

*Scenic Terrace North  
Community Development District*

*Meeting Agenda*

*September 21, 2022*

# AGENDA

# *Scenic Terrace North*

## *Community Development District*

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219 E. Livingston St., Orlando, Florida 32801  
Phone: 407-841-5524 – Fax: 407-839-1526

September 14, 2022

**Board of Supervisors  
Scenic Terrace North  
Community Development District**

Dear Board Members:

A meeting of the Board of Supervisors of the **Scenic Terrace North Community Development District** will be held on **Wednesday, September 21, 2022 at 2:00 PM at 346 E. Central Ave., Winter Haven, FL 33880.**

**Zoom Video Link:** <https://us06web.zoom.us/j/86905458946>

**Zoom Call-In Number:** 1-646-876-9923

**Meeting ID:** 869 0545 8946

Following is the advance agenda for the meeting:

### **Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period (<sup>1</sup>Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the August 17, 2022 Board of Supervisors Meeting and September 6, 2022 Continued Meeting
4. Consideration of Resolution 2022-15 Directing Chairman and District Staff to File a Petition Amending District Boundaries
5. Consideration of Boundary Amendment Funding Agreement
6. Presentation and Approval of Revised Engineer's Report dated August 8, 2022 (updated version was received September 15, 2022)—**ADDED**
7. Presentation and Approval of Revised Supplemental Assessment Methodology for Series 2022 Assessment Area dated September 6, 2022 (updated version was received September 6, 2022)—**ADDED**
8. Appointment of Audit Committee
9. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report

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<sup>1</sup> Comments will be limited to three (3) minutes

- i. Approval of Check Register
  - ii. Balance Sheet & Income Statement
- 10. Other Business
- 11. Supervisors Requests and Audience Comments
- 12. Adjournment

### **Audit Committee Meeting**

- 1. Roll Call
- 2. Public Comment Period
- 3. Audit Services
  - A. Approval of Request for Proposals and Selection Criteria
  - B. Approval of Notice of Request for Proposals for Audit Services
  - C. Public Announcement of Opportunity to Provide Audit Services
- 4. Adjournment



# MINUTES

**MINUTES OF MEETING  
SCENIC TERRACE NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Scenic Terrace North Community Development District was held Wednesday, **August 17, 2022** at 2:01 p.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum:

Rennie Heath  
Lauren Schwenk  
Pat Hudson

Chairman  
Vice Chair  
Assistant Secretary

Also present were:

Jill Burns  
Lauren Gentry  
Rey Malave *via Zoom*  
Lisa Kelley *via Zoom*  
Ashton Bligh *via Zoom*  
Daniel Arnette

District Manager, GMS  
KE Law Group  
Dewberry  
Dewberry  
Greenberg  
Appointed to Board

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order and called the roll. Three Board members were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There were no members of the public present for the meeting.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Acceptance of Resignation from Patrick Marone and Justin Frye**

Ms. Burns asked for a motion to accept the letter of resignation from Patrick Marone and Justin Frye.

On MOTION by Mr. Heath, seconded by Ms. Hudson, with all in favor, Accepting the Resignation from Patrick Marone and Justin Frye, was approved.
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**B. Appointment to Fill the Vacant Board Seat**

Ms. Burns asked if there was a nomination to fill the two vacant seats. For Seat #2 the Board recommended Daniel Arnette and for Seat #5 the Board nominated Chuck Cavaretta.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Appointment of Daniel Arnette to Fill the Vacant Board Seat #2, was approved.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Appointment of Chuck Cavaretta to Fill the Vacant Board Seat #5, was approved.

**C. Administration of Oath to Newly Appointed Supervisor**

Ms. Burns noted that Mr. Cavaretta was not present, so he would be sworn in during the next meeting. She performed the oath of office for Mr. Arnette.

**D. Consideration of Resolution 2022-10 Electing Officers**

Ms. Burns asked for a motion to approve Resolution 2022-10 with Rennie Heath as Chair, Ms. Schwenk as Vice-Chair, and Ms. Hudson, Mr. Arnette, and Mr. Cavaretta as Assistant Secretaries.

On MOTION by Ms. Schwenk, seconded by Mr. Arnette, with all in favor, Resolution 2022-10 Appointing Rennie Heath as Chair, Ms. Schwenk as Vice Chair and Ms. Hudson, Mr. Arnette, and Mr. Cavaretta as Assistant Secretary as well as George Flint, was approved.

**FOURTH ORDER OF BUSINESS**

**Approval of Minutes of the May 18, 2022  
Board of Supervisors Meeting**

Ms. Burns asked if the Board had any comments or corrections to the May 18, 2021 meeting minutes. The Board had no changes.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the Minutes of the May 18, 2021 Board of Supervisors Meeting, were approved.

**FIFTH ORDER OF BUSINESS****Presentation an Approval of Supplemental  
Assessment Methodology for Series 2022  
Assessment Area dated August 17, 2022**

Ms. Burns stated this was updated to reflect in unit counts as well as an updated bond sizing provided by FMS. She reviewed the tables that reflect 330 units in the assessment area, 40' lots with an ERU of 1 and 50' lots with an ERU of 1.25. The total cost estimate is \$17,196,973 from the Engineer's report updated August 8, 2022. The bond sizing is \$13,000,000. The par debt for 40' lots is \$39,394 and the par debt per unit for 50' lots is the same. Gross debt assessment is \$2,963. She noted there were some updates needed for Developer ownership and they will leave it blank for now and update it later.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the Supplemental Assessment Methodology for Series 2022 Assessment Area Dated August 17, 2022, was approved.

**SIXTH ORDER OF BUSINESS****Consideration of Resolution 2022-11  
Delegation Resolution**

Ms. Bligh reviewed the resolution noted it was contemplated when the Board adopted the authorizing resolution in September of last year for bonds in the amount of \$28,000,000. She noted a couple of edits made since it was submitted for the agenda package. Ms. Burns noted that they updated the effective date for the ordinance and reflected the revised Engineer's report and Assessment Methodology. She added this changed the not to exceed amount of the bonds from \$20,000,000 to \$16,000,000 and the updated date for the Engineer's report and replaced schedule 1 with the tables reflected in the latest draft of the Engineer's report. This will sell one series of bonds in the not to exceed amount of \$16,000,000. She noted that there were attached documents for Series 2022 bonds. Ms. Burns also noted the requirements so that a public offering is not needed. The parameters for the bonds are included and the interest rate for the Series 2022 bonds shall not exceed the maximum statutory interest rate under Florida statutes. She added the aggregate principal amount of the Series 2022 bonds shall not exceed \$16,000,000. Final maturity 30 years principal amortization. Ms. Burns noted this meeting will be continued for construction bid pricing.

On MOTION by Mr. Schwenk, seconded by Mr. Heath, with all in favor, Resolution 2022-11 Delegation Resolution, was approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Series 2022 Project  
Developer Agreements:**

**A. True-Up Agreement**

Ms. Gentry reviewed all the agreements and stated these are standard agreements. She noted that Highland Sumner would pay true up amounts if the properties developed are not developed in the contemplated amounts.

**B. Collateral Assignment Agreement**

Ms. Gentry stated in the event of a default on the assessments the Developer will be obligated to assign the rights to complete the project.

**C. Completion Agreement**

Ms. Gentry stated this agreement obligates the Developer to complete the improvements.

**D. Acquisition Agreement**

Ms. Gentry stated this agreement sets about the terms under which the District can acquire from the Developer the previous constructed agreements and pay for out of bond funds.

**E. Declaration of Consent**

Ms. Gentry noted this declares that the Developer consents to all procedures of the bonds.

**F. Notice of Lien of Special Assessments for Series 2022 Project**

Ms. Gentry stated the Notice of Lien of Special Assessments would be filed once everything is finalized.

On MOTION by Mr. Heath, seconded by Ms. Hudson, with all in favor, the Developer Agreements, were approved in substantial form.

**EIGHTH ORDER OF BUSINESS**

**Public Hearing**

**A. Public Hearing on the Adoption of the District's Fiscal Year 2023 Budget**

Ms. Burns noted this hearing was advertised in the paper. She asked for a motion to open the hearing.

On MOTION by Mr. Heath, seconded by Ms. Hudson, with all in favor, Opening the Public Hearing, was approved.

Ms. Burns noted there were no members of the public present. She asked for a motion to close the hearing.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Closing the Public Hearing, was approved.

**i. Consideration of Resolution 2022-12 Adoption of the District's Fiscal Year 2022/2023 Budget and Appropriating Funds**

Ms. Burns noted this was included in the agenda packet for review and did not have many changes. She added there were limited field expenses and includes a playground. The total budget amount is \$258,666 and will be Developer funded.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Resolution 2022-12 Adoption of the Districts Fiscal Year 2022/2023 Budget and Appropriating Funds, was approved.

**ii. Consideration of Fiscal Year 2022/2023 Developer Budget Funding Agreement**

Ms. Burns noted the Funding Agreement was with Highland Sumner.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Fiscal Year 2022/2023 Developer Funding Agreement with Highland Sumner, was approved.

**NINTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-13  
Designation of Regular Monthly Meeting  
Date, Time, and Location for Fiscal Year  
2023**

Ms. Burns suggested the third Wednesday of the month at 1:30 p.m. at the same location.

On MOTION by Mr. Heath, seconded by Ms. Hudson, with all in favor, Resolution 2022-13 Designation of a Regular Monthly Meeting Schedule for the Third Wednesday of the Month at 1:30 p.m. in the Same Location, was approved.

**TENTH ORDER OF BUSINESS**

**Ratification of Notice of RFP for District Construction Services**

Ms. Burns noted the last meeting was canceled due to no quorum. She stated that an ad was placed and the proposals are due on Monday, 22<sup>nd</sup>. This is just a motion to ratify that action.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the Notice of RFP for District Construction Services, was ratified.

**ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Gentry stated they had been in contact on the boundary amendment to remove the school parcel.

**B. Engineer**

Mr. Malave had no further updates.

**C. District Manager's Report**

**i. Approval of Check Register**

Ms. Burns stated that the check register was included in the agenda for review. She asked for a motion to approve.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the Check Register, was approved.

**ii. Balance Sheet & Income Statement**

Ms. Burns stated that the financials were included in the agenda package for review and that there was no action needed.

**TWELFTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**THIRTEENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience  
Comments**

There being none, the next item followed.

**FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns noted this meeting will be continued on Tuesday, September 6<sup>th</sup> at 1:15 for the review and ranking of the proposals.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the meeting was continued to Tuesday, September 6, 2022 at 1:15 PM at the current location.
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Secretary/Assistant Secretary

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Chairman/Vice Chairman



**MINUTES OF MEETING  
SCENIC TERRACE NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

The continued meeting of the Board of Supervisors of the Scenic Terrace North Community Development District was held Tuesday, **September 6, 2022** at 1:20 p.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum:

Rennie Heath  
Lauren Schwenk  
Chuck Cavaretta  
Daniel Arnette

Chairman  
Vice Chairperson  
Assistant Secretary  
Assistant Secretary

Also present were:

Jill Burns  
Heather Wertz *via Zoom*  
Grace Kobitter  
Jennifer Kilinski *via Zoom*  
Rey Malave *via Zoom*

District Manager, GMS  
Absolute Engineering  
KE Law  
KE Law  
Dewberry

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order and called the roll. Four Board members were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There were no members of the public present for the meeting.

**THIRD ORDER OF BUSINESS**

**Review and Ranking of Proposals  
Received for District Construction  
Services**

Ms. Wertz stated that they had five bidders, but Wal-Rose was disqualified because they had emailed it, they were late, and it wasn't sealed. She stated that she issued the ranking results, which showed the opening price and then the adjusted price after they had reviewed the bids. She noted that the changes between the opening price and the adjusted price were outlined in the agenda package.

Ms. Wertz stated that on the adjusted price, QGS had the lowest price at \$11,510,314.88 and Jr. Davis had the lowest days at 350. She explained that when going through and ranking them they looked at the scheduled price, the financial capability, the understanding of work experience, and the personnel. She stated that generally everyone got the same points except for the price and schedule. She noted that QGS got the full 25 points in price and the others got less based on how close they were to the lowest price. She explained that it was the same for the schedule with Jr. Davis getting 25 points and the others getting less. She stated that when they added them all up, QGS ranked #1 with 98.6 points, Jr. Davis ranked #2 with 97.5 points, Kearney ranked #3 with 95.4 points, and Tucker Paving ranked #4 with 94.2 points. She stated that they recommended QGS as the #1 rank. She stated that she would be happy to answer any questions.

Mr. Heath asked if the bidding numbers that they got included any offsite bidding. Ms. Wertz responded no. After discussion, the Board decided to do a separate bid for the offsite.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, Accepting the Rank of Proposals Received for District Construction Services with QGS Ranking #1 and Authorizing Staff to Send a Notice of Intent to Award to QGS, was approved.

Ms. Burns noted that before the contract was signed, there were issues with Duke that needed to be resolved. She stated that if the Board was comfortable, they could authorize Mr. Heath to execute the contract on behalf of the District pending the Duke issues and they would just not sign it.

Ms. Burns asked Ms. Kilinski if she was comfortable with authorizing the Chair to execute the contract. Ms. Kilinski responded that she was and that they had discussed off the record about the conditionality and QGS's contract. She noted that encapsulated in that was if they couldn't reach a good contract, the final contract. She stated that they anticipated with the RFP that they had the Chairs authorization to move forward on an alternative bid as well. She also noted that she didn't want to hold up the contract in any way.

#### **FOURTH ORDER OF BUSINESS**

#### **Consideration of Resolution 2022-14 Awarding Master Project Improvements Contract – ADDED**

Ms. Burns stated that this resolution would award the contract to QGS.

On MOTION by Mr. Heath, seconded by Mr. Cavaretta, with all in favor, Resolution 2022-14 Awarding Master Project Improvements Contract to QGS, was approved.

**FIFTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Kobitter stated that she did not have anything to report.

**B. Engineer**

Mr. Malave and Ms. Wertz stated that they had nothing further to report.

**C. District Manager's Report**

Ms. Burns stated that she didn't have anything further to report.

**SIXTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**SEVENTH ORDER OF BUSINESS**

**Supervisors Requests and Audience Comments**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

Ms. Burns adjourned the meeting.

On MOTION by Mr. Heath, seconded by Mr. Cavaretta, with all in favor, the meeting was adjourned.

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Secretary/Assistant Secretary

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Chairman/Vice Chairman

## SECTION IV

## RESOLUTION 2022-15

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT DIRECTING THE CHAIRPERSON AND DISTRICT STAFF TO FILE A PETITION WITH THE CITY COMMISSION OF THE CITY OF HAINES CITY, FLORIDA, REQUESTING THE ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S BOUNDARIES, AND AUTHORIZING SUCH OTHER ACTIONS AS ARE NECESSARY IN FURTHERANCE OF THE BOUNDARY AMENDMENT PROCESS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes* ("Act"), as established by Ordinance No. 21-1741, adopted by the City Commission of Haines City, Florida ("City"), on August 19, 2021, and being situated entirely within the City; and

**WHEREAS**, pursuant to the Act, the District is authorized to construct, acquire, operate and maintain infrastructure improvements and services; and

**WHEREAS**, the District presently consists of approximately 113.29 acres of land, more or less, as more fully described in the Ordinance; and

**WHEREAS**, the primary developer of the lands within the District ("Developer"), has approached the District and requested the District petition to amend its boundaries to remove approximately 9.56 acres of land, more or less, as more particularly described in the attached **Exhibit A** ("Contraction Parcel"); and

**WHEREAS**, the proposed boundary amendment is in the best interests of the District and the area of land within the proposed amended boundaries of the District will continue to be of sufficient size, sufficiently compact, and sufficiently contiguous to be developable as one functionally related community; and

**WHEREAS**, for the area of land that will lie in the amended boundaries of the District, the District is the best alternative available for delivering community development services and facilities; and

**WHEREAS**, removal of the Contraction Parcel in **Exhibit A** from the District is not inconsistent with either the State or local comprehensive plans; and

**WHEREAS**, the area of land that will lie in the amended boundaries of the District continues to be amenable to separate special district government; and

**WHEREAS**, in order to seek a boundary amendment pursuant to Chapter 190, *Florida Statutes*, the District desires to authorize District staff, including but not limited to legal, engineering, and managerial staff, to provide such services as are necessary throughout the pendency of the boundary amendment process; and

**WHEREAS**, the retention of any necessary consultants and the work to be performed by District staff may require the expenditure of certain fees, costs, and other expenses by the District as authorized by the District's Board of Supervisors ("Board"); and

**WHEREAS**, the District desires to petition to amend its boundaries in accordance with the procedures and processes described in Chapter 190, *Florida Statutes*, which processes include the preparation of a petition to the County, and such other actions as are necessary in furtherance of the boundary amendment process.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The recitals stated above are true and correct and by this reference are incorporated into and form a material part of this Resolution.

**SECTION 2.** The Board hereby directs the Chairperson and District staff to proceed in an expeditious manner with the preparation and filing of a petition and related materials with the City, to seek the amendment of the District's boundaries to remove the lands depicted in **Exhibit A**, pursuant to Chapter 190, *Florida Statutes*, and authorizes the prosecution of the procedural requirements detailed in Chapter 190, *Florida Statutes*, for the amendment of the District's boundaries.

**SECTION 3.** The Board hereby authorizes the District Chairperson, District Manager and District Counsel to act as agents of the District with regard to any and all matters pertaining to the petition to the City to amend the boundaries of the District.

**SECTION 4.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED** this 21<sup>ST</sup> day of September 2022.

ATTEST:

**SCENIC TERRACE NORTH  
COMMUNITY DEVELOPMENT  
DISTRICT**

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Secretary/Assistant Secretary

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Chairperson, Board of Supervisors

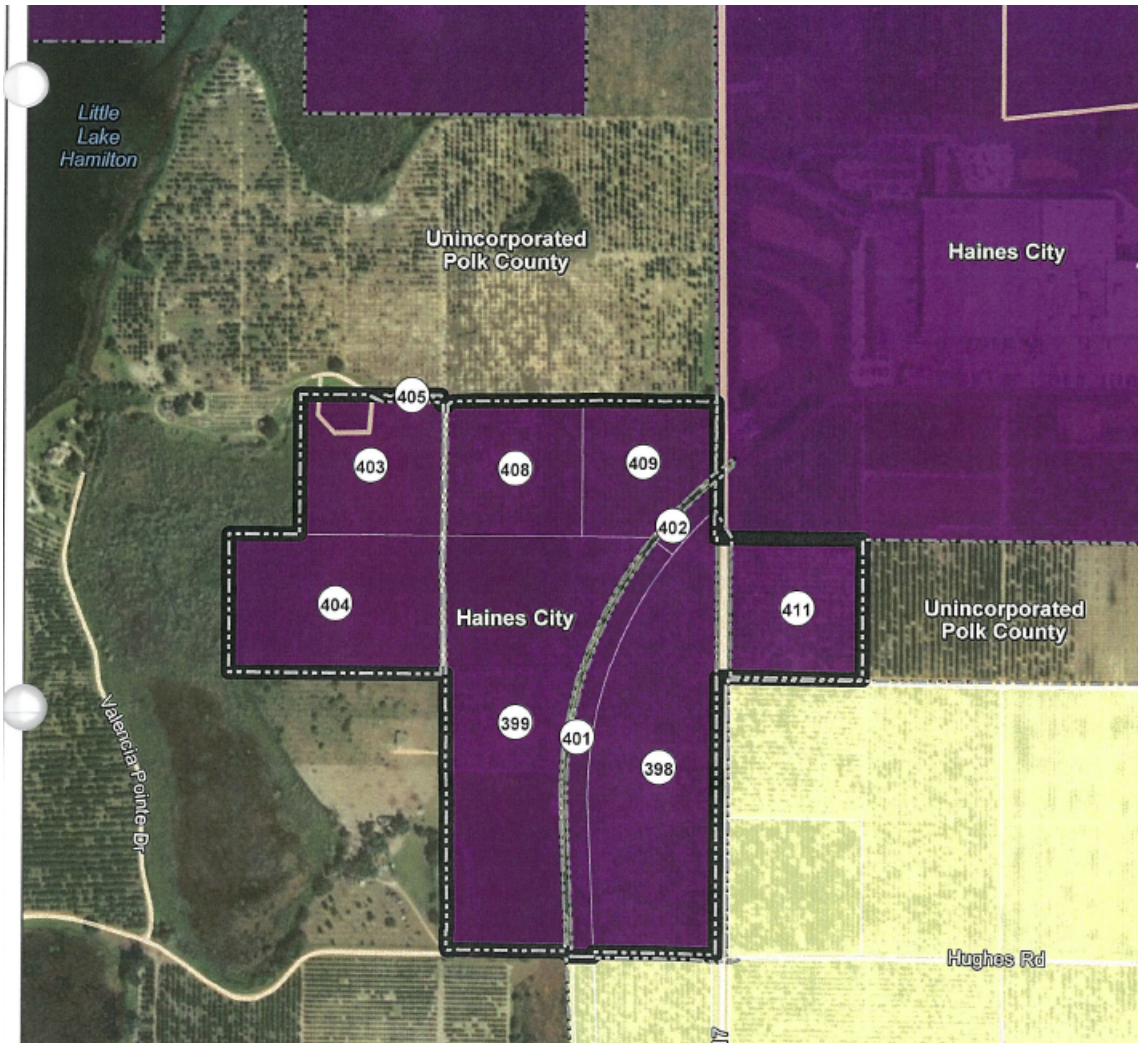
**Exhibit A:** Contraction Parcel

## EXHIBIT A

Parcel No. 411

Parcel ID: 272809000000013090

Acres: 9.56 +/-



## SECTION V



**BOUNDARY AMENDMENT FUNDING AGREEMENT BY AND AMONG  
THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
AND HIGHLAND SUMNER, LLC**

THIS AGREEMENT (“Agreement”) is made and entered into this 21<sup>st</sup> day of September 2022, by and between:

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

**HIGHLAND SUMNER, LLC**, a Florida limited liability company, with a mailing address of 346 East Central Avenue, Winter Haven, Florida 33880 (“Developer”), and

**RECITALS**

**WHEREAS**, the District is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes* (“Act”), as established by City of Haines City Ordinance No. 21-1741, effective August 19, 2021 (the “Ordinance”), and being situated within the City of Haines City, Florida (the “City”); and

**WHEREAS**, pursuant to the Act, the District is authorized to construct, acquire, and maintain infrastructure improvements and services within and without the boundaries of the District; and

**WHEREAS**, the District presently consists of approximately 113.29 acres of land, more or less, as more fully described in the Ordinance; and

**WHEREAS**, Developer has approached the District and requested the District petition to amend its boundaries to contract approximately 9.56 acres of land; and

**WHEREAS**, the amendment proposed by Developer is within the amendment size restrictions contained within section 190.046(1), *Florida Statutes*, and will result in the District being comprised of approximately 103.73 acres, more or less; and

**WHEREAS**, the District agrees to petition to amend its boundary in accordance with the procedures and processes described in Chapter 190, *Florida Statutes*, which processes include the preparation of a petition to the City and such other actions as are necessary in furtherance of the boundary amendment process; and

**WHEREAS**, in order to seek a boundary amendment pursuant to Chapter 190, *Florida Statutes*, the District desires to authorize District staff, including but not limited to legal, engineering, and managerial staff, to provide such services as are necessary throughout the boundary amendment process; and

**WHEREAS**, any such work shall only be performed in accord with the authorizations of the District's Board of Supervisors ("Board"); and

**WHEREAS**, the retention of any necessary consultants and the work to be performed by District staff may require the expenditure of certain fees, costs, and other expenses by the District as authorized by the Board; and

**WHEREAS**, Developer desires to provide sufficient funds to the District to reimburse the District for any such expenditures including but not limited to legal, engineering, and other consultant fees, filing fees, administrative, and other expenses, if any.

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

**SECTION 1. PROVISION OF FUNDS.** Developer agrees to make available to the District such monies as are necessary to enable the District to proceed with the boundary amendment and to provide such monies as are necessary to enable District staff, including legal, engineering, and managerial staff, to assist in the boundary amendment process and proceedings. Developer will make such funds available monthly, within thirty (30) days of a written request by the District. The funds shall be placed in the District's depository as determined by the District.

**SECTION 2. DISTRICT USE OF FUNDS.** The District agrees to use such funds solely for the fees, costs, and other expenditures accruing or accrued for seeking an amendment to the boundaries of the District in accord with Chapter 190, *Florida Statutes*. The District agrees to use good faith best efforts to proceed in an expeditious manner with the preparation and filing of the petition and related materials to seek the amendment of the District's boundary pursuant to Chapter 190, *Florida Statutes*, and with the prosecution of the procedural requirements detailed in Chapter 190, *Florida Statutes*, for the amendment of the District's boundary. The District also agrees to make monthly requests for necessary funds from Developer for reimbursement for services of the boundary amendment team, as described in Section 1 of this Agreement. The District shall not reimburse Developer for funds made available to the District under this Agreement.

**SECTION 3. DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief and/or specific performance.

**SECTION 4. ENFORCEMENT OF AGREEMENT.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

**SECTION 5. AGREEMENT.** This instrument shall constitute the final and complete expression of this Agreement between the parties relating to the subject matter of this Agreement.

**SECTION 6. AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing executed by both parties hereto.

**SECTION 7. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties to this Agreement, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

**SECTION 8. NOTICES.** All notices, requests, consents and other communications under this Agreement (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

- |           |                     |  |
|-----------|---------------------|--|
| <b>A.</b> | If to the District: | Scenic Terrace North Community<br>Development District<br>219 East Livingston Street<br>Orlando, Florida 32801<br>Attn: District Manager |
|           | With a copy to:     | KE Law Group, PLLC<br>2016 Delta Boulevard, Suite 101<br>Tallahassee, Florida 32303<br>Attn: District Counsel                            |
| <b>B.</b> | If to Developer:    | Highland Sumner, LLC<br>346 East Central Avenue<br>Winter Haven, Florida 33880<br>Attn: Warren K. (Rennie) Heath II                      |
|           | With a copy to:     | Straughn & Turner P.A.<br>255 Magnolia Ave, SW<br>Winter Haven, Florida 33883<br>Attn: Richard Straughn                                  |

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth in this Agreement. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the parties. Any party or other person to whom Notices are to be sent or copied may notify the other parties

and addresses of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addresses set forth in this Agreement.

**SECTION 9. THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties to this Agreement 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 to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties to this Agreement 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 contained in this Agreement shall inure to the sole benefit of and shall be binding upon the parties to this Agreement and their respective representatives, successors, and assigns.

**SECTION 10. ASSIGNMENT.** Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party. Any purported assignment without such prior written approval shall be null and void.

**SECTION 11. CONTROLLING LAW.** This Agreement and the provisions contained herein shall be construed, interpreted, and controlled according to the laws of the State of Florida.

**SECTION 12. EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties to this Agreement and shall remain in effect unless terminated by either of the parties.

**SECTION 13. PUBLIC RECORDS.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Developer agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Developer acknowledges that the designated public records custodian for the District is Governmental Management Services – Central Florida, LLC (“Public Records Custodian”). Among other requirements and to the extent applicable by law, the Developer shall: (1) keep and maintain public records required by the District to perform the service; (2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; (3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if the Developer does not transfer the records to the Public Records Custodian of the District; and (4) upon completion of the contract, transfer to the District, at no cost, all public records in Developer’s possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Developer, the Developer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

**IF THE DEVELOPER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE DEVELOPER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 219 EAST LIVINGSTON STREET, ORLANDO, FLORIDA 32801, TELEPHONE: (407) 839-5524, FAX: (407) 839-1526, OR EMAIL: RECORDREQUEST@GMSCFL.COM.**

**SECTION 14. ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between 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 doubtful language will not be interpreted or construed against any party.

**SECTION 15. SOVEREIGN IMMUNITY.** Developer agrees that nothing in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability contained in section 768.28, *Florida Statutes*, or other statutes or law.

**SECTION 16. FOREIGN INFLUENCE.** Developer understands that under Section 286.101, *Florida Statutes*, that Developer must disclose any current or prior interest, any contract with, or any grant or gift from a foreign country of concern as that term is defined within the above referenced statute.

**SECTION 17. HEADINGS FOR CONVENIENCE ONLY.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

**SECTION 18. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

*[Signatures on next page]*

IN WITNESS THEREOF, the parties execute this agreement the day and year first written above.

ATTEST:

**SCENIC TERRACE NORTH  
COMMUNITY DEVELOPMENT  
DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Vice Chairperson, Board of Supervisors

WITNESS:

**HIGHLAND SUMNER, LLC**  
a Florida limited liability company

By: HEATH CONSTRUCTION AND  
MANAGEMENT, LLC  
Its: Manager

\_\_\_\_\_  
Print Name:\_\_\_\_\_

\_\_\_\_\_  
By: Warren K. (Rennie) Heath II  
Its: Manager

## SECTION VI

A horizontal bar composed of three segments: green, orange, and blue.

# **Scenic Terrace North Community Development District**

**Engineer's Report**

August 8, 2022

**SUBMITTED BY:**

**Dewberry Engineers Inc.**  
800 North Magnolia Avenue  
Suite 1000  
Orlando, Florida 32803  
407-843-5120



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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

# Scenic Terrace North Community Development District

## INTRODUCTION

The Scenic Terrace North Community Development District (the "District" or "CDD") is located on the west side of SR 17 – Scenic Highway. The District is located within the city limits of Haines City ("City"), Polk County, Florida. The District currently contains approximately 113.29 acres and is expected to consist of 330 residential lots of various sizes for single-family lots with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under the City Ordinance No.21-1741, which was approved by the City Commission on August 19, 2021. The District will own and operate the public roadways, utilizes systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Capital, LLC is based in Winter Haven, Florida. The development is approved as a Planned Development (PD) for Residential Units and is divided into two (2) phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the city, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	16.73 ac
Residential Land (Single-Family and Townhomes Lots)	55.23 ac
Roadways Infrastructure & Public Facilities	12.93 ac
Open Space/Conservation Areas/Parks	28.40 ac
<b>TOTAL</b>	<b>113.29 ac</b>

TABLE 3 LOT TYPES	
LOT TYPE	UNITS
40-ft Lots	41
50-ft Lots	289
<b>TOTAL LOTS IN THE DISTRICT</b>	<b>330</b>

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes, but is not limited, to previous experience with similar projects. Actual costs could be different than estimates because final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the City for ownership and maintenance upon completion.

## **PURPOSE AND SCOPE**

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and in specific instances has relied upon, the information and documentation prepared or supplied by others to prepare this Engineer's Report.

## **THE DEVELOPMENT**

The development will consist of a total of 429 residential units and associated infrastructure. The development is a planned residential community consisting of 113.29 acres located west side of SR 17 – Scenic Highway from the northern boundary adjacent to Floyd Road and extending south to Hughes Road. The District is located within the incorporated area of Haines City in Polk County. The land uses and zoning for the development are LDR – RPUD, Residential Low, and Planned Unit Development. The development will be constructed in two phases.

## **CAPITAL IMPROVEMENTS**

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

# CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

## Stormwater Management Facilities

Stormwater Management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the city, the county, and SWFWMD. There are various conservation areas throughout the District and will be preserved in the existing condition and these will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel No. 12105Co380G, dated December 22, 2016, demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the Florida Department of Environmental Protection (FDEP) as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

## Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 40-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base, and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

## Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the City of Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the city wastewater treatment facility.

The City's public utilities will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

### **Off-Site Improvements**

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements required inspections will be completed and final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), City of Haines City Public Utilities, and Polk County.

### **Amenities and Parks**

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails. All such amenities and parks will be accessible and open to residents and the public.

### **Electric Utilities and Lighting**

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund the incremental cost of undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). As the electric facilities and equipment will be owned and maintained by Duke after the dedication, no tax-exempt bonds will be used for such facilities and equipment. The CDD will not fund the cost to purchase and install the street lighting along the internal roadways within the CDD with any tax-exempt bonds because these lights will be operated and maintained by Duke after the dedication, with the District funding maintenance services.

### **Entry Feature**

Landscaping, irrigation, entry features, and buffer walls at the entrances and along the outside boundary of the development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, perennial flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. No entrance gates are included as part of such fencing. These items will be funded, owned, and maintained by the CDD.

### **Miscellaneous**

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

### **Permitting**

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and city construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD)
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
City of Haines City Public Utilities-Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

## RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the City. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the City of Haines City, Polk County, and SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the TWA regulations.

## REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

## SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the project. The project is being designed in accordance with current government regulatory requirements. The project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the project are based upon current development plans.

## ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and city. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

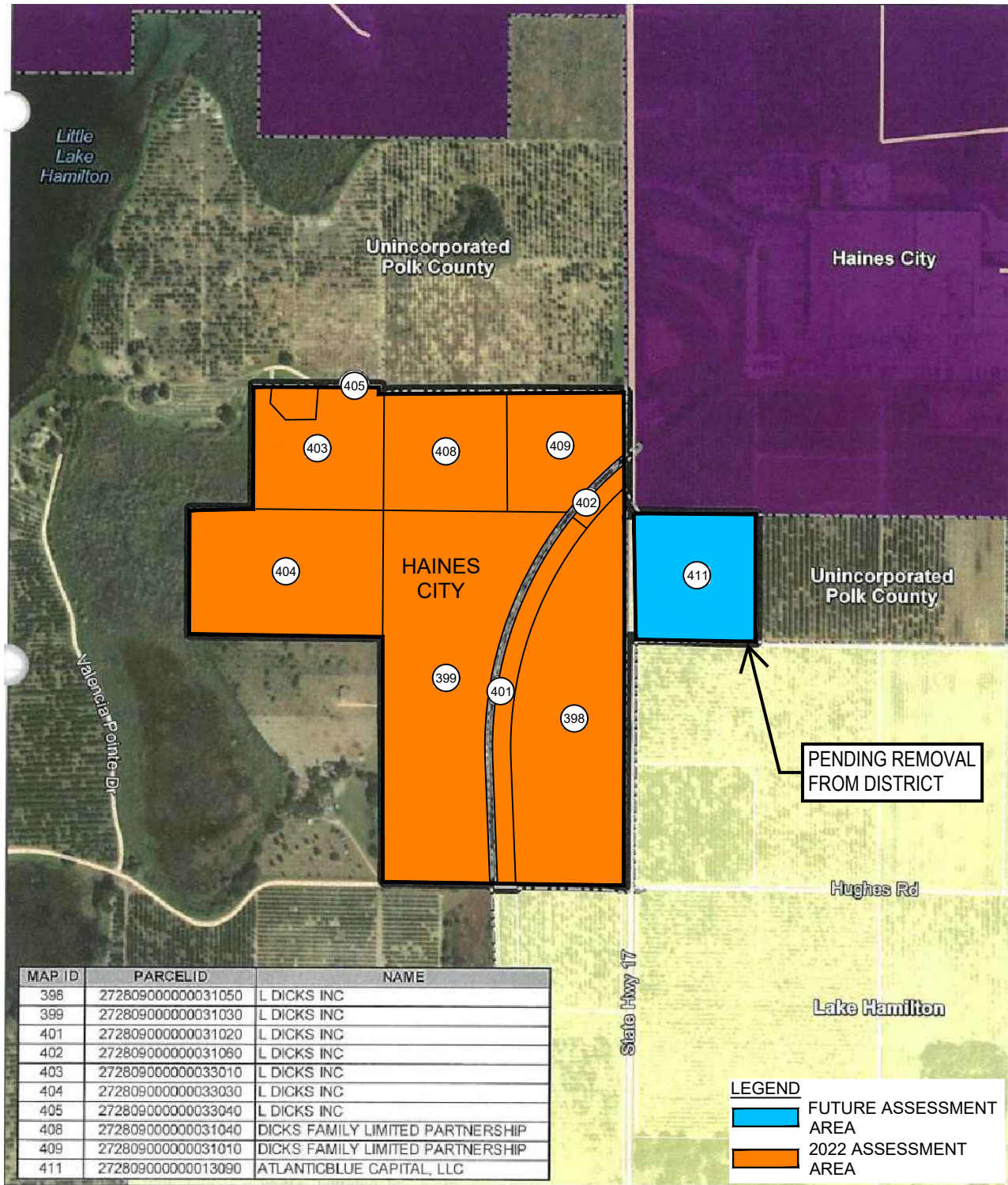
Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace North Community Development District.



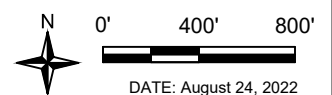
Reinardo Malavé, P.E.  
Florida License No. 31588





SECTS 9, T28S, R27E

## EXHIBIT 1 - LOCATION MAP SCENIC TERRACE NORTH CDD





## LEGAL DESCRIPTION

### LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE, RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8); THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'32" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER OY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF

(CONTINUED ON SHEET 2)

SHEET 1 OF 7

SECTS 9, T28S, R27E

## EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: August 24, 2022

## LEGAL DESCRIPTION

(CONTINUED FROM SHEET 1)

THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

CONTAINING 113.29 ACRES, MORE OR LESS.

SHEET 2 OF 7

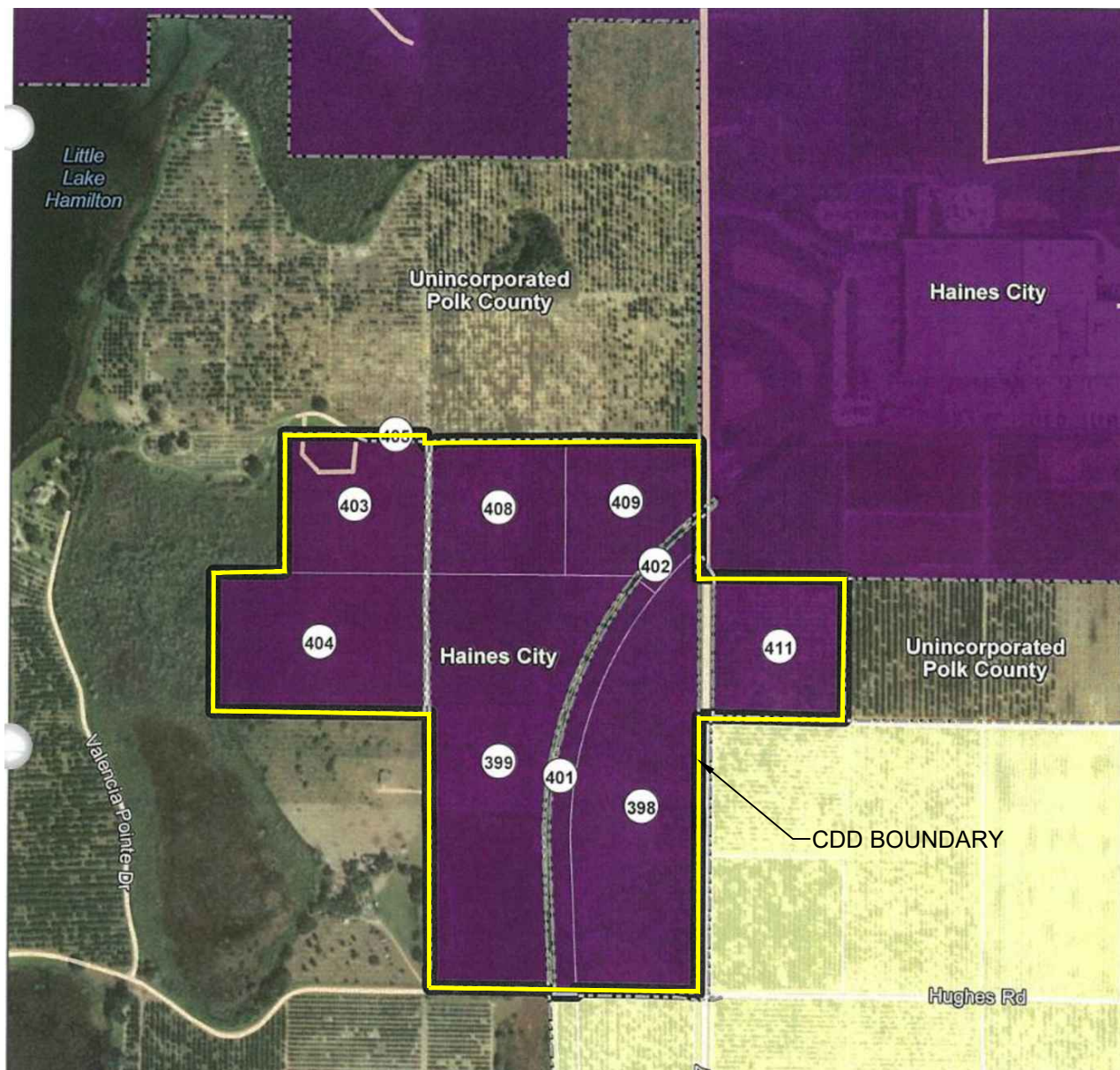
SECTS 9, T28S, R27E

## EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



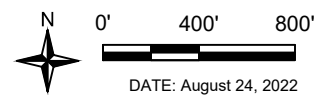
DATE: August 24, 2022

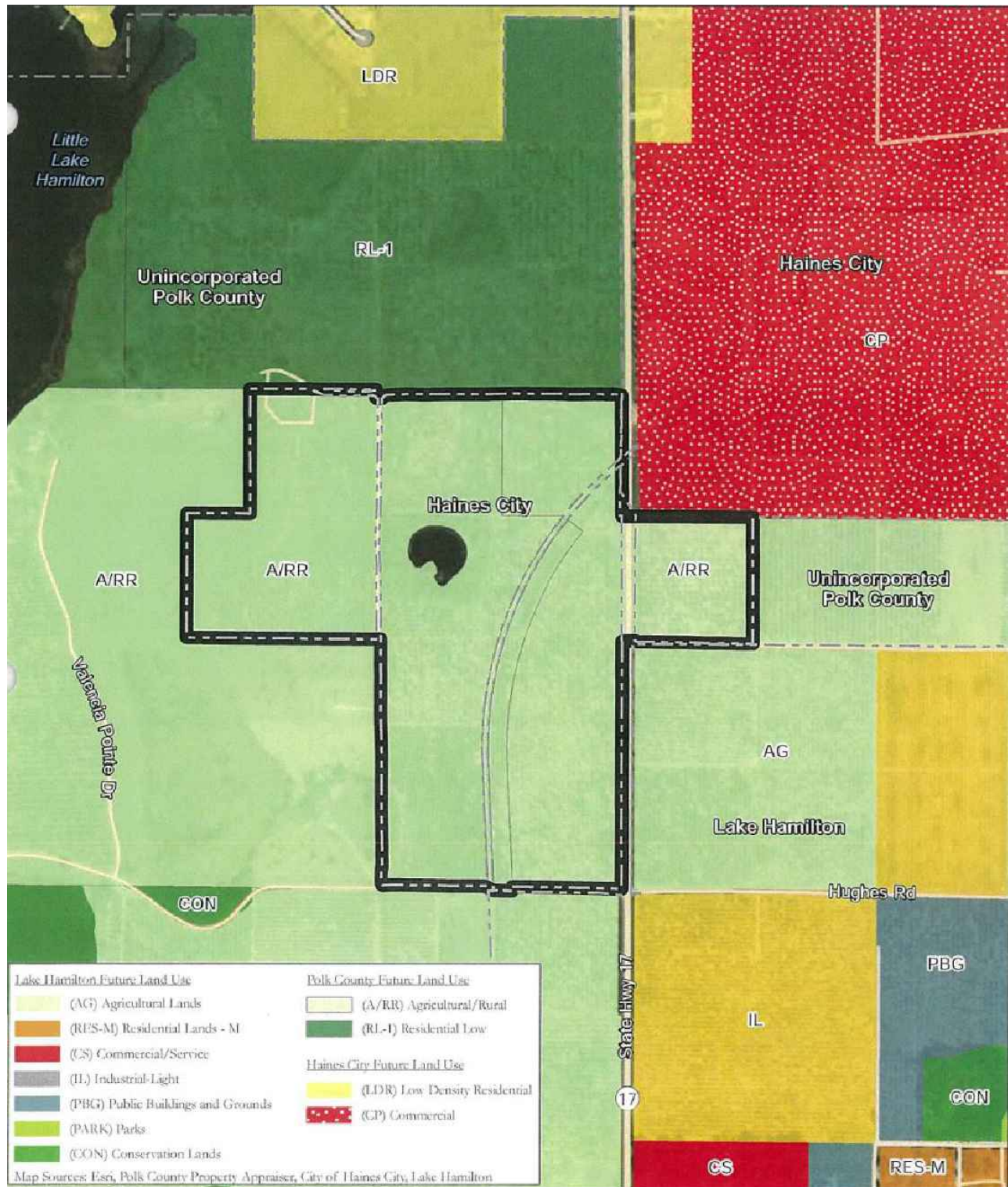




SECTS 9, T28S, R27E

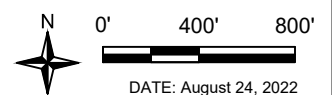
## EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE NORTH CDD



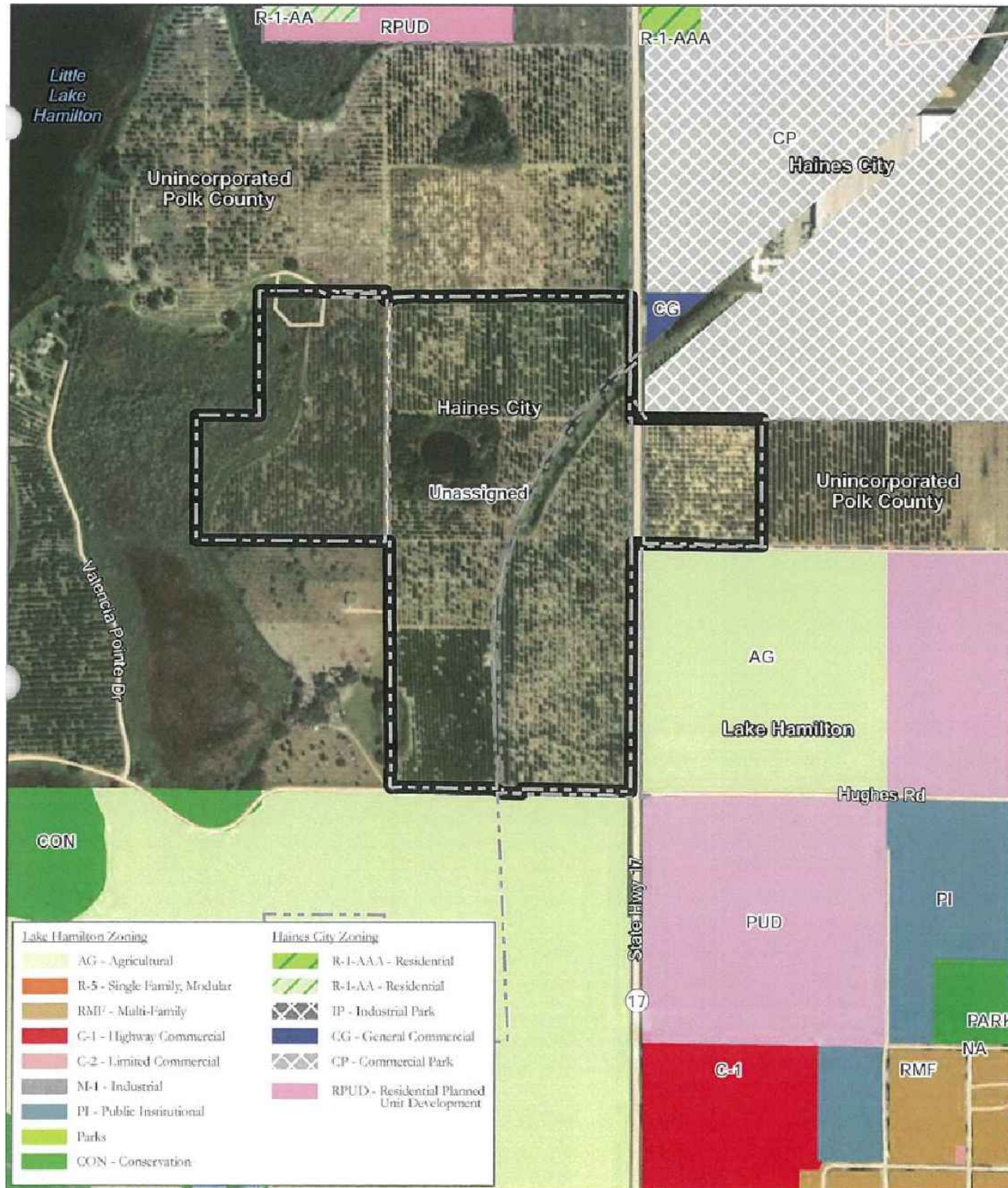


SECTS 9, T28S, R27E

## EXHIBIT 4 - LAND USE MAP SCENIC TERRACE NORTH CDD



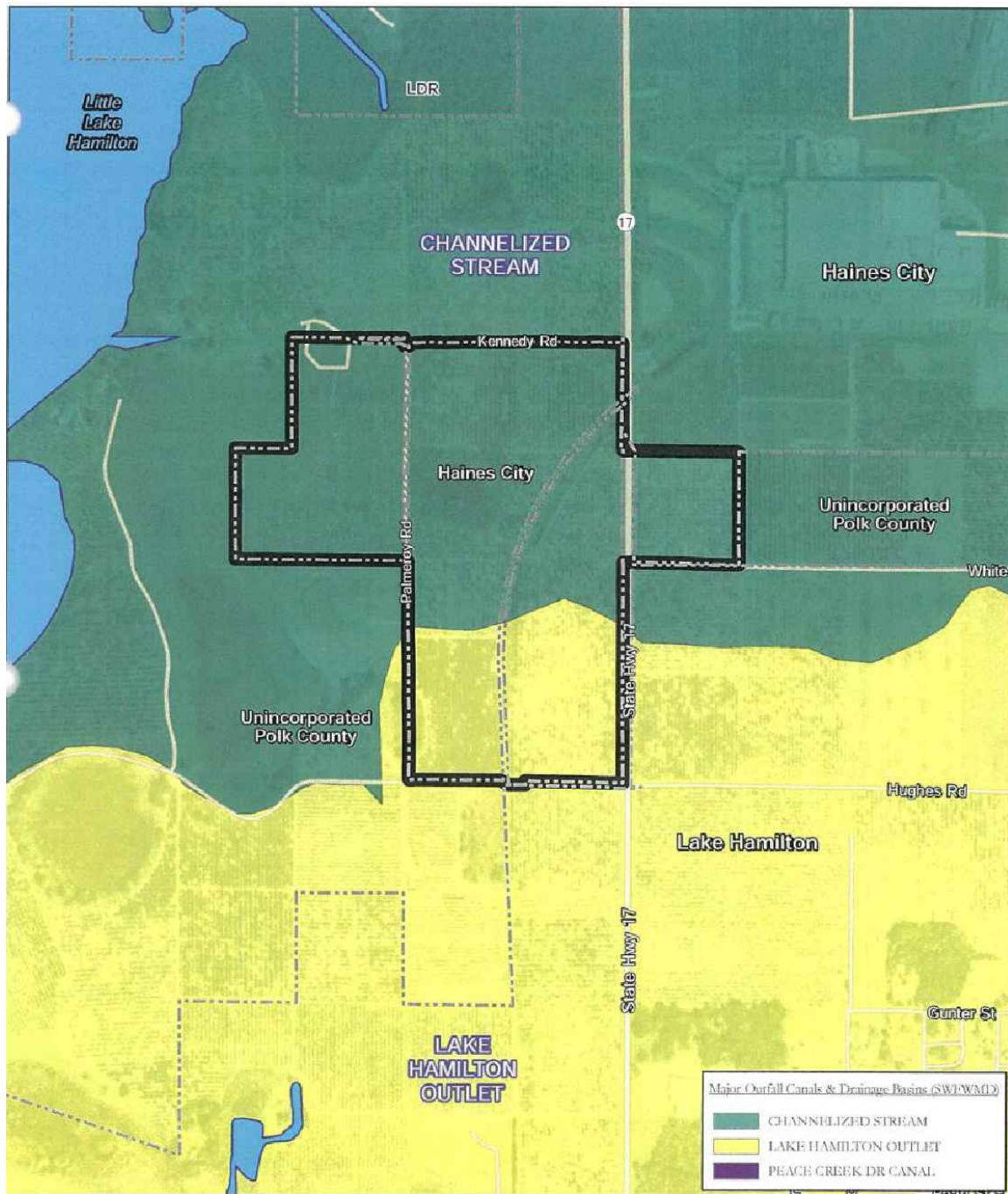




SECTS 9, T28S, R27E

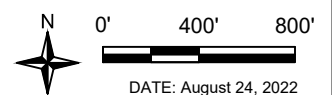
## EXHIBIT 5 - ZONING MAP SCENIC TERRACE NORTH CDD





SECTS 9, T28S, R27E

## EXHIBIT 6 - DRAINAGE MAP SCENIC TERRACE NORTH CDD



**EXHIBIT 7A**

**Scenic Terrace North**

**Community Development District**

**Summary of Proposed District Facilities**

<b>District Infrastructure</b>	<b>Construction</b>	<b>Ownership</b>	<b>Capital Financing*</b>	<b>Operation and Maintenance</b>
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	City of Haines City	District Bonds	City of Haines City
Street Lighting	District	District	District Bonds	District
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Polk County	District Bonds	Polk County
Entry Feature & Signage	District	District	District Bonds	District
Parks and Recreation Facilities	District	District	District Bonds	District

\*Costs not funded by bonds will be funded by the developer.

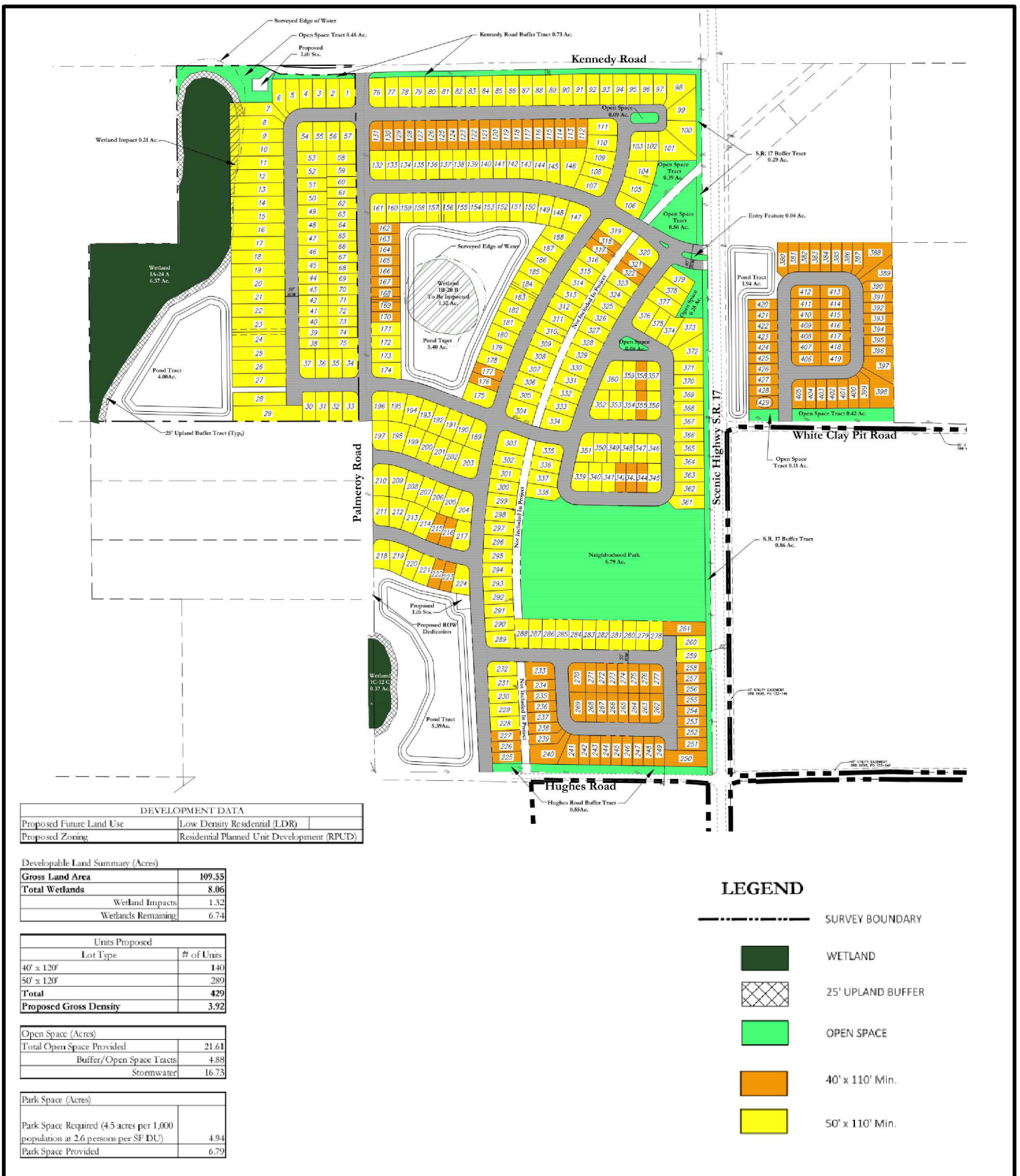
**EXHIBIT 7B**  
**Scenic Terrace North Community Development District**  
**Estimate of Probable Capital Improvement Costs** <sup>7,10,11</sup>  
**DATE: August 2021 - Revised July 2022**

	Phase 1	Phase 2	TOTALS
<b>Infrastructure</b> <sup>1-11</sup>			
Number of LOTS			429
<b>Offsite Improvements</b>	\$ 250,000	\$ -	\$ 250,000
<b>Stormwater Management</b> <sup>3,6</sup>	\$ 1,284,517	\$ 524,662	\$ 1,809,179
<b>Mass Grading and Master Stormwater Drainage</b> <sup>2,3</sup>	\$ 1,269,843	\$ 355,288	\$ 1,625,131
<b>Roadway - Curb, Paving and Drainage</b> <sup>4</sup>	\$ 1,673,576	\$ 683,573	\$ 2,357,149
<b>Utilities (Water, Sewer, &amp; Reuse)</b>	\$ 2,788,658	\$ 1,139,029	\$ 3,927,687
Water	\$ 749,855	\$ 306,279	\$ 1,056,134
Reuse	\$ 479,419	\$ 195,819	\$ 675,238
Wastewater Systems	\$ 1,559,384	\$ 636,931	\$ 2,196,315
			\$ -
<b>Electrical</b>	\$ 954,375	\$ 540,000	\$ 1,494,375
Street Lighting <sup>9</sup>	\$ 200,000	\$ 150,000	\$ 350,000
Electrical Distribution(undergrounding)	\$ 754,375	\$ 390,000	\$ 1,144,375
			\$ -
<b>Landscaping &amp; Entry Feature</b> <sup>8</sup>	\$ 802,957	\$ 327,968	\$ 1,130,925
<b>Parks and Amenities</b>	\$ 710,000	\$ 290,000	\$ 1,000,000
<b>SUBTOTAL CONSTRUCTION</b>	\$ 9,733,926	\$ 3,860,520	\$ 13,594,446
<b>General Consulting (Engr &amp; Legal) @ 10%</b> <sup>5</sup>	\$ 973,393	\$ 386,052	\$ 1,359,445
<b>Subtotal</b>	\$ 10,707,319	\$ 4,246,572	\$ 14,953,891
<b>Contingency @ 15%</b>	\$ 1,606,098	\$ 636,986	\$ 2,243,084
<b>Grand Total</b>	\$ 12,313,416	\$ 4,883,558	\$ 17,196,974

**Notes:**

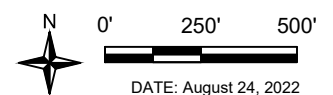
- Infrastructure consists of public roadway improvements, Stormwater management facilities, sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
- Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
- Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
- Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
- Includes subdivision infrastructure and civil/site engineering.
- Stormwater does not include grading associated with building pads.
- Estimates are based on 2022 cost.
- Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
- CDD will enter into a Lighting Agreement with Duke Energy for the streetlight poles and lighting service. Includes only the incremental cost of undergrounding.
- Estimates based on 429 lots.
- The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).





SECTS 9, T28S, R27E

# EXHIBIT 8 - SITE PLAN SCENIC TERRACE NORTH CDD



## SECTION VII

**SUPPLEMENTAL  
ASSESSMENT METHODOLOGY FOR  
SERIES 2022 ASSESSMENT AREA**

**FOR**

**SCENIC TERRACE NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**Date: September 6, 2022**

**Prepared by**

**Governmental Management Services - Central Florida, LLC  
219 E. Livingston St.  
Orlando, FL 32801**

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GMS-CF, LLC does not represent the Scenic Terrace North Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Scenic Terrace North Community Development District with financial advisory services or offer investment advice in any form.

## **1.0 Introduction**

The Scenic Terrace North Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District has authorized the issuance of not to exceed \$28,000,000 of tax-exempt bonds in one or more series for the purpose of financing certain infrastructure improvements described in the Engineer’s Report, dated August 8, 2022, prepared by Dewberry Engineers Inc., which modifies the report dated September 1, 2021, and which may be further amended and supplemented from time to time (“Engineer’s Report,” and the improvements described therein, the “Capital Improvement Plan”). The District at this time anticipates the issuance at this time of not to exceed \$12,500,000 of tax-exempt bonds (the “Bonds”) for the purpose of financing all or a portion of the first phase of the Capital Improvement Plan (the “Series 2022 Project”) The District anticipates the construction the Series 2022 Project will benefit property owners within Series 2022 Assessment Area of the District.

### **1.1 Purpose**

This Supplemental Assessment Methodology for Series 2022 Assessment Area (the “Supplemental Assessment Methodology”) supplements the Master Assessment Methodology dated September 2, 2021 (the “Master Assessment Methodology”). This Supplemental Assessment Methodology applies the Master Assessment Methodology to allocate the debt to be incurred by the District to benefiting properties within the Series 2022 Assessment Area of the District. This Supplemental Assessment Methodology allocates the debt to properties based on the special benefits each receives from the Series 2022 Project. This Supplemental Assessment Methodology is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within the Series 2022 Assessment Area of the District securing repayment of the Bonds based on this Supplemental Assessment Methodology. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. However, when available under Florida Law and the applicable trust indenture(s), the District may elect to collect the Special Assessments directly. It is not the intent of this Supplemental Assessment Methodology to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the District, or assessments levied by a homeowner’s association or any other unit of government.

## **1.2 Background**

The District currently includes approximately 113.29 gross developable acres within Haines City, Florida. The Series 2022 Assessment Area currently includes approximately 113.29 gross developable acres.<sup>1</sup> The development program for the Series 2022 Assessment Area of the District currently envisions approximately 330 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Supplemental Assessment Methodology will be modified or supplemented accordingly.

The Series 2022 Project contemplated by the District in the Capital Improvement Plan will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry features, and park and amenity features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Series 2022 Project.
2. The District Engineer determines the assessable acres that benefit from the District's Series 2022 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the Series 2022 Project.
4. This amount is initially divided equally among the benefited properties on a prorated assessable acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number and type of platted units.

## **1.3 Special Benefits and General Benefits**

The Series 2022 Project undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Supplemental Assessment Methodology, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The implementation of the Capital Improvement Plan enables properties within the boundaries of the Series 2022 Assessment Area of the District to be developed. Without the District's Series 2022

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<sup>1</sup> The remaining \_\_\_\_ acres, currently planned as the site of a school, is anticipated to be removed from the District via a boundary amendment currently pending before the City of Haines City.

Project, there would be no infrastructure to support development of land within the Series 2022 Assessment Area of the District. Without these improvements, development of the property within District would be prohibited by law.

The general public and property owners outside of the Series 2022 Assessment Area of the District may benefit from the provision of the Series 2022 Project. However, any such benefit will be incidental for the purpose of the Series 2022 Project, which is designed solely to meet the needs of property within the Series 2022 Assessment Area of the District. Properties outside of the Series 2022 Assessment Area of the District boundaries do not depend upon the District's Series 2022 Project. The property owners within the Series 2022 Assessment Area of the District are therefore receiving special benefits not received by the general public and those outside of the Series 2022 Assessment Area of the District's boundaries.

#### **1.4 Requirements of a Valid Assessment Methodology**

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

#### **1.5 Special Benefits Will Equal or Exceed the Costs Allocated**

The special benefits provided to the property within the Series 2022 Assessment Area of the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Capital Improvement Plan that is necessary to support full development of property within the District will cost approximately \$17,196,974. The District Engineer estimates that the first phase of the Capital Improvement Plan, referred to herein as the Series 2022 Project, will cost approximately \$12,313,416. The District's Underwriter projects that financing costs required to fund a portion of the Series 2022 Project costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be approximately \$12,500,000. Without the Series 2022 Project, the property within the Series 2022 Assessment Area of the District would not be able to be developed and occupied by future residents of the community.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District anticipates issuing approximately \$12,500,000 in Bonds to fund a portion of the District's Series 2022 Project, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Supplemental Assessment Methodology to allocate the \$12,500,000 in debt to the properties within the District benefiting from the Series 2022 Project. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the Series 2022 Assessment Area of the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the improvements needed to support the development; these construction costs are outlined in Table 2. The Series 2022 Project needed to support the development are described in detail in the Engineer's Report and are estimated to cost \$12,313,416. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for a portion of the Series 2022 Project and related costs was determined by the District's Underwriter to total approximately \$13,000,000. Table 3 shows the breakdown of the Bond sizing.

### **2.2 Allocation of Debt**

Allocation of debt is a continuous process until the development plan for the District are completed. Until the platting process occurs, the Series 2022 Project funded by District Bonds benefits all acres within Series 2022 Assessment Area of the District.

The initial assessments will be levied on an equal basis to all gross acreage within Series 2022 Assessment Area of the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all the lands within the Series 2022 Assessment Area of the District are benefiting from the Series 2022 Project.

Once platting or the recording of a declaration of condominium of any portion of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties," defined as property that has not been platted or subjected to a declaration of condominium, will continue to be assessed on a per-acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the assigned properties within the Series 2022 Assessment Area of the District, which are the beneficiaries of the Series 2022 Project, as depicted in Table 5 and Table 6. If there are changes to development plan, a true-up of the assessment will be calculated to



determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Supplemental Assessment Methodology sets forth the process by which debt is apportioned. As mentioned herein, this Supplemental Assessment Methodology will be supplemented from time to time.

## **2.3 Allocation of Benefit**

The Series 2022 Project consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and amenity features and professional fees along with related incidental costs. There are two product types within the planned development. The single-family 40' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the product type. It is important to note that the benefit derived from the the Series 2022 Project on a particular unit will exceed the cost that the unit will be paying for such benefits.

## **2.4 Lienability Test: Special and Peculiar Benefit to the Property**

Construction and/or acquisition by the District of its proposed the Series 2022 Project will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry features, and park and amenity features. The benefit from the Series 2022 Project accrues in differing amounts and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Series 2022 Project to the assigned properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties because of their logical connection from the the Series 2022 Project actually provided.

For the provision of the Series 2022 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Improvement as allocated.

## **2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments**

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the the Series 2022 Project is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the the Series 2022 Project have been apportioned to the property within the Series 2022 Assessment Area of the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of the Series 2022 Assessment Area of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Supplemental Assessment Methodology.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed the Series 2022 Project is constructed.

## **3.0 True-Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Supplemental Assessment Methodology outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less then the required amount then a debt reduction or

true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

#### **4.0 Assessment Roll**

The District will initially distribute the Special Assessments across the property within the Series 2022 Assessment Area of the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per-acre basis to a per-unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

**TABLE 1**  
**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT**  
**DEVELOPMENT PROGRAM**  
**SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA**

Phase 1 Land Use*	ERUs per Unit (1)		Total ERUs
Single Family - 40'	41	1	41
Single Family - 50'	289	1.25	361.25
<b>Total Units</b>	<b>330</b>		<b>402</b>

(1) Benefit is allocated on an ERU basis; based on density of planned development, SF 40' lot at 1 ERU

\* Unit mix is subject to change based on marketing and other factors

TABLE 2  
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
CAPITAL IMPROVEMENT PLAN COST ESTIMATES  
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

Capital Improvement Plan ("CIP") (1)	Total Cost Estimate
Offsite Improvements	\$ 250,000
Stormwater Management	\$ 1,809,179
Mass Grading and Master Systems	\$ 1,625,131
Utilities (Water, Sewer, Electrical & Street Lighting)	\$ 5,422,062
Roadway	\$ 2,357,147
Landscaping & Entry Feature	\$ 1,130,925
Parks and Amenities	\$ 1,000,000
Contingencies	\$ 3,602,529
	\$ 17,196,973

(1) A detailed description of these improvements is provided in the Engineer's Report dated August 8, 2022.

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3  
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
BOND SIZING  
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

**Bond Sizing**

Description		Total
Construction Funds	\$	10,391,889
Debt Service Reserve	\$	908,111
Capitalized Interest	\$	750,000
Underwriters Discount	\$	250,000
Cost of Issuance	\$	200,000
<b>Par Amount*</b>	<b>\$</b>	<b>12,500,000</b>

Bond Assumptions:

Average Coupon	6.00%
Amortization	30 years
Capitalized Interest	12 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

\* Par amount is subject to change based on the actual terms at the sale of the bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4  
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF IMPROVEMENT COSTS  
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family - 40'	41	1	41	10.19%	\$ 1,752,830	\$ 42,752
Single Family - 50'	289	1.25	361.25	89.81%	\$ 15,444,143	\$ 53,440
	<u>330</u>		<u>402</u>		<u>\$ 17,196,973</u>	

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5  
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE  
SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

Land Use	No. of Units *	Total Improvements Costs Per Product Type	Allocation of Par Debt Per Product Type - Before Developer Contribution		Developer Contribution	Allocation of Par Debt - After Contribution		Par Per Unit
Single Family - 40'	41	\$ 1,752,830	\$	1,553,030	\$ -	\$ 1,553,030	\$	37,879
Single Family - 50'	289	\$ 15,444,143	\$	13,683,712	\$ 2,736,742	\$ 10,946,970	\$	37,879
	330	\$ 17,196,973	\$	15,236,742	\$ 2,736,742	\$ 12,500,000		

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC



TABLE 6  
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
 PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE  
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

Land Use	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family - 40'	41	\$ 1,553,030	\$ 37,879	\$ 112,826	\$ 2,752	\$ 2,959
Single Family - 50'	289	\$ 10,946,970	\$ 37,879	\$ 795,285	\$ 2,752	\$ 2,959
	330	\$ 12,500,000		\$ 908,111		

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

\* Unit mix is subject to change based on marketing and other factors

TABLE 7  
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
 PRELIMINARY ASSESSMENT ROLL  
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2022 ASSESSMENT AREA

Owner	Property ID #'s*	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Floyd Road Invenstment LLC/LH HWY 17 Investors LLC	See Legal	113.29	\$ 110,336	\$ 12,500,000	\$ 908,111	\$ 976,463
<b>Totals</b>		<b>113.29</b>		<b>\$ 12,500,000</b>	<b>\$ 908,111</b>	<b>\$ 976,463</b>

Annual Assessment Periods	30
Projected Bond Rate (%)	6.00%
Maximum Annual Debt Service	\$908,111

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

Prepared by: Governmental Management Services - Central Florida, LLC

## LEGAL DESCRIPTION

### LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE, RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8); THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'32" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER OY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF

(CONTINUED ON SHEET 2)

SHEET 1 OF 7

SECTS 9, T28S, R27E

## EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: August 24, 2022

## LEGAL DESCRIPTION

(CONTINUED FROM SHEET 1)

THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

CONTAINING 113.29 ACRES, MORE OR LESS.

SHEET 2 OF 7

SECTS 9, T28S, R27E

## EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: August 24, 2022

## SECTION IX

# SECTION C

# SECTION 1

# Scenic Terrace North Community Development District

## Summary of Invoices

August 1, 2022 to August 31, 2022

Fund	Date	Check No.'s	Amount
General Fund	8/24/22	36 - 41	\$ 4,506.67
			\$ 4,506.67



CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
8/24/22	00012	8/17/22 DA081720	202208 310-51300-11000	SUPERVISOR FEES-08/17/22	*	200.00	
				DANIEL ARNETTE			200.00 000036
8/24/22	00001	8/01/22 12	202208 310-51300-34000	MANAGEMENT FEES AUG22	*	2,916.67	
		8/01/22 12	202208 310-51300-35200	WEBSITE ADMIN AUG22	*	100.00	
		8/01/22 12	202208 310-51300-35100	INFORMATION TEC AUG22	*	150.00	
		8/01/22 12	202208 310-51300-51000	OFFICE SUPPLIES	*	2.50	
				GOVERNMENTAL MANAGEMENT SERVICES			3,169.17 000037
8/24/22	00004	8/11/22 3665	202207 310-51300-31500	GENERAL COUNSEL JUL22	*	537.50	
				KE LAW GROUP, PLLC			537.50 000038
8/24/22	00007	8/17/22 LS081720	202208 310-51300-11000	SUPERVISOR FEES-08/17/22	*	200.00	
				LAUREN SCHWENK			200.00 000039
8/24/22	00010	8/17/22 PH081720	202208 310-51300-11000	SUPERVISOR FEES-08/17/22	*	200.00	
				PATRICIA J HUDSON			200.00 000040
8/24/22	00013	8/17/22 RH081720	202208 310-51300-11000	SUPERVISOR FEES-08/17/22	*	200.00	
				RENNIE HEATH			200.00 000041
TOTAL FOR BANK A						4,506.67	
TOTAL FOR REGISTER						4,506.67	

STNO SCENIC TERRACE ZYAN

## SECTION 2

***Scenic Terrace North***  
***Community Development District***

***Unaudited Financial Reporting***  
***July 31, 2022***



# Table of Contents

1	<hr/>	Balance Sheet
2	<hr/>	General Fund
3	<hr/>	Month to Month

**Scenic Terrace North**  
**Community Development District**  
**Combined Balance Sheet**  
**July 31, 2022**

		<i>General Fund</i>
<b>Assets:</b>		
<u>Cash:</u>		
Operating Account	\$	8,263
Due From Developer	\$	25,000
<b>Total Assets</b>	<b>\$</b>	<b>33,263</b>
<b>Liabilities:</b>		
Accounts Payable	\$	538
<b>Total Liabilites</b>	<b>\$</b>	<b>538</b>
<b>Fund Balance:</b>		
Unassigned	\$	32,726
<b>Total Fund Balances</b>	<b>\$</b>	<b>32,726</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$</b>	<b>33,263</b>

**Scenic Terrace North**  
**Community Development District**  
**General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending July 31, 2022**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 07/31/22	Thru 07/31/22	Variance
<b><u>Revenues:</u></b>				
Developer Contributions	\$ 131,810	\$ 75,000	\$ 75,000	\$ -
<b>Total Revenues</b>	<b>\$ 131,810</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ -</b>
<b><u>Expenditures:</u></b>				
<b><u>General &amp; Administrative:</u></b>				
Supervisor Fees	\$ 12,000	\$ 10,000	\$ 2,400	\$ 7,600
Engineering	\$ 15,000	\$ 12,500	\$ -	\$ 12,500
Attorney	\$ 25,000	\$ 20,833	\$ 5,381	\$ 15,452
Annual Audit	\$ 4,000	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -
Arbitrage	\$ 450	\$ -	\$ -	\$ -
Dissemination	\$ 5,000	\$ -	\$ -	\$ -
Trustee Fees	\$ 3,600	\$ -	\$ -	\$ -
Management Fees	\$ 35,000	\$ 29,167	\$ 29,167	\$ (0)
Information Technology	\$ 1,800	\$ 1,500	\$ 1,500	\$ -
Website Maintenance	\$ 1,200	\$ 1,000	\$ 2,750	\$ (1,750)
Telephone	\$ 300	\$ 250	\$ -	\$ 250
Postage & Delivery	\$ 1,000	\$ 833	\$ 59	\$ 774
Insurance	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Printing & Binding	\$ 1,000	\$ 833	\$ 22	\$ 811
Legal Advertising	\$ 10,000	\$ 8,333	\$ 6,783	\$ 1,550
Other Current Charges	\$ 5,000	\$ 4,167	\$ -	\$ 4,167
Office Supplies	\$ 625	\$ 521	\$ 54	\$ 466
Travel Per Diem	\$ 660	\$ 550	\$ -	\$ 550
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
<b>Total Expenditures</b>	<b>\$ 131,810</b>	<b>\$ 95,663</b>	<b>\$ 53,292</b>	<b>\$ 42,370</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ -</b>		<b>\$ 21,708</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ 11,018</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 32,726</b>	

**Scenic Terrace North**  
**Community Development District**  
**Month to Month**

	Oct		Nov		Dec		Jan		Feb		March		April		May		June		July		Aug		Sept		Total	
<b>Revenues:</b>																										
Developer Contributions	\$	-	\$	-	\$	50,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	25,000	\$	-	\$	-	\$	-	\$	75,000
<b>Total Revenues</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>50,000</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>25,000</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>75,000</b>
<b>Expenditures:</b>																										
<b><i>General &amp; Administrative:</i></b>																										
Supervisor Fees	\$	1,000	\$	800	\$	-	\$	-	\$	-	\$	-	\$	-	\$	600	\$	-	\$	-	\$	-	\$	-	\$	2,400
Engineering	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Attorney	\$	1,052	\$	1,693	\$	148	\$	95	\$	752	\$	148	\$	124	\$	716	\$	-	\$	655	\$	-	\$	-	\$	5,381
Annual Audit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Assessment Administration	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Arbitrage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Dissemination	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Trustee Fees	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Management Fees	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	-	\$	-	\$	29,167
Information Technology	\$	150	\$	150	\$	150	\$	150	\$	150	\$	150	\$	150	\$	150	\$	150	\$	150	\$	-	\$	-	\$	1,500
Website Maintenance	\$	100	\$	100	\$	1,850	\$	100	\$	100	\$	100	\$	100	\$	100	\$	100	\$	100	\$	-	\$	-	\$	2,750
Telephone	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Postage & Delivery	\$	20	\$	23	\$	3	\$	-	\$	7	\$	1	\$	1	\$	1	\$	1	\$	3	\$	-	\$	-	\$	59
Insurance	\$	5,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	5,000
Printing & Binding	\$	6	\$	11	\$	2	\$	3	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	22
Legal Advertising	\$	4,953	\$	680	\$	-	\$	1,150	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	6,783
Other Current Charges	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Office Supplies	\$	3	\$	46	\$	3	\$	-	\$	0	\$	0	\$	0	\$	0	\$	3	\$	0	\$	-	\$	-	\$	54
Travel Per Diem	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Dues, Licenses & Subscriptions	\$	175	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	175
<b>Total Expenditures</b>	<b>\$</b>	<b>15,376</b>	<b>\$</b>	<b>6,419</b>	<b>\$</b>	<b>5,072</b>	<b>\$</b>	<b>4,415</b>	<b>\$</b>	<b>3,926</b>	<b>\$</b>	<b>3,315</b>	<b>\$</b>	<b>3,291</b>	<b>\$</b>	<b>4,483</b>	<b>\$</b>	<b>3,170</b>	<b>\$</b>	<b>3,824</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>53,292</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$</b>	<b>(15,376)</b>	<b>\$</b>	<b>(6,419)</b>	<b>\$</b>	<b>44,928</b>	<b>\$</b>	<b>(4,415)</b>	<b>\$</b>	<b>(3,926)</b>	<b>\$</b>	<b>(3,315)</b>	<b>\$</b>	<b>(3,291)</b>	<b>\$</b>	<b>(4,483)</b>	<b>\$</b>	<b>(3,170)</b>	<b>\$</b>	<b>21,176</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>21,708</b>

# Audit Committee Meeting



## SECTION III

# SECTION A

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT  
REQUEST FOR PROPOSALS**

**District Auditing Services for Fiscal Year 2022**  
Polk County, Florida

**INSTRUCTIONS TO PROPOSERS**

**SECTION 1. DUE DATE.** Sealed proposals must be received no later than Tuesday, October 11, 2022 at 5:00 p.m., at the offices of Governmental Management Services – Central Florida, LLC, Attn: Jill Burns/Samantha Hoxie, District Manager, 219 East Livingston Street, Orlando, Florida 32801. Proposals will be publicly opened at that time.

**SECTION 2. FAMILIARITY WITH THE LAW.** By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

**SECTION 3. QUALIFICATIONS OF PROPOSER.** The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

**SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL.** Proposers shall be disqualified, and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

**SECTION 5. SUBMISSION OF PROPOSAL.** Submit one (1) original hard copy and one (1) electronic copy of the Proposal Documents, and other requested attachments, at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title “**Auditing Services – Scenic Terrace North Community Development District**” on the face of it.

**SECTION 6. MODIFICATION AND WITHDRAWAL.** Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

**SECTION 7. PROPOSAL DOCUMENTS.** The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions (the “Proposal Documents”).

**SECTION 8. PROPOSAL.** In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

**SECTION 9. BASIS OF AWARD/RIGHT TO REJECT.** The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

**SECTION 10. CONTRACT AWARD.** Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

**SECTION 11. LIMITATION OF LIABILITY.** Nothing herein shall be construed as or constitute a waiver of District's limited waiver of liability contained in Section 768.28, *Florida Statutes*, or any other statute or law.

**SECTION 12. MISCELLANEOUS.** All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List position or title of all personnel to perform work on the District audit. Include résumés for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including résumés with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal for Fiscal Year 2021, plus the lump sum cost of four (4) annual renewals.
- E. Provide a proposed schedule for performance of the audit.

**SECTION 13. PROTESTS.** In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) calendar hours (excluding Saturday, Sunday, and state holidays) after the receipt of the Proposal Documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturday, Sunday, and state holidays) after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to the aforesaid Proposal Documents.

**SECTION 14. EVALUATION OF PROPOSALS.** The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

## SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT AUDITOR SELECTION EVALUATION CRITERIA

### 1. *Ability of Personnel.*

**(20 Points)**

(E.g., geographic location of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing workload; proposed staffing levels, etc.)

## 2. *Proposer's Experience.*

**(20 Points)**

(E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other community development districts in other contracts; character, integrity, reputation of Proposer, etc.)

### 3. *Understanding of Scope of Work.*

**(20 Points)**

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

**4. *Ability to Furnish the Required Services.***

**(20 Points)**

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.

## 5. Price.

**(20 Points)**

Points will be awarded based upon the lowest total proposal for rendering the services and the reasonableness of the proposal.

**TOTAL**

**(100 Points)**

## SECTION B

## **SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES**

The Scenic Terrace North Community Development District hereby requests proposals for annual financial auditing services. The proposal must provide for the auditing of the District's financial records for the fiscal year ending September 30, 2022, with an option for four (4) additional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, *Florida Statutes*, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in the City of Haines City, Polk County, Florida. The District currently has an operating budget of approximately \$131,810. The final contract will require that, among other things, the audit for the fiscal year ending September 30, 2022, be completed no later than June 1, 2023.

Each auditing entity submitting a proposal must be authorized to do business in Florida; hold all applicable state and federal professional licenses in good standing, including but not limited to a license under Chapter 473, *Florida Statutes*, and be qualified to conduct audits in accordance with "Government Auditing Standards", as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida law and particularly section 218.39, *Florida Statutes*, and the rules of the Florida Auditor General.

Proposal packages, which include evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide one (1) original hard copy and one (1) electronic copy of their proposal to Governmental Management Services – Central Florida, LLC Attn: Jill Burns, District Manager, 219 East Livingston Street, Orlando, Florida 32801, in an envelope marked on the outside **"Auditing Services – Scenic Terrace North Community Development District."**

Proposals must be received by **5:00 PM on Tuesday, October 11, 2022**, at the office address listed above. Proposals received after this time will not be eligible for consideration. Please direct all questions regarding this Notice to the District Manager who can be reached at (407) 841-5524.

Jill Burns, District Manager  
Governmental Management Services – Central Florida, LLC

Run date: Tuesday, September 27, 2022