

**MINUTES OF MEETING  
GOLDEN LAKES  
COMMUNITY DEVELOPMENT DISTRICT**

A special meeting of the Board on Thursday Tuesday November 10, 2016 at 7:00 p.m. at the Club at Eaglebrooke, 1300 Eaglebrooke Boulevard, Lakeland, Florida.

Present and constituting a quorum were:

Rich Weaver	Chairman
John L. Knapp	Vice Chairman
Donald L. Adams	Assistant Secretary
Anthony J. Stevens	Assistant Secretary

Also present were:

Gary Moyer	Manager
Scott D. Clark, Esq.	Attorney
Steven C. Shealey, PE	Engineer
JoAnna Likar	LE Wilson & Associates, Inc.

*The following is a summary of the minutes and actions taken at the November 10, 2016 Golden Lakes CDD Board of Supervisors meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Weaver called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

Mr. Weaver opened the floor to audience comments.

- A resident stated it is a great turn out. He felt the majority in attendance were probably not aware of who the Board members are and their roles and asked if the Board members could introduce themselves and their responsibilities on the Board.
- The Board members introduced themselves as follows:
  - Mr. Rich Weaver, Chairman, Mr. Larry Knapp, Vice-Chairman, Mr. Don Adams, Supervisor, and Mr. Tony Stevens, Supervisor. The other staff in attendance, Ms. JoAnna Likar, Property Maintenance; Mr. Scott Clark is the District Counsel for

Golden Lakes CDD for the past eight years, Mr. Steven Shealey is the District Engineer and Mr. Gary Moyer is the District Manager.

- An inquiry was made about the financial audits of the club.
- Mr. Moyer stated the financial statement was made available, reviewed but not audited. The National Golf Federation, did look at these financials and made a determination based on their familiarity with similar golfing operations whether the costs were reasonable.
- A resident who indicated he was a CPA stated he would not make a decision on \$2,000,000 to \$3,000,000 range when there is no in-depth analysis. He suggested they take the extra step to get the audited financials before making any decisions.
- The resident apologized for not being able to attend these meetings. He is a business owner with multiple businesses and has a home here. His question was what are each of the Board members' roles as a supervisor currently.
- Mr. Clarke responded to the question. He informed the resident the Board is a body and there are not many different functions for each of the supervisors. They take different interests and maybe take on some different tasks, but the five supervisors act as a decision making body and come to a public meeting. Public meetings like these are the only times they can talk to each other, act and make decisions. They are like a city commission.
- Mr. Stevens stated he was unsure if everyone knew the Board of Supervisors for the developing district is the governing body for the development. All board members go through the electoral process and their names appear on the ballot periodically when they are up for election and their responsibility has been the infrastructure basically of the development. This also includes the guardhouse; all the drainage and roads are the boards responsibilities, the monies paid by your taxes are supervised by us and used for those purposes.
- Mr. Weaver responded it will be like the city of Lakeland purchasing a golf course or recreational amenity. A better explanation is like a small city commission that oversees that.
- Is the club going to be a private club? Not in the sense of a true private equity club the actual entity which owns the club would be the Golden Lakes Community Development District. In order for the club to continue to be viable and the members within the district all of us who own property in here not to incur additional expenses, for at least a short period of time,

whether that is a year, five years, ten years or forever, the club is going to have to continue to allow public play; the numbers don't work unless we do that.

- Who will be liable should there be a lawsuit?
- This is a twofold answer. Being a government in the State of Florida we are granted limited sovereign immunity, this means there are limits where people can sue the district. Multi-million dollar lawsuits are not something governments get involved in as the cap is \$200,000 to \$300,000.
- The other part of the answer is this is an insurable risk. You do not own a business without at least understanding there are always litigation risks in anything you do as a businessman and this would be true in any endeavor we got in right now as a CDD. We are subject to liability for people who come and want to sue us for damages or for whatever the reason, those are insurable risks and the district does carry insurance to cover this type of thing.
- Can the Board speak to the breakdown of how all of this is going to work? What is going to be the payment structure so, we know what to expect
- It was suggested specific questions be emailed to the District as it is difficult during the meeting to provide specifics.
- Mr. Moyer presented the following:
  - The process and how the board plans to pay for the capital portion.
  - The purchase price related to the cost in order for the District to buy the Golf Course.
  - The Public hearing process, which includes notification by letter to all residents.
  - A resolution for the District which has to go to the Circuit Court and validation of a Trust Indenture which will be the Districts' contract with the bond holders.
  - Nothing will occur until January or February.
- The District is designed like a city or county government, and the ultimate decision rests with the five board members.
- All the Board members reside in Eaglebrooke.

### **THIRD ORDER OF BUSINESS**

### **Discussion of Golf Course Acquisition**

#### **A. Emails from Residents regarding Eaglebrooke Acquisition**

#### **B. Discussion of Due Diligence Progress**

Mr. Clark provided the following update:

- His firm has developed a due diligence check list.
- The check list was initiated as soon as the contract had been negotiated.
- The Board is working their way through the list.
- The Title was received and examined. The Board members are comfortable with the status of the Title.
- The Board has inquired regarding the zoning of the property.
- The Board obtained a survey and an environmental report, which will inform the District if additional work around the maintenance facility needs to be done, as well as to ensure there is no oil, petroleum or chemical spills. If this has occurred, it would require the District to test the soil.
- Currently in the process of looking at the various licenses needed. Currently reviewing the current leases of the various equipment.
- We have until December 11 to complete this and to tell the seller yes it is acceptable to us or no it is not, or asking them for more time if we find we have open issues at that time.

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

#### **Club at Eaglebrooke and Acquisition Financing Matters**

##### **A. Series 2017 Special Assessment Report**

- The most current report is November 1, 2016. We will take the time to walk everyone through the special assessment process, which the Board is proposing.
- We are anticipating issuing \$3.9 million in bonds and this amount of money will cover the purchase of the golf course and some other things we are doing.
  - \$2.5 million will go to golf acquisition
  - \$435,000 will go to club repair and enhancement
  - \$300,000 will be working capital
  - \$200,00 will be for professional fees
  - \$165,000 will be for the assumption of maintenance equipment
  - The balance goes to set up a reserve fund for the issuance of the bond. It is a reserve fund for the issuance of the bond, which is a debt service reserve.

- Mr. Weaver stated, when they financed the road improvements some 7-9 years ago he recalls there being a pre-paid option available. He questioned if under the bond issuance will this option be available to individual property owners could they pre-pay this rather than incur roughly \$400 per year for the term of the bonds. Mr. Moyer stated this could be done. If anyone is interested in the pre-payment the cost will be approximately \$5582.92
- The terms of the bonds are 30 years.
- We do not have the final figures; but will have it closer to the schedule of the public hearing.

**B. Resolution 2017-01 Declaring Special Assessments**

- Mr. Clark provided an update on the attached resolution and its purpose.

On MOTION by Mr. Adams seconded by Mr. Stevens with all in favor Resolution 2017-01 Declaring Special Assessments was adopted.

**C. Resolution 2017-02 Setting a Public Hearing**

- Resolution 2017-02 was deferred and tabled for November 22, 2016 meeting

**D. Resolution 2017-03 Authorizing Validation**

- Mr. Clark indicated this resolution is authorizing the District to file a validation complaint.
- He has drafted a complaint and intends to file it in Polk County Circuit Court.
- Once filed, we find out the judge that has been assigned to the case, and we will get a hearing date. There is a time period built in.
- Once we receive the date, a notice is placed in the newspaper; we then will meet with the State Attorney who represents the State and anyone who might contest this acquisition.
- The State Attorney represents the interest of those people and then we have to go through a simple trial where we provide evidence showing our right to do this.
- The District asks the court to enter a judgement and if there is no appeal within the 30 days this is the process.

On MOTION by Mr. Knapp seconded by Mr. Adams with all in favor Resolution 2017-03 Authorizing Validation was adopted.

**FIFTH ORDER OF BUSINESS**

**Supervisors Request**

Mr. Stevens stated the following;

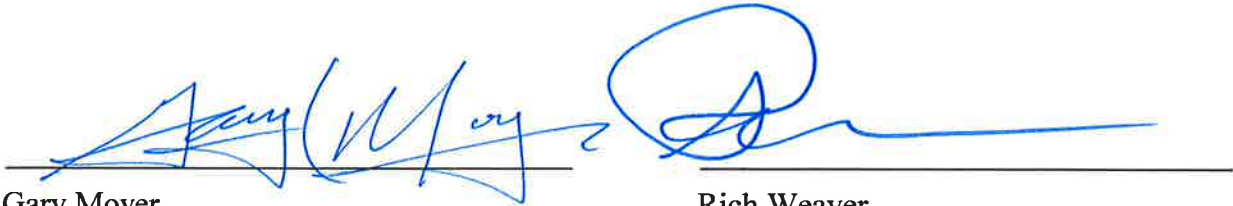
- We should finalize the number of individuals who will be part of the committee. We have not finalized the number on who is sitting on it, social member's, volunteers that will help this be a viable ongoing operation and report to the general manager. I think it is high time we make every effort to see who in the community is interested in serving this community and what their qualification are for serving on the community. We need to put something on the website.
  - One of the things expressed is this Board will not be able to manage the golf course, and so this group will be the advisory body to the professional golf manager to bring the community's input into running the golf course, the bar, the restaurant etc. It is basically who will be the voice of the community.
  - Mr. Moyer was questioned if a notice can be placed on the District website requesting those interested in serving in an advisory capacity in this committee.
  - Mr. Moyer suggested to put in a ballot to direct them to website instead of sending out documents they can check the website.
  - Mr. Weaver has received a couple of resumes from PGA of America and has turned them over to staff.
  - Mr. Adams suggested the Board should hire a professional search firm with regard to applications for the golf club.
  - Mr. Weaver indicated the costs for using such firms are extremely expensive and these firms are usually looking at an upfront fee, then there is a fee based on so many months.

**SIXTH ORDER OF BUSINESS**

**Adjournment**

There being no further business,

On MOTION by Mr. Knapp seconded by Mr. Adams with all in favor the meeting was adjourned.

Handwritten signatures in blue ink. The signature on the left is for Gary Moyer and the signature on the right is for Rich Weaver. Both signatures are written over a horizontal line.

Gary Moyer  
Secretary

Rich Weaver  
Chairman