

MINUTES OF THE MEETING SOLTERRA COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Solterra Community Development District was held on Thursday, June 27, 2024, at 10:00 a.m. at 5385 N. Nob Hill Road, Sunrise, Florida.

Present and constituting a quorum were:

Mike Levak	Chairman
Alex Torres	Vice Chairman
Dario Gerszuny	Assistant Secretary

Also present were:

Ginger Wald	District Counsel
Juliana Duque	District Manager
Rich Hans	Governmental Management Services (by phone)
Juan Alvarez	District Engineer
Rhonda Mossing	MBS Capital Markets (by phone)
Steve Sanford	Bond Counsel (by phone)

FIRST ORDER OF BUSINESS

Oath of Office for Newly Elected Supervisor(s) Elected at the Landowners Meeting – Seat #3

Ms. Duque: The first item is the oath of office for the newly elected Supervisors elected at the landowner's meeting. So, Alex, I'm going to read the oath office, and please provide me with your name, and at the end you would say, I do, or I agree, or I accept, so "I".

Mr. Tores: Alex Torres.

Ms. Duque: A resident of the State of Florida and citizen of the United States of America, being a Supervisor of the Solterra Community Development District and recipient of public funds on behalf of the District, do hereby solemnly swear or affirm that I will support the Constitution of the United States and of the State of Florida, and will faithfully,

honestly, and impartially discharge the duties devolving upon me in the office of Supervisor of the Solterra Community Development District, Broward County, Florida.

Mr. Torres: I do.

Ms. Duque: Thank you so much.

SECOND ORDER OF BUSINESS

Roll Call

Ms. Duque called the meeting to order and called the roll.

THIRD ORDER OF BUSINESS

Organizational Matters

**A. Consideration of Appointment to Fill Unexpired Term(s) of Office-
Seat #4 (11/2025)**

B. Oath of Office for Elected/Newly Appointed Supervisor(s)

C. Election of Officer(s)

Ms. Duque: Let's move forward on our organizational matters, and I would like to remind the Board of Supervisors that we still have an open seat, seat #4 which expires in November 2025. Do I have any direction from the Board at this time?

Mr. Levak: We can just table it.

Ms. Duque: Table it. Ok, thank you so much.

Ms. Wald: You still need to do the election of officers because he just took the oath.

Ms. Duque: So, before we go to the approval of the minutes, once again, I would like to remind the Board of Supervisors that our current slate of officers is Mike Levak as our chairman, Alex Torres as vice chairman, we have Dario Gerszuny and Felix Castillo as assistant secretaries. Also from GMS, the management company of the District you have Rich Hans as secretary, Juliana Duque as the assistant secretary, and Patti Powers as the treasurer. So, if you would like to keep that slate of officers I will need a motion to accept the slate of officers as I have just stated.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, the Election of officers, keeping the same slate of officers as stated on the record by Juliana Duque was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the April 25, 2024 Meeting

Ms. Duque: Let's move forward then to the approval of the minutes of April 25, 2024 meeting. This is the moment to present any additions, corrections, or deletions to those. If there is none, a motion to approve them will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, the Minutes of the April 25, 2024 Meeting were approved.

FIFTH ORDER OF BUSINESS

Consideration of Resolution #2024-06 Bond Authorization Resolution

A. Exhibit A – Form of Second Supplemental Trust Indenture (2024 Notes)

B. Exhibit B – Form of Note Placement Agreement (2024 Notes)

Ms. Duque: Let's move forward to consideration of resolution #2024-06 bond authorization resolution and Steve, you're up.

Mr. Sanford: Ok, thank you, Juliana. This is Steve Sanford from Greenberg Traurig serving as the District bond counsel. Resolution #2024-06 is a supplement to the resolution that was initially adopted in 2023, this is for the Second Series of Special Assessment Notes which is going to be in the principal amount of \$19,900,000, that's a not-to-exceed amount (inaudible comment). The concept here is that these are drawdown amounts, so as money is needed a check amount will be drawn and funded by the note purchaser. This resolution has two exhibits, one is the second supplemental trust indenture that's between the District and US Bank, and when we issued the notes last year there was also a supplemental indenture, that was the first one, and every time there will be a separate supplemental indenture which will have the interest rate and the term. The initial interest rate on these notes will be 7.13%, that's the maximum rate permitted under Florida Law, and that way it stays in effect for 1 year. The term of this note, on the last one 25 houses is 5 years, although these could be prepaid at any time by closing on homes or by the issuance of bonds. The other exhibit to this resolution is the note placement agreement and that's by and among the District, the note purchaser, and the MBS Capital Markets servicing as placement agent. That document gets executed today, meaning the bonds are technically sold today but we're not closing until July 2nd. The last two things that this resolution does is, it authorizes if there's anything in Juan's report or in Juliana's

report in connection with the Notes that there's authorization to do that without having a need to call a special meeting. So, if any Board members have any questions, I'd be happy to answer them or just a motion to adopt resolution #2024-06.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, Resolution #2024-06 the Bond Authorization Resolution was approved.

Ms. Duque: Thank you so much, Steve.

Ms. Sanford: Ok, thank you.

SIXTH ORDER OF BUSINESS

Consideration of Ancillary Document

A. Lien of Record (Special Assessment Notes, Series 2024)

B. First Amendment to Assignment and Acquisition Agreement

C. Partial Assignment & Assumption Agreement (Contract Rights)

Ms. Duque: Let's move forward to consideration of the ancillary document, so Ginger.

Ms. Wald: So, we had originally approved the ancillary documents for the issuance of the first Notes and they stay in place, the only thing that is changing as to these documents is proceeding forward with the lien of record, and then additionally there's a few agreements. The first is the first amendment to the assignment and acquisition agreement. This is amending to the fact that there already is an agreement in place, that we're going to proceed forward, that you'll also be approving which is the assignment and assumption of the agreement that CC/WV Sunrise, LLC, the developer, entered into with Downrite, and Downrite has already commenced performing under the contract, and this would be the partial assignment as to portions of the agreement, and the work that is supposed to be performed by Downrite, and are pursuant to the engineers report, and the project itself. With that partial assignment we also had to add certain language that is required by Statute to the third-party consent amendment. We have already received from the developer, the execution thereof, and my understanding is that Downrite has also already agreed to it and the execution of that document is on the way to our office which we might have already received via Fed Ex. So, if anyone has any questions regarding

those three ancillary documents, I can take those, or you can do a motion to approve all three at once if you wish to or you can take them one at a time.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, accepting all three ancillary documents as listed above and stated on the record was approved.

Ms. Duque: Hi Rich, can you hear me?

Mr. Hans: Yes, I can hear you.

Ms. Duque: Ok, I just sent you the meeting information, I sent it to Rhonda as well.

Mr. Hans: Ok.

Ms. Duque: Ok, so Rhonda are you on the call?

SEVENTH ORDER OF BUSINESS

Consideration of:

A. Second Supplemental Assessment Methodology Report

B. First Supplemental Engineer's Report

Ms. Duque: Ok, so let's just continue then to the next item which is the consideration for two reports, the second supplemental assessment methodology report, and the first supplement engineers report, and before I present the second supplemental assessment methodology, I'm going to let Juan present his first supplemental engineers report.

Mr. Alvarez: Thank you, Juliana. The CDD project improvements were really described in detail in the original engineers report of February 16, 2023 and this first supplemental engineers report does not change the project itself. This supplemental is just to inform the public about the status of the CDD project as of today, and the funds that have been spent today from that first note that was issued in a nominal amount of \$70,100, I believe it was. The most significant thing the CDD has spent funds on today is the acquisition of land that the CDD purchased the east buffer land which is shown on exhibit 3, and also made a contribution to the eminent domain of the entity, you can see there, and other expenses that the CDD has made have been in permit fees and soft costs. Also, the other work which is part of the contract of what was partially assumed by the CDD has been done, so you can see here on exhibit 2 is the area that as of today has been cleared of vegetation and so on. The detail of what has been spent by the CDD you can see in the table on page 2, it looks like this, and this is a list of the requisitions that

have been processed for a total of \$5,177,110. So, that in essence is the summary of the report, if you have any questions, I'll be happy to address them.

Mr. Levak: I have no questions, so I'll make a motion to approve.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, accepting the First Supplemental Engineer's Report was approved.

Mr. Alvarez: And what I will do is I will remove the "draft" label from the document and send you the final one.

Ms. Duque: Thank you so much, Juan. Let's move forward then to our next item, which is consideration of the second supplemental assessment methodology report. So, this second supplemental report allocates the debt for the Series 2024 Notes to the assessment area 1 within the District benefiting from this project. The District will issue a not to exceed \$19,900,000 of Special Assessment Notes, Series 2024 Assessment Area 1 on a revolving draw-down basis, I just want to make sure the Board knows that we have to make that change to our second supplemental report, it appears as a "non-revolving" and it should be "revolving", so that's the only change that I will make, and I'll make sure I distribute that one to everyone. So, on a revolving draw-down basis to finance a portion of the project as is defined in this second supplement report and provide a direct special benefit to Assessment Area 1 not otherwise funded with the proceeds of the Series 2023-1 Notes and pays the cost of issuance of the Series 2024 Notes. So, the best way to walk you through this second supplemental methodology report is to look at the tables. So, if you go to Table 1 that identifies the development plan, as identified by CC/WV Sunrise, LLC, the developer. The engineers report as mentioned by Juan outlines the public improvements needed to support the development and that is also showing on Table 2. Now the public improvements needed are described in detail in your engineer's report and are estimated to cost \$69,970,411 and this amount includes the \$5,526,766 that is related to the 87 townhomes affordable housing, that's the contraction area. Now, table 2 also reflects the project costs related to Assessment Area 1, a portion of which will be funded by the Series 2024 Notes, and the balance of the cost not otherwise funded with the proceeds of the Series 2023-01 will be funded by future bonds or by contributions and this is shown in Table 3, that's the breakdown of the Series 2024 Notes. Now, as you can see on Table 4, it shows the determination of the benefits and allocation of

total project costs, and it reflects in this table the costs funded by the Series 2023-01 Notes, as well as the cost remaining to be funded within Assessment Area 1. Now, the District initially distributed that Assessment Area 1, the special assessment lien across all the properties within the Assessment Area 1 on per acreage basis, both with respect to Series 2023-01 Notes, and the Series 2024 Notes. As the assigned properties become known with certainty, most likely at the time of the platting, the District will refinance allocation of those Assessment Area 1, special assessment from a per acre basis to per unit, and that is shown in Table 5. Now, it is anticipated the principal amount of the Series 2024 Notes will be paid from two sources, one being the Assessment Area 1 Special Assessment and bonds due upon the closing of the homes and also if it's determined by the District in subsequent proceedings from proceeds of the issuance of the bonds in one or more Series. Now, if the land plan changes then this table will need to be updated, as the development plan occurs the Assessment Area 1 Special Assessment will be distributed against the assigned properties in the manner that is described in the second supplemental, and the assessment roll is shown in Table 6. Unless there are any questions about the second supplemental methodology report, a motion to approve it will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, accepting the Second Supplemental Assessment Methodology Report was approved.

EIGHTH ORDER OF BUSINESS

Public Hearing to Adopt the Fiscal Year 2025 Budget

A. Motion to Open the Public Hearing

Ms. Duque: The next item is the public hearing to adopt the fiscal year 2025 budget, a motion to open the public hearing will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, opening the Public Hearing was approved.

B. Public Comment and Discussion

C. Consideration of Resolution #2024-07 Adopting the Final Budget

Ms. Duque: I would like to state for the record, there is no public present today so there are no public comments. Do I have any additional discussion in terms of the budget? Not hearing any, the next item is consideration of resolution #2024-07 adopting the final budget, a motion to approve will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, Resolution #2024-07 adopting the final budget was approved.

D. Motion to Close the Public Hearing

Ms. Duque: A motion to close the public hearing will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, closing the Public Hearing was approved.

NINTH ORDER OF BUSINESS

**Approval of Agreement and
Proposals with Whitmore
Consulting Engineers, Inc.**

A. Consulting Services Agreement

B. Entrance Drive Improvements

C. NW 30th Place Improvements

D. Oakland Park Blvd. & Inverrary Drive Wet Improvements

Ms. Duque: The next item is the approval of agreement and proposals with Whitmore Consulting Engineers, Ginger.

Ms. Wald: So, previously you had done an RFP and chose Whitmore and had directed the District to proceed forward with preparing the agreement and entering into an agreement. So, we provided that agreement to Whitmore and they had some changes, most of them were pretty minor, there were a couple that were not that had to be a decision of this Board to accept or not accept. One is the indemnification clause that we normally have where the consultant indemnifies and defends, as they promise the District for any actions that are wrong. The deletion by Whitmore was the defense, they said in their changes that they would not be obligated to defend the District, and any determination of the consultant's liability would be made by an impartial third party or through a court of common jurisdiction. The consultant's indemnification obligation does not include payment for costs, expenses, or liabilities incurred by the District including legal

or settlement expenses unless those, costs, expenses, or liabilities are a direct result of the consultant's actions. (inaudible comment)

Mr. Levak: So, is that normal what they're doing?

Ms. Wald: It is not unlike them but, they don't want to have to provide a defense to the District if the District is sued, and is part of the cause of some type of negligence that is on their part, and so they also said that there would have to be a third party or a court to make that determination as to whether there was negligence on their part or not, that's a little unique, and so its not something that normally we have and that was their change and that's why I bring it the Board.

Mr. Levak: What was their scope of work?

Ms. Wald: Their scope of work is for the streets.

Mr. Alvarez: The offsite streets like Oakland Park Blvd.

Mr. Levak: So, is there a big risk of negligence on offsite work? Have we seen that before, where there was a lawsuit on the offsite work due to negligence?

Ms. Wald: From the District's standpoint, where the District has been sued, no. Can it happen, yes but, it is greater than not.

Mr. Alvarez: Speaking about our case, we as professional engineers, in my company we have insurance for these sort of cases.

Ms. Wald: And they have liability insurance, they agreed to the insurance clauses, they just will not defend them, and they want someone else to make a determination as to negligence. So, if the District was sued and they wanted to bring them into a lawsuit, we then would have to have a determination by the court to say that they were negligent. Now the District has sovereign immunity which protects the District, so that's the one thing that the District has is that sovereign immunity, which is protection for the District versus the consultant but, it is something that they specifically put in here so I had to point it out because it's not something that is standard. If they say no, then we have to go through that particular process, so that's why I wanted to point that out specifically as to that.

Mr. Levak: This decision has to be made at this meeting?

Ms. Wald: Yes, if you want this agreement signed.

Mr. Alvarez: (inaudible comment)

Ms. Wald: Again, it's not that I'm concerned but, it's because it's a change, and it is something that is not normally seen that I have to bring it to the Board, for the Board to

make that decision, and you're making the decision as a business decision based upon the information being provided knowing that you do have sovereign immunity but they will not defend you. I don't know if their insurance is written that way but, you have protection under their insurance, I found that a little interesting, but I had to bring that information to your attention.

Mr. Levak: Ok, I'll make a motion to approve it.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, accepting the agreement and proposals with Whitmore Consulting Engineers, Inc. was approved.

TENTH ORDER OF BUSINESS

Approval of Agreement and Proposal with Kimley-Horn and Associates, Inc.

A. Consulting Services Agreement

B. Phase II – Bridge Widening for Inverrary Blvd. Over C-13 Canal (Bridge No. 868305)

Ms. Duque: The next item is approval of the agreement and proposal with Kimley-Horn and Associates. Unless there are any questions a motion to approve will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, accepting the agreement and proposal with Kimley-Horn and Associates, Inc. was approved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

Ms. Duque: The next item is staff reports, Ginger.

A. Attorney

Ms. Wald: I think that's all I had, and you're going to cover the financial disclosure.

Ms. Duque: Correct.

B. Engineer

Ms. Duque: Juan, anything additional to report under the engineer?

Mr. Alvarez: Nothing additional, unless you have any questions for me.

Ms. Duque: Thank you so much, Juan.

C. Manager

- 1) Consideration of Proposed Fiscal Year 2025 Meeting Schedule**
- 2) Discussion of Financial Disclosure Report from the Commission on Ethics and Reminder to File Annual Form**

Ms. Duque: Let's move forward then to the manager's report. The next item is consideration of the proposed fiscal year 2025 meeting schedule. So, once again, it's attached to your agenda package, the proposed meeting schedule and the meetings will be at the office of Governmental Management Services – South Florida, 5385 N. Nob Hill Road, Sunrise, Florida, 33351 at 10:00 a.m. on the fourth Thursday as follows and is shown in your agenda package. Unless there are any questions or any changes from the Board, a motion to approve it will take place.

On MOTION by Mr. Levak seconded by Mr. Gerszuny with all in favor, accepting the proposed Fiscal Year 2025 Meeting Schedule was approved.

Ms. Duque: The next item is the discussion of the financial disclosure report from the Commission on Ethics, and reminder to file your annual form. So, remember, Form 1 which is the financial disclosure needs to be filed electronically.

Mr. Levak: Ok, mine still shows pending and I did it.

Ms. Duque: Did you receive an email?

Mr. Levak: I didn't check.

Ms. Duque: Ok, because the only one that is showing us as completed is Dario.

Mr. Torres: I just did mine a couple of days ago.

Ms. Wald: If you just did it a couple days ago, it won't show up.

Ms. Duque: So, I'll follow up, Alex and I'll talk to you after the meeting and send you an email and we'll go from there.

Mr. Torres: Ok, and I got a receipt or something, so I'll forward it to you.

Ms. Duque: Ok. So, the other reminder for the Board is ethics training which is due by December 31st, so you still have a lot of time but, I sent long ago the memorandum that was prepared by Ginger's office, if you need me to send it again, I can do that as well.

Mr. Levak: Yes.

Ms. Duque: Ok, I'll do that. So, that's it, nothing else to report under the manager.

TWLEFTH ORDER OF BUSINESS

Financial Reports

- A. Approval of Funding Request #27
- B. Acceptance of Unaudited Financials

Ms. Duque: Let's move forward to financial reports. Tab A is approval of funding request #27, and tab B is the acceptance of the unaudited financials. Unless there are any questions, a motion to approve them will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, Funding Request #27 and the Unaudited Financials were approved.

THIRTEENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

Ms. Duque: Are there any Supervisor's requests? Not hearing any, once again there is no audience present, so no audience comments.

FOURTEENTH ORDER OF BUSINESS

Adjournment

Ms. Duque: A motion to adjourn will take place.

On MOTION by Mr. Levak seconded by Mr. Torres with all in favor, the Meeting was adjourned.



Secretary / Assistant Secretary

Chairman / Vice Chairman