

**MINUTES OF MEETING  
MALABAR SPRINGS  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Malabar Springs Community Development District held a Public Hearing and Regular Meeting on September 19, 2023 at 11:00 a.m., at B.S.E. Consultants, Inc., 312 South Harbor City Boulevard, Suite 4, Melbourne, Florida 32901.

**Present at the meeting were:**

Michael Caputo  
Justin Frye  
Jon Seifel

Chair  
Assistant Secretary  
Assistant Secretary

**Also present were:**

Andrew Kantarzhi  
Cindy Cerbone (via telephone)  
Ashley Ligas (via telephone)  
Steve Sanford (via telephone)  
Ana Saunders

District Manager  
Wrathell, Hunt and Associates, LLC  
District Counsel  
Bond Counsel  
Interim District Engineer

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Kantarzhi called the meeting to order at 11:05 a.m., and stated Mr. Seifel was sworn in prior to the meeting.

Supervisors Caputo, Frye and Seifel were present. Supervisors Bain and Smith were not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

**THIRD ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year  
2023/2024 Budget**

**A. Proof/Affidavit of Publication**

**B. Consideration of Resolution 2023-33, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date**

Mr. Kantarzhi presented Resolution 2023-33. He reviewed the proposed Fiscal Year 2024 budget, which is unchanged from when it was last presented.

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, the Public Hearing was opened.**

No members of the public spoke.

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, the Public Hearing was closed.**

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, Resolution 2023-33, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

**FOURTH ORDER OF BUSINESS**

**Consideration of Fiscal Year 2023/2024  
Budget Funding Agreement**

Mr. Kantarzhi presented the Fiscal Year 2023/2024 Budget Funding Agreement.

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, the Fiscal Year 2023/2024 Budget Funding Agreement, was approved.**

Mr. Kantarzhi asked for a motion related to contracts/agreements for the following Field Operations line items, in between meetings:

<u>Field Operations Items</u>	<u>Cost</u>
Field operations management	\$18,000

Field operations accounting	\$4,500
Wet pond maintenance	\$30,000
Conservation area maintenance	\$4,000
Entryway maintenance	\$7,500
Entryway electricity	\$3,500
Landscape inspection	\$18,000
Landscape maintenance	\$206,910
Plant replacement	\$10,000
Irrigation repairs	\$2,500
Irrigation water supply electricity	\$20,000
Irrigation pump maintenance	\$7,500
Walking trail maintenance	\$5,000
Streetlighting	\$63,000
Roadway maintenance	\$5,000
Contingencies	\$30,000

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, authorizing Field Operations Staff, District Counsel and the Chair or Vice Chair to enter into Field Operations agreements for the referenced items, in between meetings, and present them for ratification at future meetings, was approved.**

#### **FIFTH ORDER OF BUSINESS**

#### **Presentation of First Supplemental Engineer's Report**

Ms. Saunders presented the First Supplemental Engineer's Report dated September 19, 2023. The 2023 Project for Phases 1A, 1B & 4 consists of 549 units in the product mix. The total Capital Improvement Plan (CIP) amount is \$1,344,655.

#### **SIXTH ORDER OF BUSINESS**

#### **Presentation of First Supplemental Special Assessment Methodology Report**

Ms. Cerbone presented the First Supplemental Special Assessment Methodology Report dated September 19, 2023. The purpose of the First Supplemental Report is to narrow down

the areas for which bonds will be levied, which is the 2023 Project Area Phases 1A, 1B and 4, in accordance with the Engineer's Report. She reviewed the pertinent data, including the Development Program, CIP, financing program, benefit allocation, True-Up mechanism and Appendix Tables on Pages 14 through 16.

#### **SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-34, Authorizing the Issuance of Not Exceeding \$26,000,000 Malabar Springs Community Development District, Special Assessment Bonds, Series 2023 (Assessment Area One) (The "Bonds") to Finance Certain Public Infrastructure for the Benefit of Development Within a Designated Assessment Area Referred to as Assessment Area One Within the District; Determining the Need for a Negotiated Limited Offering of the Bonds and Providing for a Delegated Award of Such Bonds; Approving the Underwriter for the Limited Offering of the Bonds; Approving the Form of and Authorizing The Execution and Delivery of a Bond Purchase Contract with Respect to the Bonds; Authorizing the Use of that Certain Master Trust Indenture Previously Approved by the District with Respect to the Bonds and Approving the Form of and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture Governing the Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing the Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer's Report; Making Certain Declarations;**

**Providing for the Registration of the Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Bonds; and Providing for Severability, Conflicts and an Effective Date**

Mr. Sanford presented Resolution 2023-34, known as the Delegation Resolution, which accomplishes the following:

- Authorizes a principal bond amount of \$26 million to finance the 2023 Project.
- Sets forth the parameters adopted by the Board to sell and market the bonds.
- Authorizes the Supplemental and First Supplemental Trust Indenture, Bond Purchase Contract (BPC), Preliminary Limited Offering Memorandum (PLOM) and Continuing Disclosure Agreement and execution by the Chair or Vice Chair.

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, Resolution 2023-34, Authorizing the Issuance of Not Exceeding \$26,000,000 Malabar Springs Community Development District, Special Assessment Bonds, Series 2023 (Assessment Area One) (The “Bonds”) to Finance Certain Public Infrastructure for the Benefit of Development Within a Designated Assessment Area Referred to as Assessment Area One Within the District; Determining the Need for a Negotiated Limited Offering of the Bonds and Providing for a Delegated Award of Such Bonds; Approving the Underwriter for the Limited Offering of the Bonds; Approving the Form of and Authorizing The Execution and Delivery of a Bond Purchase Contract with Respect to the Bonds; Authorizing the Use of that Certain Master Trust Indenture Previously Approved by the District with Respect to the Bonds and Approving the Form of and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture Governing the Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing the Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer’s Report; Making Certain Declarations; Providing for the Registration of the Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Bonds; and Providing for Severability, Conflicts and an Effective Date, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-35, Setting Forth the Specific Terms of the Malabar Springs Community Development District's Special Assessment Bonds, Series 2023 Assessment Area One) ("Bonds"); Making Certain Additional Findings and Confirming and/or adopting an Engineer's Report and a Supplemental Assessment Report; Delegating Authority to Prepare Final Reports and Update this Resolution; Confirming the Maximum Assessment Lien Securing the Bonds; Addressing the Allocation and Collection of the Assessments Securing the Bonds; Addressing Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date**

Ms. Ligas presented Resolution 2023-35, also known as the Supplemental Assessment Resolution, which sets forth delegation authority for the 2023 bonds. The Resolution also adopts the First Supplemental Engineer's and Methodology Reports that were presented.

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, Resolution 2023-35, Setting Forth the Specific Terms of the Malabar Springs Community Development District's Special Assessment Bonds, Series 2023 Assessment Area One) ("Bonds"); Making Certain Additional Findings and Confirming and/or adopting an Engineer's Report and a Supplemental Assessment Report; Delegating Authority to Prepare Final Reports and Update this Resolution; Confirming the Maximum Assessment Lien Securing the Bonds; Addressing the Allocation and Collection of the Assessments Securing the Bonds; Addressing Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date, was adopted.**

**NINTH ORDER OF BUSINESS**

**Consideration of Issuer's Counsel Documents**

Ms. Ligas presented the following:

- A. Collateral Assignment
- B. Completion Agreement
- C. Declaration of Consent
- D. Disclosure of Public Finance
- E. Notice of Special Assessments
- F. True Up Agreement

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, the Issuer's Counsel Documents, listed in Items A through F, were approved.**

**TENTH ORDER OF BUSINESS**

**Consideration of Acquisition Agreement**

Ms. Ligas presented the Acquisition Agreement between the Developer and the CDD.

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, the Acquisition Agreement, was approved.**

**ELEVENTH ORDER OF BUSINESS**

**Consideration of Cost Share Agreement  
(Malabar Springs Project)**

Ms. Ligas presented the Cost Share Agreement for the Malabar Springs Project between the CDD and CRE-KL Malabar Owner, LLC.

**On MOTION by Mr. Frye and seconded by Mr. Seifel, with all in favor, the Cost Share Agreement for the Malabar Springs Project, was approved.**

**TWELFTH ORDER OF BUSINESS**

**Consideration of Construction Funding  
Agreement (Malabar Springs Project)**

Ms. Ligas presented the Construction Funding Agreement for the Malabar Springs Project, between the CDD and the Developer.

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, the Construction Funding Agreement for the Malabar Springs Project, was approved.**

**THIRTEENTH ORDER OF BUSINESS****Consideration of Proposal for Facilities Management Agreement**

Mr. Kantarzhi presented the Rizzetta & Company, Inc., Agreement for Facilities Management.

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, the Rizzetta & Company, Inc., Agreement for Facilities Management, was approved.**

**FOURTEENTH ORDER OF BUSINESS****Acceptance of Unaudited Financial Statements as of July 31, 2023**

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, the Unaudited Financial Statements as of July 31, 2023, were accepted.**

**FIFTEENTH ORDER OF BUSINESS****Approval of May 16, 2023 Regular Meeting Minutes**

**On MOTION by Mr. Frye and seconded by Mr. Caputo, with all in favor, the May 16, 2023 Regular Meeting Minutes, as presented, were approved.**

**SIXTEENTH ORDER OF BUSINESS****Staff Reports****A. District Counsel: Kutak Rock LLP**

Ms. Ligas asked about Rizzetta's construction contract. Mr. Frye will follow up.

**B. District Engineer (Interim): B.S.E. Consultants**

Ms. Saunders stated permits are being secured from the different agencies and has secured Palm Bay's approval, with conditions. As soon as the outside agency permits are secured, a pre-construction notice will be drafted.



**C. District Manager: Wrathell, Hunt and Associates, LLC**

A Board Member stated that Ms. Bain will submit her resignation soon and Ms. Haley Kiernan will be nominated to fill the vacant seat.

- **NEXT MEETING DATE: October 17, 2023 at 11:00 AM**
  - **QUORUM CHECK**

The next meeting will be held on October 17, 2023, unless cancelled.

**SEVENTEENTH ORDER OF BUSINESS****Board Members' Comments/Requests**

There were no Board Members' comments or requests.

**EIGHTEENTH ORDER OF BUSINESS****Public Comments**

There were no public comments.

**NINETEENTH ORDER OF BUSINESS****Adjournment**

**On MOTION by Mr. Seifel and seconded by Mr. Frye, with all in favor, the meeting adjourned at 11:30 a.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair