”)
c/o Wrathell Hunt & Associates
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

and

B. KE Law Group, PLLC (“KE Law”)
P.O. Box 6386
Tallahassee, Florida 32314

II. SCOPE OF SERVICES

In consideration of the mutual agreements contained herein, the parties agree as follows:

- A. The Client agrees to employ and retain KE Law as its general legal counsel.
- B. KE Law accepts such employment and agrees to serve as attorney for and provide legal representation to the Client regarding those matters referenced above.

III. FEES

The Client agrees to compensate KE Law for services rendered regarding any matters covered by this Agreement according to the hourly billing rates for individual KE Law lawyers set forth herein, plus actual expenses incurred by KE Law in accordance with the attached standard Expense Reimbursement Policy (**Attachment A**, incorporated herein by reference). For Calendar Year 2021, the discounted hourly rates will be \$285 per hour for partners, \$255 per hour for associates, \$225 per hour for part-time contract attorneys, and \$180 per hour for paralegals. All hourly rates will be increased annually by \$10 per hour. To the extent that the District issues bonds during Calendar Year 2021, HGS will provide issuer’s counsel services under a flat fee of \$37,000 per bond issuance. This flat fee will be increased annually by \$1,000 per year.

IV. CLIENT FILES

The files and work product materials ("Client File") of the Client generated or received by KE Law will be maintained by KE Law in its regular offices. At the conclusion of the representation, the Client File will be stored by KE Law for a minimum of five (5) years. After the five (5) year storage period, the Client hereby acknowledges and consents that KE Law may confidentially destroy or shred the Client File, unless KE Law is provided a written request from the Client requesting return of the Client File, to which KE Law will return the Client File at Client's expense.

V. DEFAULT

In the event of a dispute arising under this Agreement, whether or not a lawsuit or other proceeding is filed, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, including attorneys' fees and costs incurred in litigating entitlement to attorneys' fees and costs, as well as in determining or quantifying the amount of recoverable attorneys' fees and costs. The reasonable costs to which the prevailing party is entitled shall include costs that are taxable under any applicable statute, rule, or guideline, as well as non-taxable costs, including, but not limited to, costs of investigation, telephone charges, mailing and delivery charges, information technology support charges, consultant and expert witness fees, travel expenses, court reporter fees, and mediator fees, regardless of whether such costs are otherwise taxable. Venue of any such action shall be exclusive in the state courts of the Second Judicial Circuit in and for Leon County, Florida.

VI. CONFLICTS

It is important to disclose that KE Law represents a number of special districts, builders, developers, and other entities throughout Florida relating to community development districts and other special districts. By accepting this Agreement, Client agrees that (1) Client was provided with an explanation of the implications of the common representation(s) and the advantages and risks involved; (2) KE Law will be able to provide competent and diligent representation of Client, regardless of KE Law's other representations, and (3) there is not a substantial risk that KE Law's representation of Client would be materially limited by KE Law's responsibilities to another client, a former client or a third person or by a personal interest. Acceptance of this fee proposal will constitute your waiver of any "conflict" with KE Law's representation of various special districts, builders, developers, and other entities relating to community development districts and other special districts in Florida.

VII. TERMINATION

Either party may terminate this Agreement upon providing prior written notice to the other party at its regular place of business. All fees due and payable in accordance with this Agreement shall accrue and become payable pursuant to the terms of this Agreement through the date of termination.

VIII. EXECUTION OF AGREEMENT

This Agreement shall be deemed fully executed upon its signing by KE Law and the Client. The contract formed between KE Law and the Client shall be the operational contract between the parties.

IX. ENTIRE CONTRACT

This Agreement constitutes the entire agreement between the parties.

Accepted and agreed to by:

VARREA SOUTH CDD

By: _____

Its: _____

Date: _____

KE LAW GROUP, PLLC



By: Jere Earlywine

Its: Authorized Member

Date: July 19, 2021

ATTACHMENT A

KE LAW GROUP, PLLC EXPENSE REIMBURSEMENT POLICY

The following is the expense reimbursement policy for the Agreement. All expenses are billed monthly. Billings ordinarily reflect expenses for the most recent month, except where there are delays in receiving bills from third party vendors.

Telephone. All telephone charges are billed at an amount approximating actual cost.

Facsimile. There are no charges for faxes.

Postage. Postage is billed at actual cost.

Overnight Delivery. Overnight delivery is billed at actual cost.

Travel. Travel (including air fare, rental cars, taxicabs, hotel, meals, tips, etc.) is billed at actual cost. Where air travel is required, coach class is used wherever feasible. Out-of-town mileage is billed at the State of Florida approved reimbursement rate (i.e., pursuant to Chapter 112, Florida Statutes).

Other Expenses. Other outside expenses, such as court reporters, agency copies, large print projects, etc. are billed at actual cost.

Word Processing and Secretarial Overtime. No charge is made for word processing. No charge is made for secretarial overtime except in major litigation matters where unusual overtime demands are imposed.

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

4A

Publication Date
2021-08-01

Subcategory
Miscellaneous Notices

VARREA SOUTH COMMUNITY DEVELOPMENT DISTRICT NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2021/2022 BUDGET; AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING. The Board of Supervisors ("Board") of the Varrea South Community Development District ("District") will hold a public hearing on August 20, 2021 at 10:00 a.m., at the offices of at Stantec Consulting Services, 777 S. Harbour Island Boulevard, Suite 600, Tampa, Florida 33602 for the purpose of hearing comments and objections on the adoption of the budget of the District for the fiscal year beginning October 21, 2021 and ending September 30, 2022 ("Fiscal Year 2021/2022"). A regular board meeting of the District will also be held at that time where the Board may consider any other business that may properly come before it. A copy of the agenda and proposed budget may be obtained at the offices of the District Manager, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, (561) 570-0010 ("District Manager's Office"), during normal business hours or by visiting the District's website at www.emeraldlakescdd.com. The public hearing and meeting are open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing and meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone. Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office. Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearing or meeting is advised that person will need a record of proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based. District Manager Run Dates: 8/1, 8/8/2021 (173058)

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

4B

RESOLUTION 2021-33

THE ANNUAL APPROPRIATIONS RESOLUTION OF THE VARREA SOUTH COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Varrea South Community Development District (“District”) was established by Ordinance 2020-20, enacted by the City Commission of the City of Plant City, Hillsborough County, Florida on August 24, 2020, and effective September 16, 2020; and

WHEREAS, the District Manager has, at the first meeting of the Board of Supervisors (“Board”) of the District, submitted a proposed budget (“Proposed Budget”) for the fiscal year beginning October 1, 2021, and ending September 30, 2022 (“Fiscal Year 2021/2022”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriations Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE VARREA SOUTH COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit “A,”** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes (“Adopted Budget”)*, and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Varrea South Community Development District for the Fiscal Year Ending September 30, 2022.”
- d. The Adopted Budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2021/2022, the sum of \$103,540 to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	<u>\$103,540</u>
TOTAL ALL FUNDS	\$103,540

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2021/2022 or within 60 days following the end of the Fiscal Year 2021/2022 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 20TH DAY OF AUGUST, 2021.

ATTEST:

**VARREA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____

Its: _____

Exhibit A

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2022**

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
TABLE OF CONTENTS**

<u>Description</u>	<u>Page Number(s)</u>
General Fund Budget	1
Definitions of General Fund Expenditures	2

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed Budget FY 2022
	Proposed Budget FY 2021	Actual through 3/31/2021	Projected through 9/30/2021		
REVENUES					
Landowner contribution	\$ 92,848	\$ 20,271	\$ 59,106	\$ 79,377	\$ 103,540
Total revenues	<u>92,848</u>	<u>20,271</u>	<u>59,106</u>	<u>79,377</u>	<u>103,540</u>
EXPENDITURES					
Professional & administrative					
Management/accounting/recording	48,000	24,000	6,000	30,000	48,000
Legal	25,000	4,627	20,373	25,000	25,000
Engineering	3,500	-	3,500	3,500	3,500
Audit	-	-	-	-	5,000
Arbitrage rebate calculation*	-	-	-	-	750
Dissemination agent**	583	-	-	-	1,000
Trustee***	-	-	-	-	5,500
Telephone	200	100	100	200	200
Postage	500	-	500	500	500
Printing & binding	500	250	250	500	500
Legal advertising	6,500	10,112	1,500	11,612	6,500
Annual special district fee	175	-	175	175	175
Insurance	5,500	-	5,500	5,500	5,500
Contingencies/bank charges	500	312	188	500	500
Website					
Hosting & maintenance	1,680	1,680	-	1,680	705
ADA compliance	210	210	-	210	210
Total professional & administrative	<u>92,848</u>	<u>41,291</u>	<u>38,086</u>	<u>79,377</u>	<u>103,540</u>
Net increase/(decrease) of fund balance	-	(21,020)	21,020	-	-
Fund balance - beginning (unaudited)	-	-	(21,020)	-	-
Fund balance - ending (projected)	<u>\$ -</u>	<u>\$ (21,020)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*This expense will be realized the year after the issuance of bonds.

**This expense will be realized when bonds are issued

***This expense is paid from the costs of issuance in the initial year. Thereafter, this will be a budgeted expense.

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Professional & administrative

Management/accounting/recording	\$ 48,000
<p>Wrathell, Hunt and Associates, LLC (WHA), specializes in managing community development districts by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all of the District's governmental requirements. WHA develops financing programs, administers the issuance of tax exempt bond financings, operates and maintains the assets of the community.</p>	
Legal	25,000
<p>General counsel and legal representation, which includes issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts.</p>	
Engineering	3,500
<p>The District's Engineer will provide construction and consulting services, to assist the District in crafting sustainable solutions to address the long term interests of the community while recognizing the needs of government, the environment and maintenance of the District's facilities.</p>	
Audit	5,000
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.</p>	
Arbitrage rebate calculation	750
<p>To ensure the District's compliance with all tax regulations, annual computations are necessary to calculate the arbitrage rebate liability.</p>	
Dissemination agent	1,000
<p>The District must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. Wrathell, Hunt & Associates serves as dissemination agent.</p>	
Trustee	5,500
<p>Annual fee for the service provided by trustee, paying agent and registrar.</p>	
Telephone	200
<p>Telephone and fax machine.</p>	
Postage	500
<p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p>	
Printing & binding	500
<p>Letterhead, envelopes, copies, agenda packages, etc.</p>	
Legal advertising	6,500
<p>The District advertises for monthly meetings, special meetings, public hearings, public bids, etc.</p>	
Annual special district fee	175
<p>Annual fee paid to the Florida Department of Economic Opportunity.</p>	
Insurance	5,500
<p>The District will obtain public officials and general liability insurance.</p>	
Contingencies/bank charges	500
<p>Bank charges and other miscellaneous expenses incurred during the year.</p>	
Website	
Hosting & maintenance	705
ADA compliance	210
Total expenditures	<u><u>\$ 103,540</u></u>

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

5

**VARREA SOUTH COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2022 BUDGET FUNDING AGREEMENT**

This Agreement (“**Agreement**”) is made and entered into this 20th day of August, 2021, by and between:

Varrea South Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in Hillsborough County, Florida (“**District**”), and

D.R. Horton, Inc., a Delaware corporation and the developer of the lands in the District (“**Developer**”) with a mailing address of 1341 Horton Circle Arlington, Texas 76011.

RECITALS

WHEREAS, the District was established by an ordinance adopted by the City Commission for Plant City, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, Developer presently is developing the majority of all real property (“**Property**”) within the District, which Property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is adopting its general fund budget for Fiscal Year 2022, which year concludes on September 30, 2022; and

WHEREAS, this general fund budget, which the parties recognize may be amended from time to time in the sole discretion of the District, is attached hereto and incorporated herein by reference as **Exhibit A**; and

WHEREAS, the District has the option of levying non-ad valorem assessments on all land, including the Property owned by the Developer, that will benefit from the activities, operations and services set forth in the Fiscal Year 2022 budget, or utilizing such other revenue sources as may be available to it; and

WHEREAS, in lieu of levying assessments on the Property, the Developer is willing to provide such funds as are necessary to allow the District to proceed with its operations as described in **Exhibit A**; and

WHEREAS, the Developer agrees that the activities, operations and services provide a special and peculiar benefit equal to or in excess of the costs reflected on **Exhibit A** to the Property; and

WHEREAS, the Developer has agreed to enter into this Agreement in lieu of having the District levy and collect any non-ad valorem assessments as authorized by law against the Property located within the District for the activities, operations and services set forth in **Exhibit A**;

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **FUNDING.** The Developer agrees to make available to the District the monies (“**Funding Obligation**”) necessary for the operation of the District as called for in the budget attached hereto as **Exhibit A** (and as **Exhibit A** may be amended from time to time pursuant to Florida law, but subject to the Developer’s consent to such amendments to incorporate them herein), within thirty (30) days of written request by the District. The funds shall be placed in the District's general checking account. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District. Nothing contained herein shall constitute or be construed as a waiver of the District’s right to levy assessments in the event of a funding deficit.

2. **ENTIRE AGREEMENT.** This instrument shall constitute the final and complete expression of the agreement among the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

3. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all of the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

4. **ASSIGNMENT.** This Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other. Any purported assignment without such consent shall be void.

5. **DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance.

6. **ENFORCEMENT.** In the event that any party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

7. **THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

8. **CHOICE OF LAW.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

9. **ARM'S LENGTH.** This Agreement has been negotiated fully among the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

10. **EFFECTIVE DATE.** The Agreement shall be effective after execution by the parties hereto.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties execute this Agreement the day and year first written above.

ATTEST:

**VARREA SOUTH COMMUNITY DEVELOPMENT
DISTRICT**

Secretary

Chair/Vice Chair, Board of Supervisors

D.R. HORTON, INC.
a Delaware corporation

Witness

By: _____
Its: _____

Exhibit A: Fiscal Year 2022 General Fund Budget
Exhibit B: Description of the Property

Exhibit A

Fiscal Year 2021/2022 General Fund Budget

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

8

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JUNE 30, 2021**

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General Fund</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash	\$ 7,509	\$ 7,509
Total assets	<u>\$ 7,509</u>	<u>\$ 7,509</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to Landowner	\$ 1,534	\$ 1,534
Landowner advance	6,000	6,000
Total liabilities	<u>7,534</u>	<u>7,534</u>
Fund balances:		
Unassigned	<u>(25)</u>	<u>(25)</u>
Total fund balances	<u>(25)</u>	<u>(25)</u>
 Total liabilities and fund balances	 <u>\$ 7,509</u>	 <u>\$ 7,509</u>

**VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JUNE 30, 2021**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Landowner contribution	\$ 2,058	\$ 39,078	\$ 92,848	42%
Total revenues	<u>2,058</u>	<u>39,078</u>	<u>92,848</u>	42%
EXPENDITURES				
Professional & administrative				
Management/accounting/recording	2,000	24,000	48,000	50%
Legal	-	4,954	25,000	20%
Engineering	-	-	3,500	0%
Dissemination agent*	-	-	583	0%
Telephone	16	150	200	75%
Postage	-	-	500	0%
Printing & binding	42	375	500	75%
Legal advertising	-	7,349	6,500	113%
Annual special district fee	-	-	175	0%
Insurance	-	-	5,500	0%
Contingencies/bank charges	25	385	500	77%
Website				
Hosting & maintenance	-	1,680	1,680	100%
ADA compliance	-	210	210	100%
Total professional & administrative	<u>2,083</u>	<u>39,103</u>	<u>92,848</u>	42%
Excess/(deficiency) of revenues over/(under) expenditures	(25)	(25)	-	
Fund balances - beginning	-	-	-	
Fund balances - ending	<u>\$ (25)</u>	<u>\$ (25)</u>	<u>\$ -</u>	

*These items will be realized after the issuance of bonds.

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

9

DRAFT

**MINUTES OF MEETING
VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

The Board of Supervisors of the Varrea South Community Development District held a Regular Meeting on June 11, 2021 at 10:00 a.m., at the offices of Stantec, 777 S. Harbour Island Blvd., Suite 600, Tampa, Florida 33602.

Present were:

Ryan Zook	Chair
William (Bill) Conerly	Assistant Secretary
Teddianne Sherman	Assistant Secretary
Ryan Hoppe	Assistant Secretary

Also present, were:

Cindy Cerbone	District Manager
Wes Haber (via telephone)	District Counsel
Tonja Stewart	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 10:00 a.m. Supervisors Zook, Conerly, Sherman and Hoppe were present, in person. Supervisor Mihelich was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

**Consideration of Resolution 2021-15,
Adopting the Annual Meeting Schedule for
Fiscal Year 2020-2021 and Providing for an
Effective Date**

This item was deferred.

39 **FOURTH ORDER OF BUSINESS**

40 **Consideration of Resolution 2021-31,**
41 **Approving a Proposed Budget for Fiscal**
42 **Year 2021/2022 and Setting a Public**
43 **Hearing Thereon Pursuant to Florida Law;**
44 **Addressing Transmittal, Posting and**
45 **Publication Requirements; Addressing**
46 **Severability; and Providing an Effective**
47 **Date**

48 Ms. Cerbone presented Resolution 2021-31 and read the title. She reviewed the
49 proposed Fiscal Year 2022 budget, highlighting any line item increases, decreases, new line
50 items and adjustments, compared to the Fiscal Year 2021 budget, and explained the reasons for
51 any adjustments. This would be a Landowner-funded budget and some proposed expenses
52 would only be incurred if bonds are issued.

53

54 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor,**
55 **Resolution 2021-31, Approving a Proposed Budget for Fiscal Year 2021/2022**
56 **and Setting a Public Hearing Thereon Pursuant to Florida Law for August 20,**
57 **2021 at 10:00 a.m., at the offices of Stantec, 777 S. Harbour Island Blvd., Suite**
58 **600, Tampa, Florida 33602; Addressing Transmittal, Posting and Publication**
59 **Requirements; Addressing Severability; and Providing an Effective Date, was**
60 **adopted.**

61

62

63 **FIFTH ORDER OF BUSINESS**

64 **Consideration of Resolution 2021-32,**
65 **Designating Dates, Times and Locations for**
66 **Regular Meetings of the Board of**
67 **Supervisors of the District for Fiscal Year**
68 **2021/2022 and Providing for an Effective**
69 **Date**

70 Ms. Cerbone presented Resolution 2021-32. The following information would be added
71 to the Fiscal Year 2022 Meeting Schedule:

72 DATES: Second Friday of each month.

73 TIMES: "10:00 AM"

74

75

76 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor,**
77 **Resolution 2021-32, Designating Dates, Times and Locations for Regular**
78 **Meetings of the Board of Supervisors of the District for Fiscal Year 2021/2022,**
79 **as amended, and Providing for an Effective Date, was adopted.**

80
81

82 **SIXTH ORDER OF BUSINESS**

Status: Bond Financing

83

84 Ms. Cerbone stated that the Engineer's Report was expected next week and then
85 District Management would commence work on the Assessment Methodology.

86 Discussion ensued regarding documents and information related to bond financing and
87 transmitting necessary information for the Engineer's Report, etc. It was noted that the first
88 bond issuance would likely not be until March 2022.

89

90 **SEVENTH ORDER OF BUSINESS**

**Status: CDD Development Agreement
(WUSF 3 Harvest Grove N, LLC, WUSF 4
Harvest Grove S, LLC and Walton
Acquisitions FL, LLC)**

91

92

93

94

95 Ms. Cerbone stated that, at the last meeting, the Chair executed the CDD Development
96 Agreement and D.R. Horton also executed the Agreement; however, the executed signature
97 page was not received from the entities listed above. Regarding whether this would now be
98 moot, if D.R. Horton owns all the land in the CDD before bonds are issued, a Board Member
99 noted the land would be purchased in multiple takedowns, not all at once. Mr. Haber stated if
100 it will be in multiple takedowns, it would be in the best interests of the remaining entities to
101 execute the Agreement.

102 Mr. Conerly would follow up with Mr. Ed Fleming, who is an officer of each of the listed
103 entities and authorized to sign on behalf of each entity.

104

105 **EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2021-07,
Designating the Primary Administrative
Office and Principal Headquarters of the
District and Providing an Effective Date**

106

107

108

109

110

111 Ms. Cerbone presented Resolution 2021-07.

112

113 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor,**
114 **Resolution 2021-07, Designating Wrathell, Hunt and Associates, LLC, 2300**
115 **Glades Road, Suite 410W, Boca Raton, Florida 33431 as the Primary**
116 **Administrative Office and the offices of Stantec, 777 S. Harbour Island Blvd.,**
117 **Suite 600, Tampa, Florida 33602 as the Principal Headquarters of the District**
118 **and Providing an Effective Date, was adopted.**

119

120

121 **NINTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial
Statements as of April 30, 2021**

122

123

124 Ms. Cerbone presented the Unaudited Financial Statements as of April 30, 2021.

125

126 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor, the**
127 **Unaudited Financial Statements as of April 30, 2021, were accepted.**

128

129

130 **TENTH ORDER OF BUSINESS**

**Approval of February 12, 2021 Public
Hearing and Regular Meeting Minutes**

131

132

133 Ms. Cerbone presented the February 12, 2021 Public Hearing and Regular Meeting
134 Minutes.

135

136 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor, the**
137 **February 12, 2021 Public Hearing and Regular Meeting Minutes, as presented,**
138 **were approved.**

139

140

141 **ELEVENTH ORDER OF BUSINESS**

Staff Reports

142

143 **A. District Counsel: *Hopping Green & Sams, P.A.***

144 There being no report, the next item followed.

145 **B. District Engineer: *Stantec***

146 There being no report, the next item followed.

147 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

148 I. **0 Registered Voters in District as of April 15, 2021**

149 There were no registered voters residing within the District as of April 15, 2021.

150 II. **NEXT MEETING DATE: _____**

151 o **QUORUM CHECK**

152 The next meeting would be held on August 20, 2021 at 10:00 a.m.

153

154 **TWELFTH ORDER OF BUSINESS** **Board Members' Comments/Requests**

155

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

157

158 **THIRTEENTH ORDER OF BUSINESS** **Public Comments**

159

160 There being no public comments, the next item followed.

161

162 **FOURTEENTH ORDER OF BUSINESS** **Adjournment**

163

164 There being nothing further to discuss, the meeting adjourned.

165

166 **On MOTION by Mr. Zook and seconded by Mr. Conerly, with all in favor, the**
167 **meeting adjourned at 10:25 a.m.**

168

169

170

171

172

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

173
174
175
176
177
178

Secretary/Assistant Secretary

Chair/Vice Chair

VARREA SOUTH
COMMUNITY DEVELOPMENT DISTRICT

10C

VARREA SOUTH COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

LOCATION

Stantec, 777 S. Harbour Island Blvd., Suite 600, Tampa, Florida 33602

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 8, 2021	Regular Meeting	10:00 AM
November 12, 2021	Regular Meeting	10:00 AM
December 10, 2021	Regular Meeting	10:00 AM
January 14, 2022	Regular Meeting	10:00 AM
February 11, 2022	Regular Meeting	10:00 AM
March 11, 2022	Regular Meeting	10:00 AM
April 8, 2022	Regular Meeting	10:00 AM
May 13, 2022	Regular Meeting	10:00 AM
June 10, 2022	Regular Meeting	10:00 AM
July 8, 2022	Regular Meeting	10:00 AM
August 12, 2022	Regular Meeting	10:00 AM
September 9, 2022	Public Hearing & Regular Meeting	10:00 AM