

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

The Board of Supervisors of the Varrea South Community Development District held 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.

Present were:

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|----------------------------------------|---------------------|
| Ryan Zook | Chair |
| Brian Mihelich | Vice Chair |
| William (Bill) Conerly (via telephone) | Assistant Secretary |
| Ryan Hoppe | Assistant Secretary |

Also present, were:

| | |
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| Cindy Cerbone | District Manager |
| Jere Earlywine | District Counsel |
| Tonja Stewart (via telephone) | District Engineer |
| Chris Dinklage | DR Horton |

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 10:11 a.m. Supervisors Zook, Mihelich and Hoppe were present, in person. Supervisor Conerly was attending via telephone. Supervisor Sherman was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

Ratification of Engagement with KE Law Group, PLLC

- **Consideration of Fee Agreement**

Mr. Earlywine presented the joint letter by Hopping Green & Sams and KE Law Group, PLLC (KE) and the KE Fee Agreement.

On MOTION by Mr. Zook and seconded by Mr. Hoppe, with all in favor, engagement of KE Law Group, PLLC, for District Counsel Services, and the Fee Agreement, were ratified and/or approved.

FOURTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2021/2022 Budget

A. Proof/Affidavit of Publication

The proof of publication was included for informational purposes.

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

Ms. Cerbone reviewed the proposed Fiscal Year 2022 budget, which was unchanged since it was last presented. Staff and the Chair had discussed the appropriate time for bringing Operations & Maintenance (O&M) into the budget and, because it was not anticipated that the CDD would incur O&M until the new fiscal year, a footnote would be inserted accordingly. She highlighted any line item increases, decreases and adjustments, compared to the Fiscal year 2021 budget, and explained the reasons for any adjustments.

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, the Public Hearing was opened.

There were no public comments.

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, the Public Hearing was closed.

Ms. Cerbone presented Resolution 2021-33 and read the title.

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, 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, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Fiscal Year 2021/2022 Budget Funding Agreement

Ms. Cerbone presented the Fiscal Year 2021/2022 Budget Funding Agreement between the CDD and the Developer.

Mr. Earlywine stated the Developer would pay expenses on an as-needed basis, up to the amount in the budget; any budget amendments would require the Developer’s approval.

Ms. Cerbone stated that funding requests are only submitted as expenses are incurred.

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, the Fiscal Year 2021/2022 Budget Funding Agreement and authorizing the Chair to execute, was approved.

SIXTH ORDER OF BUSINESS

Update: Bond Financing

Mr. Earlywine stated that the CDD had not filed for bond validation yet because the Engineer’s Report was being updated; the Engineer’s Report would contemplate Varrea South and include projections for Varrea North. Assessments would also be validated; the validation process would include a model cost sharing agreement for Varrea South and Varrea North. The validation process would take approximately four months.

Discussion ensued regarding development timing, cost sharing agreement, development of an Interlocal Agreement, benefits of filing for bond validation for both Varrea South and Varrea North and the scope of the Engineer’s Report.

SEVENTH ORDER OF BUSINESS

Update: CDD Development Agreement (WUSF 3 Harvest Gove N, LLC, WUSF 4 Harvest Grove 5, LLC and Walton Acquisitions FL, LLC)

Mr. Earlywine stated that he and Mr. Mihelich simplified the document that was last presented; he believed it was signed and executed. This Agreement would be utilized during the bond validation process.

EIGHTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2021

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

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, the Unaudited Financial Statements as of June 30, 2021, were accepted.

NINTH ORDER OF BUSINESS

Approval of June 11, 2021 Regular Meeting Minutes

Ms. Cerbone presented the June 11, 2021 Regular Meeting Minutes.

On MOTION by Mr. Zook and seconded by Mr. Mihelich, with all in favor, the June 11, 2021 Regular Meeting Minutes, as presented, were approved.

TENTH ORDER OF BUSINESS

Staff Reports

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

There was no report.

B. District Engineer: *Stantec*

There was no report.

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

- **NEXT MEETING DATE: October 8, 2021 at 10:00 a.m.**
 - **QUORUM CHECK**

The next meeting would be held on October 8, 2021 at 10:00 a.m., unless canceled.

Discussion ensued regarding the bond validation and assessment processes for Phase 1.

Mr. Earlywine stated the Engineer’s Report and Assessment Methodology Report would be compiled and a hearing would be held prior to bond validation.

ELEVENTH ORDER OF BUSINESS

Board Members’ Comments/Requests

There were no Board Members’ comments or requests.

TWELFTH ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRTEENTH ORDER OF BUSINESS

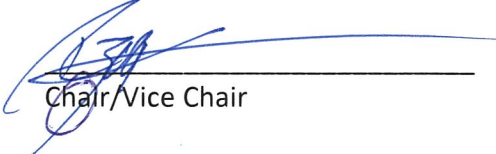
Adjournment

There being nothing further to discuss, the meeting adjourned.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair