

**MINUTES OF MEETING**

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that 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.

**PALMA SOLA TRACE  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Palma Sola Trace Community Development District was held on **Thursday, February 25, 2016 at 1:30 p.m.** at the Palma Sola Trace Clubhouse located at 7408 Hamilton Road, Bradenton, FL 34209.

Present and constituting a quorum:

Peter Gelman	<b>Board Supervisor, Chairman</b>
Roger Ohlson	<b>Board Supervisor, Vice Chairman</b>
Bruce Parker	<b>Board Supervisor, Asst. Secretary</b>
Nancy Barr	<b>Board Supervisor, Asst. Secretary</b>
Caryl Mason	<b>Board Supervisor, Asst. Secretary</b>

Also present were:

Greg Cox	<b>District Manager; Rizzetta &amp; Company, Inc.</b>
Jere Earlywine	<b>District Counsel; Hopping Green &amp; Sams, P.A.</b>
Rick Schappacher	<b>District Engineer; Schappacher Engineering</b>
Scott Brizendine	<b>Assoc. Dir. of Financial Svcs, Rizzetta &amp; Co. (via phone)</b>
Bre Beirl	<b>Financial Analyst, Rizzetta &amp; Co. (via phone)</b>
Ed Bulleit	<b>MBS Capital Markets LLC (via phone)</b>
Robbie Cox	<b>MBS Capital Markets LLC (via phone)</b>
Audience	

**FIRST ORDER OF BUSINESS**

**Call to Order**

Mr. Cox called the meeting to order and read the roll call.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There were no audience comments.

**THIRD ORDER OF BUSINESS**

**Consideration of Minutes of Board of  
Supervisors' Meeting held on December  
17, 2015**

Mr. Parker requested the minutes be changed to reflect that he was not in attendance.

On a Motion by Mr. Gelman, seconded by Ms. Mason, with all in favor, the Board accepted the Minutes of the Board of Supervisors' Meeting held on December 17, 2015, as amended, for the Palma Sola Trace Community Development District.

**FOURTH ORDER OF BUSINESS**

**Consideration of Operation & Maintenance Expenditures for December 2015 & January 2016**

On a Motion by Mr. Gelman, seconded by Mr. Parker, with all in favor, the Board ratified the Operation & Maintenance Expenditures for December 2015 (\$11,790.11) and January 2016 (\$8,998.87), for the Palma Sola Trace Community Development District.

**FIFTH ORDER OF BUSINESS**

**Consideration of Bellmore Electric Maintenance and LED Lighting Contracts**

Mr. Earlywine presented the draft LED lighting contract and explained its purpose, and addressed information that was still required to complete it. Mr. Phillip Bellmore was present to address questions the Board had with regard to his initial proposal. The Board requested that Mr. Schappacher develop a streetlight map for the District, and asked that he try to identify the conduit placements between the lights as well.

Mr. Earlwine presented the draft streetlight maintenance agreement and reviewed its purpose and content. He and Mr. Bellmore addressed questions from the Board. Mr. Cox explained that the contract still needed to be completed, and that Mr. Bellmore was in the process of having it reviewed as well.

**SIXTH ORDER OF BUSINESS**

**Discussion of Penny Lane Entrance Streetlight Project**

Ms. Mason presented the Board with an update of the status of the streetlight project to have one installed at the Penny Lane entrance. The Board requested that Mr. Bellmore obtain a right-of-way permit from the County. The Board requested that Mr. Earlywine have an agreement drafted for execution.

On a Motion by Mr. Ohlson, seconded by Ms. Barr, with all in favor, the Board authorized the Chairman to execute the final contract for the Penny Lane streetlight installation with Bellmore Electric with a not-to-exceed amount of \$8,500, for the Palma Sola Trace Community Development District.

Mr. Ohlson requested that Bellmore Electric maintain a list of spares of streetlight components and to submit a proposal for the Board to approve so he can maintain the spares. Mr. Bellmore took this time to update the Board regarding the status of those lights that are still

being repaired.

**SIXTH ORDER OF BUSINESS**

**Discussion Regarding Potential Bond Redemption**

Mr. Ed Bulleit and Mr. Robbie Cox, with MBS Capital Markets LLC, presented bond redemption information (exhibit) and options to the Board and addressed questions from the Board. The Board members discussed the need for MBS to gain additional information regarding saving information, and how it would affect the different size units in the District. Mr. Bulleit discussed the necessity of having to convince the current bond holders to sell the bond and the timing is significant.

The Board members discussed and requested staff to schedule a special meeting to be held at 1:30 p.m., March 24, 2016, at the Palma Sola Club House, and requested that MBS Capital Markets bring back to the meeting, a presentation that lays out the details of the redemption options they are discussing.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Pond #1 Bench Barrier Options**

The Board members reviewed the various options for a barrier that had been presented by Mr. Schappacher. Following discussion, the Board requested that Mr. Schappacher bring back to the March 24<sup>th</sup> Special meeting, information regarding the potential install of the metal bollard and chain option.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Earlywine did not have a report but addressed questions from the Board.

**B. District Engineer**

Mr. Schappacher presented a mitered end section (MES) inspection report he had completed for the District. He indicated that he will be requesting proposals to make necessary repairs and will be presenting those to the Board. The Board discussed options regarding use of rip rap as part of the repairs.

Mr. Gelman requested that Mr. Schappacher produce paper copies of the property ownership map for the Board members.

**C. District Manager**

Mr. Cox reminded the Board that the next regularly scheduled meeting is scheduled for April 28, 2016 at 1:30 p.m. along with the special meeting that will

now be scheduled for March 24<sup>th</sup> at 1:30 p.m. He noted that the April meeting would be when the proposed budget would be presented.

Mr. Cox also informed the Board that the new creek maintenance contract was nearly completed and would be ready for execution very soon.

Mr. Cox reviewed the January 31, 2016 financials with the Board members. The Board members discussed the status of the emergency gate maintenance and suggested an inspection and maintenance service be conducted at least once a year.

**NINTH ORDER OF BUSINESS**

**Supervisor Requests**

Mr. Gelman discussed the status of the roadway maintenance negotiations with the City and indicated there had been personnel changes with the City, and new meetings needed to be scheduled.

Ms. Mason provided her concerns about the need for Board members and residents to stay informed regarding the status of streetlight repairs. Mr. Cox indicated he was in the process of developing a new report and a work order form that would work to keep everyone better informed.

Mr. Ohlson requested information regarding electrical "as-builts" for the District.

**TENTH ORDER OF BUSINESS**

**Adjournment**

On a Motion by Mr. Gelman, seconded by Ms. Mason, with all in favor, the Board adjourned the meeting at 3:47 p.m. for the Palma Sola Trace Community Development District.

  
Secretary Assistant Secretary

  
Chairman Vice Chairman

**Palma Sola Trace  
Financing Analysis**

**Sources of Funds**

Required Funds	\$485,813	Outstanding Par	\$435,000
Uses of Funds	\$485,813	Adjusted Par	\$456,750
		Premium	105
Defeasance of Series 2013A-2 Bonds	\$456,750		
Interest through 4/1/16	\$9,063		
Cost of Issuance	\$20,000		
Rounding	<u>\$1</u>		
	\$485,813		

Defeasance Date 4/1/2016  
Rate 5.00%

**Sources of Funds**

Required Funds	<u>\$353,125</u>		
Uses of Funds	\$353,125		
Defeasance of Series 2013A-2 Bonds	\$325,000		
Interest through 5/1/23	\$8,125		
Cost of Issuance	\$20,000		
Rounding	<u>\$0</u>		
	\$353,125		

Defeasance Date 5/1/2023  
Bond Coupon Rate 5.00%  
Investment Rate 0.25%

2023 Defeasance Cost	\$353,125
P&I 2016-2023	\$242,813
Earnings 2016-2023	<u>(\$8,669)</u>
Total	\$587,269
2016 Defeasance Cost	\$485,813
Difference	<u>\$101,456</u>

Date	Outstanding Par	Int Paid	Prin Paid
5/1/2016	\$435,000	\$1,813	\$15,000
5/1/2017	\$420,000	\$21,000	\$15,000
5/1/2018	\$405,000	\$20,250	\$15,000
5/1/2019	\$390,000	\$19,500	\$15,000
5/1/2020	\$375,000	\$18,750	\$15,000
5/1/2021	\$360,000	\$18,000	\$15,000
5/1/2022	\$345,000	\$17,250	\$20,000
5/1/2023	\$325,000	<u>\$16,250</u>	<u>NA</u>
		\$132,813	\$110,000

  

Date	Unused Funds	Int Earned	Int Differential
5/1/2016	\$485,813	\$101	\$1,711
5/1/2017	\$485,914	\$1,215	\$19,785
5/1/2018	\$487,129	\$1,218	\$19,032
5/1/2019	\$488,347	\$1,221	\$18,279
5/1/2020	\$489,568	\$1,224	\$17,526
5/1/2021	\$490,792	\$1,227	\$16,773
5/1/2022	\$492,019	\$1,230	\$16,020
5/1/2023	\$493,249	<u>\$1,233</u>	<u>\$15,017</u>
		\$8,669	\$124,144