

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

May 12, 2017 Audit Committee Meeting and Regular Meeting

Minutes of the Audit Committee Meeting and Regular Meeting

The Audit Committee Meeting and Regular Meeting of the Board of Supervisors for Southern Hills Plantation II Community Development District was held on **Friday, May 12, 2017 at 10:30 a.m.** at the Southern Hills Clubhouse, located at 4200 Summit View Drive, Brooksville, FL 34601.

1. CALL TO ORDER

Mr. Lamb called the Audit Committee Meeting and Regular Meeting of the Board of Supervisors of the Southern Hills Plantation II Community Development District to order on **Friday, May 12, 2017 at 10:30 a.m.**

2. ROLL CALL

Board Members Present and Constituting a Quorum:

Devon Rushnell	Vice Chairman
Matt Pallardy	Supervisor
Jon Franz	Supervisor

Committee Members

Chairman	Devon Rushnell
Supervisor	Matt Pallardy
Supervisor	Jon Franz

Staff Members Present:

Brian Lamb	District Manager
Leigh Fletcher	District Counsel
Joe Calamari	District Engineer

There were a few members of the general public present.

3. PUBLIC COMMENT ON AGENDA ITEMS

There were no public comments on agenda items.

4. AUDIT COMMITTEE MEETING

A. Open the Audit Committee Meeting

Mr. Lamb opened the meeting and went over the agenda. He also discussed the evaluation and ranking process.

B. Consideration of the Audit Committee Meeting Minutes March 1, 2017

C. Evaluate and Rank the Audit Proposals

- i. McDirmitt Davis, Certified Public Accountants and Advisors**
- ii. Carr, Riggs and Ingram**
- iii. Grau & Associates**

Mr. Lamb and Ms. Fletcher went over the criteria as was discussed at the last meeting. The Board discussed their preferences.

The full discussion is available on audio recording.

D. Finalize the Ranking and Consideration of Audit Committee Recommendation

The Board finalized the rankings.

MOTION TO:	Rank the choices as all having 20 points for each of the first four categories, with the fifth category price as being scored as 1. McDirmitt Davis with 20 points; 2. Grau & Associates with 19 points; and 3. Carr, Riggs and Ingram with 18 points.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

E. Close the Audit Committee Meeting

5. REGULAR BOARD MEETING

A. Open the Regular Board Meeting

B. Consideration of Audit Committee Recommendations and Evaluation

Mr. Lamb went over the Audit Committee's recommendations. McDirmitt Davis ranked at 100 points overall, Grau & Associates with 99 points, and Carr, Riggs and Ingram with 98 points.

MOTION TO:	Allow staff to proceed with negotiating the final form of contract based on the Committee's evaluations.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

C. Consideration of District Engineer Proposals

Mr. Lamb explained that after placing the advertisement, there were no proposals received. As such, the Board can either proceed with Coastal Engineering or re-advertise for proposals. After a brief discussion, the Board decided to forgo any further engineering review and proceed with Coastal Engineering.

MOTION TO:	Proceed with Coastal Engineering.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

D. Consideration of District Management Proposals

Ms. Fletcher stated that two management companies submitted proposals, Meritus and DPGF, and the Board's options are to either accept one of the proposals or reject all proposals and re-advertise for proposals.

MOTION TO:	Continue with Meritus.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

E. Overview of Collections and Direction for Priority of Spending Remaining Year

Mr. Lamb went over the collections schedule and priority of spending with the Board. Ms. Fletcher, Mr. Lamb, and the Board discussed collections, spending, District Counsel actions and costs, and options.

The full discussion is available on audio recording.

MOTION TO:	Direct management to obtain all of the backup information for the contract.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

Mr. Lamb said he would like the Board's direction on collections, priority of spending, and loans. He asked for a Board member to volunteer to direct management and legal on these matters, and Supervisor Franz said he would volunteer.

MOTION TO:	Direct Supervisor Franz to work with management and District Counsel on collections, priority of spending, and loans.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

F. Consideration of Resolution 2017-06; Approving Proposed Fiscal Year 2018 Budget & Setting Public Hearing

Mr. Lamb went over Resolution 2017-06, the budget process, and the budget line items. The public hearing is set for Friday, August 11, 2017 at 10:30 a.m. at the same location.

MOTION TO:	Approve Resolution 2017-06.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Franz
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

G. Consideration of Resolution 2017-07; Re-Designating Treasurer

Mr. Lamb explained the Resolution to the Board.

MOTION TO:	Approve Resolution 2017-07.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

H. Annual Disclosure of Qualified Electors

Mr. Lamb announced that as of April 15, 2017, Southern Hills Planation II CDD has 103 qualified electors.

I. General Matters of the District

7. STAFF REPORTS

A. District Counsel

Ms. Fletcher went over her report about a settlement agreement, using Hopping Green & Sams as foreclosure counsel, and working with the City regarding District right-of-ways.

The full discussion is available on audio recording.

The Board discussed Ms. Fletcher's recommendations.

MOTION TO:	Move forward with the negotiations for TC-13 and substitute Hopping Green & Sams for foreclosure counsel.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

The Board continued to discuss District Counsel's recommendations. Ms. Fletcher clarified some of the Board's questions.

MOTION TO:	Approve the land use due diligence regarding the status of the permits and everything necessary to move forward with the development as a whole, based on the District taking title to TC13 property as part of the settlement agreement, and working with the City on the right-of-way, with the review and consideration of the Board Chair.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Franz
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

The Board and Ms. Fletcher continued to discuss her recommendations.

MOTION TO:	Delegate Supervisor Devon Rushnell to work with Ms. Fletcher on the tasks as described in the previous two motions.
MADE BY:	Supervisor Franz
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

B. District Engineer

Mr. Lamb stated that the District Engineer will be identifying the shared facilities that the District potentially benefits from and will produce a map to better define that the HOA currently owns and operates the lakes, among other elements that the District currently operates.

C. District Manager

6. CONSENT AGENDA

- A. Consideration of Board of Supervisors Meeting Minutes February 10, 2017**
- B. Consideration of Operations and Maintenance Expenditures April 2017**
- C. Review of Financial Statements Month Ending April 30, 2017**

The Board reviewed the Consent Agenda items.

MOTION TO:	Approve the Consent Agenda.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

8. SUPERVISOR REQUESTS AND AUDIENCE COMMENTS

There were no supervisor requests or audience comments.

9. ADJOURNMENT

MOTION TO:	Adjourn.
MADE BY:	Supervisor Devon Rushnell
SECONDED BY:	Supervisor Pallardy
DISCUSSION:	None Further
RESULT:	Called to Vote: Motion PASSED 3/0 - Motion Passed Unanimously

**These minutes were done in summary format.*

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

Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed meeting held on 8-21-17.

Signature

Devon S. Rushnell

Printed Name

Title:

☒ Chairman

☐ Vice Chairman

Signature

Brian Lamm

Printed Name

Title:

☒ Secretary

☐ Assistant Secretary



Recorded by Records Administrator

Catherine Custodio

Signature

8-23-17

Date