

*Lake Harris  
Community Development District*

*Agenda*

*July 27, 2022*

# AGENDA

***Lake Harris***  
***Community Development District***  
***Meeting Agenda***

**Wednesday**  
**July 27, 2022**  
**9:30 AM**

**Cooper Memorial Library**  
**2525 Oakley Seaver Drive**  
**Clermont, FL 34711**

**Landowners' Meeting**

1. Determination of Number of Voting Units Represented
2. Call to Order
3. Election of Chairman for the Purpose of Conducting Landowners' Meeting
4. Nominations for the Positions of Supervisors (5)
5. Casting of Ballots
6. Tabulation of Ballots and Announcement of Results
7. Adjournment

**Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period
3. Organizational Matters
  - A. Administration of Oaths of Office to Newly Elected Supervisors
  - B. Consideration of Resolution 2022-28 Canvassing and Certifying the Results of Landowners' Election
  - C. Election of Officers
  - D. Consideration of Resolution 2022-29 Electing Officers
4. Approval of Minutes of the June 2, 2022 Meeting
5. Consideration of Resolution 2022-22 Designating the Location of the Local Records Office- Cont. from Organizational Meeting on June 2, 2022
6. Discussion of Engineering RFQ
7. Consideration of Resolution 2022-30 Resetting Hearing on Uniform Method
8. Public Hearings
  - A. Special Assessments
    1. Presentation of Master Engineer's Report by GAI Consultants
    2. Presentation of Master Assessment Methodology Report

3. Public Comment and Testimony

4. Consideration of Resolution 2022-31 Levying Special Assessments

B. Rules of Procedure

1. Consideration of Resolution 2022-32 Adopting the District's Rules  
of Procedure

9. Staff Reports

C. Attorney

D. Engineer

E. District Manager's Report

10. Other Business

11. Supervisor's Requests

12. Adjournment

# ***Land Owners Meeting***

***July 27, 2022***

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF LAKE HARRIS COMMUNITY DEVELOPMENT  
DISTRICT FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: July 27, 2022

TIME: 9:30 a.m.

LOCATION: Cooper Memorial Library  
2525 Oakley Seaver Drive  
Clermont, Florida 34711

Pursuant to Chapter 190, Florida Statutes, within ninety (90) days following the effective date of the rule or ordinance establishing a Community Development District ("**District**"), there shall be held a meeting of the landowners of the District for the purpose of electing five supervisors for the District's Board of Supervisors ("**Board**"). The following instructions on how all landowners may participate in the election are intended to comply with Section 190.006(2)(b), Florida Statutes.

A landowner may vote in person at the landowners' meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each position on the Board that is open for election for the upcoming term. A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. Please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the landowners' meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board that is open for election for the upcoming term.

Five (5) seats on the Board will be up for election by landowners. The two (2) candidates receiving the highest number of votes shall be elected for terms of four (4) years each. The three (3) candidates receiving the next highest number of votes shall be elected for terms of two (2) years each. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

***Board of Supervisors  
Meeting***

***July 27, 2022***

## SECTION III

## SECTION B

**RESOLUTION 2022-28**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT CANVASSING AND CERTIFYING THE RESULTS OF THE LANDOWNERS ELECTION OF SUPERVISORS HELD PURSUANT TO SECTION 190.006(2), FLORIDA STATUTES, AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the Lake Harris Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Leesburg, Florida; and

**WHEREAS**, pursuant to Section 190.006(2), *Florida Statutes*, a landowners’ meeting is required to be held within 90 days of the District’s creation and every two years following the creation of the District for the purpose of electing supervisors of the District; and

**WHEREAS**, such landowners meeting was held on July 27, 2022, at which the below recited persons were duly elected by virtue of the votes cast in his/her favor; and

**WHEREAS**, the Board of Supervisors of the District, by means of this Resolution, desire to canvas the votes and declare and certify the results of said election.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT:**

Section 1. The following individuals are found, certified, and declared to have been duly elected as Supervisor of and for the District, having been elected by the votes cast in their favor as shown:

_____	Seat 1	Votes _____
_____	Seat 2	Votes _____
_____	Seat 3	Votes _____
_____	Seat 4	Votes _____
_____	Seat 5	Votes _____

Section 2. In accordance with Section 190.006(2), *Florida Statutes*, and by virtue of the number of votes cast for the Supervisor, the above-named individuals are declared to have been elected for the following term of office:

_____	4 Year Term
_____	4 Year Term
_____	2 Year Term
_____	2 Year Term
_____	2 Year Term

Section 3. This resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED THIS 27<sup>th</sup> DAY OF JULY 2022.**

**LAKE HARRIS COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

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Secretary / Assistant Secretary

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Chairperson, Board of Supervisors

# SECTION D

**RESOLUTION 2022-29**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
ELECTING THE OFFICERS OF THE DISTRICT AND  
PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the Lake Harris Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

**WHEREAS**, the Board of Supervisors of the District (“Board”) desires to elect the Officers of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE LAKE HARRIS COMMUNITY  
DEVELOPMENT DISTRICT:**

**Section 1.** The following persons are elected to the offices shown:

Chairman	_____
Vice Chairman	_____
Secretary	_____
Assistant Secretary	_____
Assistant Secretary	_____
Assistant Secretary	_____
Assistant Secretary	_____

**Section 2.** This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED** this 27<sup>th</sup> day of July, 2022.

**ATTEST:**

**LAKE HARRIS COMMUNITY  
DEVELOPMENT DISTRICT**

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

\_\_\_\_\_  
Chairman/Vice Chairman

# MINUTES

**MINUTES OF MEETING  
LAKE HARRIS  
COMMUNITY DEVELOPMENT DISTRICT**

The Organizational meeting of the Board of Supervisors of the Lake Harris Community Development District was held on Thursday, **June 2, 2022** at 9:30 a.m. at Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.

Present and constituting a quorum were:

Anthony Iorio	Chairman
Jason Lomas	Vice Chairman
Doug Beasley	Supervisor
Duane “Rocky” Owen	Supervisor
Thomas Franklin	Supervisor

Also, present were:

George Flint	District Manager, GMS
Jeremy LeBrun	GMS CFL LLC
Sarah Sandy	District Counsel
Scott Land <i>by phone</i>	GAI
Steve Sanford <i>by phone</i>	Greenberg Traurig

*The following is a summary of the discussions and actions taken at the June 2, 2022 Lake Harris Community Development District’s Organizational Board of Supervisor’s Meeting.*

**FIRST ORDER OF BUSINESS**

**Introduction**

**A. Call to Order**

Mr. Flint called the meeting to order at 9:30 a.m. Five Supervisors were in attendance at the meeting constituting a quorum.

**B. Public Comment Period**

There were no members of the public present.

**C. Oath of Office**

Mr. Flint conducted the oath of office to the new Supervisors.

**SECOND ORDER OF BUSINESS**

**Organizational Matters**

**A. Confirmation of Notice of Meeting**

Mr. Flint stated that the meeting notice had been documented properly as required by statutes.

**B. Information on Community Development Districts and Public Official Responsibilities and Florida Statutes Chapter 190**

Mr. Flint explained the duties and responsibilities of the officers. He reviewed the forms to be completed by new Supervisors, and reviewed additional legal statutes including Sunshine law, records keeping, etc.

**C. Election of Officers**

**1. Resolution 2022-01 Appointing Officers**

Mr. Flint reviewed the protocol for officers. A motion was made for the slate of officers to be Mr. Iorio as Chair, Mr. Lomas as Vice Chair, Mr. Beasley, Mr. Owen, and Mr. Franklin as Assistant Secretaries. He asked if the Board would consider naming himself as Assistant Secretary. He also suggested Katie Costa for Treasurer.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Resolution 2022-01 Appointing Officers with Mr. Iorio as Chair and Mr. Lomas as Vice Chair, Mr. Beasley, Mr. Owen, and Mr. Franklin as Assistant Secretaries, and GMS staff of George Flint as an Assistant Secretary and Ms. Katie Costa as Treasurer, was approved.
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**THIRD ORDER OF BUSINESS**

**Retention of District Staff**

**A. Consideration of Agreement for District Management Services**

Mr. Flint noted that the District Manager will be GMS.

**1. Resolution 2022-02 Appointing District Manager, Financial Disclosure Coordinator, Assessment Consultant, and Designated Investment Representative**

Mr. Flint notes in January of 2021 a proposal was submitted for \$35,000 and indicated only 50% billed until bonds were issued. This agreement includes the fee and notes only 50% will be billed until bonds are issued. He noted they were asking for an increase to \$37,500 due to inflation.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2022-02 Appointing District Manager, Financial Disclosure Coordinator, Assessment Consultant, and Designated Investment Representative as GMS, was approved.

**B. Consideration of Agreement for District Counsel Services**

**1. Resolution 2022-03 Appointing District Counsel**

Mr. Flint noted that Kutak Rock will be District Counsel. Ms. Sandy noted the agreement attached to the resolution is a standard form of agreement and list hourly rates. She noted for herself it is \$320, associates will be \$275-\$285, and paralegals will be \$170/hour. The bond issuance will be on a flat fee basis that will be presented at the time of bond issuance and Board approval at that time.

On MOTION by Mr. Beasley, seconded by Mr. Lomas, with all in favor, Resolution 2022-03 Appointing District Counsel as Kutak Rock, was approved.

**C. Resolution 2022-04 Selection of Registered Agent and Office**

Mr. Flint stated typical that the District Manager or District Counsel serves as the registered agent. This resolution will name Sarah Sandy as the Registered Agent and her office in Tallahassee as the registered office.

On MOTION by Ms. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2022-04 Selection of Registered Agent and Office, was approved.

**D. Resolution 2022-05 Appointing Interim District Engineer**

Mr. Flint noted this resolution and agreement is for appointing an interim District Engineer. The appointment of a permanent District Engineer falls under requirements to go through a bid process. Mr. Flint noted this resolution designates the engineer on an interim basis until the bid process can be completed.

**E. Consideration of Interim District Engineering Agreement**

Mr. Flint noted this would be approved in substantial form subject to District Counsel and GAI finalizing the agreement. The fee schedule is attached.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2022-05 Appointing Interim District Engineer was approved and the Interim District Engineering Agreement was approved in substantial form.

**F. Request Authorization to Issue RFQ for Engineering Services**

Mr. Flint stated they would need to bid out the engineering services and would need a motion to approve the RFQ for engineering services. District staff would request qualifications be submitted by the week before the July Board meeting.

On MOTION by Mr. Franklin, seconded by Mr. Lomas, with all in favor, Authorization to Issue RFQ for Engineering Services, was approved.

**FOURTH ORDER OF BUSINESS****Designation of Meetings and Hearing Dates****A. Consideration of Resolution 2022-06 Designation of Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2022**

Mr. Flint suggested the 4<sup>th</sup> Wednesday of the month at 9:30 a.m. for their regular meetings. The meeting will be at the same location.

On MOTION by Mr. Beasley, seconded by Mr. Franklin, with all in favor, Resolution 2022-06 Designation of Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2022 as the 4<sup>th</sup> Wednesday of the Month at 9:30 a.m. at the same location, was approved.

**B. Consideration of Resolution 2022-07 Designation of Landowner's Meeting Date, Time, and Location**

Mr. Flint stated the District is required to hold a landowners' election within 90 days of establishment. Included in the agenda package are forms of the landowners' election notice, instructions, and proxy. Mr. Flint suggested July 27, 2022 at 9:30 a.m. at the same location as the Landowner's meeting date.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, Resolution 2022-07 Designation of Landowner's Meeting Date, Time, and Location for July 27, 2022 at 9:30 a.m. at the same location, was approved.

**C. Designation of Date of Public Hearing to Adopt Rules of Procedure in accordance with Section 120.54, Florida Statutes**

**1. Consideration of Resolution 2022-08 Setting a Public Hearing to Consider the Proposed Rules of the District**

Mr. Flint suggested this be held in conjunction with the July 27, 2022 meeting at 9:30 a.m. Ms. Sandy noted these are the standard rules we recommend for all our Districts. The rules govern the administration and operation of the District, including the competitive bid process, meeting notice, etc.

On MOTION by Mr. Franklin, seconded by Mr. Lomas, with all in favor, Resolution 2022-08 Setting a Public Hearing to Consider the Proposed Rules of the District for July 27, 2022 at 9:30 a.m. at the same location, was approved.

**D. Designation of Dates of Public Hearing on the Budget for Fiscal Year 2022 and 2023**

**1. Consideration of Resolution 2022-09 Setting the Public Hearing and Approving the Proposed Budget for Fiscal Year 2022**

Mr. Flint proposed they set the date for August 24, 2022 at 9:30 a.m. at the same location. He added attached to the resolution is Exhibit A and this is an administrative budget prorated for the number of months remaining in the current fiscal year. This contemplates a Developer Funding Agreement, so the Developer is only obligated for the actual cost not the budget.

On MOTION by Mr. Iorio, seconded by Mr. Owen, with all in favor, Resolution 2022-09 Setting the Public Hearing and Approving the

Proposed Budget for Fiscal Year 2022 for August 24, 2022 at 9:30 a.m. at the same location, was approved.

**2. Consideration of Resolution 2022-10 Setting the Public Hearing and Approving the Proposed Budget for Fiscal Year 2023**

Mr. Flint noted this approves the proposed budget for next fiscal year starting October 1<sup>st</sup>. Exhibit A is an administrative budget and also contemplates a Developer funding agreement. This is suggested for the August 24, 2022 at 9:30 a.m. in the same location.

On MOTION by Mr. Lomas, seconded by Mr. Franklin, with all in favor, Resolution 2022-10 Setting the Public Hearing for August 24, 2022 at 9:30 in the Same Location, and Approving the Proposed Budget for Fiscal Year 2023, was approved.

**3. Approval of the Fiscal Year 2022 and Fiscal Year 2023 Budget Funding Agreement**

Mr. Flint noted the draft budgets just approved contemplate a Developer funding agreement in lieu of imposing operation and maintenance assessments. The agreement had been prepared by District counsel and provided to Hanover for review. Ms. Sandy pointed out that there was one agreement to cover both fiscal years and the final agreement will need to be updated with the final adopted budgets.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the Fiscal Year 2022 and Fiscal Year 2023 Budget Funding Agreement, was approved in substantial form.

**E. Resolution 2022-11 Setting Date of Public Hearing Expressing the District's Intent to Utilize the Uniform Method of Levying, Collecting and Enforcing Non-Ad Valorem Assessments in accordance with Section 197.3632, Florida Statutes**

Mr. Flint noted this is a requirement and had notice requirements and he suggested July 27, 2022 at 9:30 a.m. at the same location for this meeting.

On MOTION by Mr. Franklin, seconded by Mr. Beasley, with all in favor, Resolution 2022-11 Setting Date of Public Hearing Expressing the District's Intent to Utilize the Uniform Method of Levying, Collecting and Enforcing Non-Ad Valorem Assessment in

Accordance with Section 197.3632, Florida Statutes for July 27, 2022 at 9:30 a.m. at the same location, was approved.

**FIFTH ORDER OF BUSINESS****Other Organizational Matters****A. Resolution 2022-12 Designating a Qualified Public Depository**

Mr. Flint proposed using Truist (formerly Sun Trust) as the District's qualified public depository. .

On MOTION by Mr. Lomas, seconded by Mr. Beasley, with all in favor, Resolution 2022-12 Designating a Qualified Public Depository as Truist, was approved.

**B. Resolution 2022-13 Authorization of Bank Account Signatories**

Mr. Flint noted the approved signatories would be the Treasurer appointed today, Katie Costa, and George Flint.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Resolution 2022-13 Authorization of Bank Account Signatories as the Treasurer (Katie Costa) and George Flint, were approved.

**C. Consideration of Resolution 2022-14 Relating to Defense of Board Members**

Ms. Sandy explained the resolution. She noted this sets forth the District's intent to provide indemnification, support, and legal defense for the Board and District officers for actions taken within the scope of their employment or functions. This representation will relate to actions or omissions taken in good faith within the scope of office, but will not apply or extend to action was taken in bad faith, with malicious intent, or willful disregard. She noted Section 8 on receiving a legal summons that you are required to submit to legal counsel within 14 calendar days for the defense coverage of the resolution to apply.

On MOTION by Mr. Franklin, seconded by Mr. Lomas, with all in favor, Resolution 2022-14 Relating to Defense of Board Members, was approved.

**D. Consideration of Resolution 2022-15 Ratifying District Counsel's Actions in Recording in the Property Records of Lake County the "Notice of Establishment" in accordance with Chapter 190.0485, Florida Statutes**

**1. Notice of Establishment**

Mr. Flint noted it is required when a District is created that a notice of establishment is recorded in the public records, and this has been completed by District Counsel and the Board just needs to ratify.

On MOTION by Mr. Beasley, seconded by Mr. Lomas, with all in favor, Resolution 2022-15 Ratifying District Counsel Recording the "Notice of Establishment" in the Property Records of Lake County in Accordance with Chapter 190.0485, Florida Statutes, was approved.

**E. Consideration of Resolution 2022-16 Adopting Investment Guidelines**

Mr. Flint noted this would be in accordance with the guidelines established by the state of Florida. He recommend the Board adopt what they call the alternative investment guidelines.

On MOTION by Mr. Beasley, seconded by Mr. Lomas, with all in favor, Resolution 2022-16 Adopting Investment Guidelines, was approved.

**F. Consideration of Resolution 2022-17 Authorizing Execution of Public Depositor Report**

Mr. Flint noted this authorizes the District Manager or Treasurer to authorize that report and send to the Chief Financial Officer.

On MOTION by Mr. Beasley, seconded by Mr. Lomas, with all in favor, Resolution 2022-17 Authorizing Execution of Public Depositor Report, was approved.

**G. Consideration of Resolution 2022-18 Designating a Policy for Public Comment**

Mr. Flint stated that this establishes the policy for comments in a meeting. This is generated out of a legislative change a few years ago to require public comments before items are voted on.

On MOTION by Mr. Lomas, seconded by Mr. Beasley, with all in favor, Resolution 2022-18 Designating a Policy for Public Comment, was approved.

**H. Consideration of Resolution 2022-19 Adopting a Travel and Reimbursement Policy**

Mr. Flint noted this is for travel reimbursement for Supervisors on District business and is in-line with Florida statutes.

On MOTION by Mr. Lomas, seconded by Mr. Beasley, with all in favor, Resolution 2022-19 Adopting a Travel and Reimbursement Policy, was approved.

**I. Consideration of Resolution 2022-20 Adopting Prompt Payment Policy**

Ms. Sandy reviewed the policy for prompt payment procedures for invoices.

On MOTION by Mr. Beasley, seconded by Mr. Lomas, with all in favor, Resolution 2022-20 Adopting a Prompt Payment Policy, was approved.

*\*Mr. Scott Land joined the meeting via phone at this time.*

**J. Consideration of Resolution 2022-21 Adopting a Records Retention Policy**

Mr. Flint noted this policy is in accordance with Florida statutes and provides the District retain all records until the policy is otherwise amended.

On MOTION by Mr. Iorio, seconded by Mr. Lomas, with all in favor, Resolution 2022-21 Adopting a Records Retention Policy, was approved.

**K. Consideration of Compensation to Board Members**

Mr. Flint stated this is for Board members attending CDD meetings to be compensated at \$200 a meeting for a maximum of 24 meetings per year. Mr. Owen and Mr. Franklin agreed to compensation. All others declined. This is in accordance with Florida statute and no vote was needed.

**L. Resolution 2022-22 Selecting District Records Office Within Lake County**

Mr. Flint proposed this item be deferred and moved to the next agenda to determine an address.

**M. Resolution 2022-23 Designating the Primary Administrative Office and Principal Headquarters of the District**

Mr. Flint proposed the primary administrative office be the GMS offices in Orlando, Florida at 219 E. Livingston Street. The principal headquarters will be Lake County.

On MOTION by Mr. Lomas, seconded by Mr. Franklin, with all in favor, Resolution 2022-23 Designating the Primary Administrative Office of the District as 219 E. Livingston, Orlando, Florida and the Principal Headquarters as Lake County, was approved.

**N. Consideration of Website Services Agreement**

Mr. Flint stated the agreement is in the package and noted that the District is required by statute to have an ADA compliant website. This is with ReAlign Web Design and the set-up fee will be \$1,750. He recommended approving the one-time option and not the annual fee.

On MOTION by Mr. Lomas, seconded by Mr. Owen, with all in favor, the Website Services Agreement with a One Time Web Creation for \$1750, was approved.

**O. Consideration of Resolution 2022-24 Authorizing Chairperson to Execute Plats, Permits and Conveyances**

Mr. Flint noted it is necessary for documents to be executed and this allows the Chair the authority to authorize. Ms. Sandy noted they would revise to allow the Vice-Chair the option to authorize as well.

On MOTION by Mr. Franklin, seconded by Mr. Lomas, with all in favor, Resolution 2022-24 Authorizing the Chairperson to Execute Plats, Permit and Conveyances, was approved subject to revising the resolution to add the Vice-Chairperson as able to execute in the Chairperson's absence.

**SIXTH ORDER OF BUSINESS****Capital Improvements**

**A. Appointment of Financing Team****1. Bond Counsel**

Mr. Flint noted this would be for Greenberg Traurig as Bond Counsel and the agreement is in the packet. Mr. Stanford was present via phone to answer any question. This fee would not exceed \$55,000 per bond issuance.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, Bond Counsel Agreement with Greenberg Traurig, was approved.

**2. Underwriter**

Mr. Flint noted FMS Bond would be the underwriter and their fee was included in their proposed agreement, which is two percent of the bonds and is contingent upon the bonds being issued.

On MOTION by Mr. Lomas, seconded by Mr. Franklin, with all in favor, the investment banker agreement with FMS Bond, was approved.

**3. Assessment Administrator**

Mr. Flint noted this would be with GMS and no action is required.

**4. Trustee**

Mr. Flint recommended US Bank. He added the proposal and engagement letter is in the packet.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, the Trustee agreement with US Bank, was approved.

**B. Approval of Financing Team Funding Agreement**

Mr. Flint noted this allows the District to compensate the financing team if bonds are not issued. He explained that under the terms of this agreement any funds provided as part of this agreement would be reimbursed under the future bonds issuance. Ms. Sandy noted Hanover had been provided a draft to review.

On MOTION by Mr. Lomas, seconded by Mr. Beasley, with all in favor, the Financing Team Funding Agreement, was approved.

**SEVENTH ORDER OF BUSINESS****Financing Matters****A. Consideration of Master Engineer's Report**

The District Engineer, Mr. Land gave an overview of his report. He reviewed the costs of \$25,514,674 and included the scope of the report. He added that Phase 1 was \$8,656,484 and Phase 2 was \$5,537,933. Phase 3 was \$6,544,063 and Phase 4 was \$4,776,993 and for the total of \$25,514,674. Ms. Sandy asked that if the estimates were reasonable for the project size and scope, Mr. Land answered yes. Ms. Sandy asked if Ms. Land knew of any reason the District could not complete the project. Mr. Land answered no.

**B. Consideration of Master Assessment Methodology**

Mr. Flint reviewed the Master Assessment Methodology report. He noted the Development program included a mix of 40', 50' and 65' single family product types. The ERU factor has been assigned and there is 542 total units and 477 ERUs. The infrastructure cost estimates were reviewed by the Engineer and total \$25,514,674 and come from the Engineer's report. The bond sizing for purposed of the master methodology and are conservative to set a ceiling for the assessment process. There is a par amount of \$30,735,000. The annual assessment fees are estimated for each product type. The preliminary assessment roll notes there is a difference of 5 acres from the legal description of the District and the 4 parcels identified at comprising the District itself. He asked the Board to approve this subject to confirming the allocation of the acreage between the four parcels and updating the total par debt column in Table 7.

Ms. Sandy confirmed with Mr. Flint that the assessments were reasonably and fairly allocated across the lands that are especially benefiting from the master project, and the lands did receive special benefits that are equal to or in excess of the special assessments. Mr. Flint confirmed with a yes.

**C. Consideration of Resolution 2022-25 Declaring Assessments**

Ms. Sandy reviewed the resolution declaring the District's intent to levy assessments. This

will start the assessment process. She noted that blanks would be filled in Section 4 and 5. She added the amount would be the total amount of the estimated project at \$25,514,674 (Section 4) and the total amount of the par assessments in the amount of \$30,735,000 (Section 5).

On MOTION by Mr. Lomas, seconded by Mr. Franklin, with all in favor, Resolution 2022-05 Declaring Assessments, was approved subject to revising Table 7 of the Master Assessment Methodology as stated.

**D. Consideration of Resolution 2022-26 Setting a Public Hearing for Special Assessments**

Ms. Sandy reviewed the resolution and suggested the hearing on the master assessment lien for July 27, 2022 at 9:30 a.m. in the same location.

On MOTION by Mr. Iorio, seconded by Mr. Franklin, with all in favor, the Resolution 2022-26 Setting the Public Hearing for Special Assessments for July 27, 2022 at 9:30 a.m. in the Same Location, was approved.

**E. Consideration of Resolution 2022-27 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings**

Mr. Sanford presented the resolution noting there was a not-to-exceed principal amount of bonds at \$30,735,000, which was a change from the previous amount of \$30,840,000. He added this contemplates those bonds can be issued in one or more series and authorizes the validation of the bonds. US Bank is appointed as the Trustee. The resolution approves a master and supplemental trust indenture in substantial form. He recommended the Board approve with the noted change in bond par.

On MOTION by Mr. Iorio, seconded by Mr. Lomas, with all in favor, Resolution 2022-27, Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings, was approved subject to changing the maximum par amount from \$30,840,000 to \$30,735,000.

**EIGHTH ORDER OF BUSINESS**

**Other Business**

**A. Staff Reports**

**i. Attorney**

Ms. Sandy stated they would put together the validation documents and begin the process.

**ii. Manager**

Mr. Flint noted he had nothing further.

**B. Supervisors Requests**

There being none, the next item followed.

**C. Approval of Funding Request No. 1**

Mr. Flint noted this request was in the package for review. He noted this will open the operation account to bind the liability insurance policy for advertising and other startup costs.

On MOTION by Mr. Iorio, seconded by Mr. Lomas, with all in favor, Funding Request No. 1, was approved.
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**NINTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the meeting was adjourned.
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Secretary/Assistant Secretary

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Chairman/Vice Chairman

## SECTION V

**RESOLUTION 2022-22**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE LAKE HARRIS  
COMMUNITY DEVELOPMENT DISTRICT DESIGNATING THE LOCATION OF THE  
LOCAL DISTRICT RECORDS OFFICE AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Lake Harris Community Development District (the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within the City of Leesburg, Florida; and

**WHEREAS**, the District is statutorily required to designate a local district records office location for the purposes of affording citizens the ability to access the District's records, promoting the disclosure of matters undertaken by the District, and ensuring that the public is informed of the activities of the District in accordance with Chapter 119 and Section 190.006(7), *Florida Statutes*; and

**WHEREAS**, District records are available for public review and inspection at the offices of Governmental Management Services - Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The District's local records office shall be located at: \_\_\_\_\_

**SECTION 2.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this 27th day of JULY 2022.

ATTEST:

**LAKE HARRIS COMMUNITY DEVELOPMENT  
DISTRICT**

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

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

## SECTION VI

## **RESOLUTION 2022-30**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2022-11 TO RE-SET THE DATE, TIME AND LOCATION OF THE PUBLIC HEARING REGARDING THE DISTRICT'S INTENT TO USE THE UNIFORM METHOD FOR THE LEVY, COLLECTION, AND ENFORCEMENT OF NON-AD VALOREM SPECIAL ASSESSMENTS AS AUTHORIZED BY SECTION 197.3632, FLORIDA STATUTES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Lake Harris Community Development District ("District") was established by an ordinance adopted by the City Commission of the City of Leesburg, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

**WHEREAS**, on June 2, 2022, at a duly noticed public meeting, the District's Board of Supervisors (the "Board") adopted Resolution 2022-11, setting a public hearing regarding the District's intent to use the uniform method for the levy, collection, and enforcement of non-ad valorem special assessments for July 27, 2022, at 9:30 a.m., at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida 34711; and

**WHEREAS**, the Board of Supervisors desires to change the date of the public hearing.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. PUBLIC HEARING DATE RE-SET.** Resolution 2022-11 is hereby amended to reflect that the public hearing as declared in Resolution 2022-11 is re-set to:

August 24, 2022, at 9:30 a.m., at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida 34711.

**SECTION 2. RESOLUTION 2022-11 OTHERWISE REMAINS IN FULL FORCE AND EFFECT.** Except as otherwise provided herein, all of the provisions of Resolution 2022-11 continue in full force and effect.

**SECTION 3. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect upon its passage and adoption by the Board of Supervisors of the Lake Harris Community Development District.

**PASSED AND ADOPTED** this 27th day of July 2022.

ATTEST:

**LAKE HARRIS COMMUNITY DEVELOPMENT  
DISTRICT**

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_

Its: \_\_\_\_\_

## SECTION VII

# SECTION A

# SECTION 1



# Lake Harris Community Development District

Master Engineer's Report  
Leesburg, Florida

GAI Project Number: R200160.01

June 2, 2022

Prepared by: GAI Consultants, Inc.  
Orlando Office  
618 E. South Street, Suite 700  
Orlando, Florida 32801

Prepared for: Lake Harris Community Development  
District.  
605 Commonwealth Avenue  
Orlando, FL 32803

# Lake Harris Community Development District

## Master Engineer's Report Leesburg, Florida

GAI Project Number: R200160.01

June 2, 2022

Prepared for:  
Lake Harris Community Development District

Prepared by:  
GAI Consultants, Inc.  
Orlando Office  
618 E. South Street, Suite 700  
Orlando, Florida 32801

Report Authors:

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Tony Reddeck  
Engineering Director

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Scott Land, P.E.  
Senior Project Manager

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## 1.0 Introduction

### 1.1 Description of the Lake Harris Community Development District

Eagletail Landings (also referred to as the "Development" or "Community") is an approximately 162.53 acre master planned, residential community located in the City of Leesburg, Florida ("City") as shown on Exhibit A. The Master Developer ("Developer") is Hanover 623 Holdings, LLC, based in Orlando, Florida. The Development is approved as a Planned Unit Development (PUD) subdivision with 542 residential units.

Lake Harris Community Development District (herein called the "District" for "CDD") encompasses the entire 162.53 acres of the Development. The District will finance, construct, acquire, operate and/or maintain certain portions of the public infrastructure to support the Community. The legal description of the District boundaries can be seen in Exhibit E. The District will finance, acquire, and/or construct infrastructure in phases as necessary. Currently, the Development has four (4) phases which will be supported by the capital infrastructure improvements identified herein (the "Master Project"). The District expects finance all or a portion of the Master Project from the proceeds of District's special assessment bonds. Construction of Phase 1, including part of the roadway infrastructure, and the overall mass grading of Phase 2 has commenced. An inventory of the phasing has been presented in Table 1 with the proposed unit mix of the residential units for the Development.

### 1.2 Purpose of Report

The purpose of this report is to provide a description of the Master Project, which will serve the 162.53 acres of the Community; the capital improvements to be constructed, acquired, and/or financed by the District; and apportionment of the costs of the capital improvements.

**Table 1**  
**Phasing Summary**

Phase	Lot Type	Units
Lake Harris Phase 1	40' lots	55
	50' lots	54
	65' lots	0
Lake Harris Phase 2	40' lots	62
	50' lots	62
	65' lots	0
Lake Harris Phase 3	40' lots	82
	50' lots	78
	65' lots	23
Lake Harris Phase 4	40' lots	62
	50' lots	64
	65' lots	0
<b>Total Units by Lot Type</b>	40' lots	<b>261</b>
	50' lots	<b>258</b>
	65' lots	<b>23</b>
<b>Total Units – Lake Harris CDD</b>		<b>542</b>

## 2.0 District Boundary and Properties Served

### 2.1 District Boundary

Lake Harris Master Site Plan, Exhibit B, identifies the location and boundary of the property included within the District. The Master Plan for the District will provide for multiple-type residential land uses and is located on the southwest corner of County Road 48 and Number 2 Road in the City, which is located within Lake County ("County").

### 2.2 Description of Properties Served

The Development is located in the east half of Section 18 and the Northeast quarter of Section 19, Township 20 South, Range 25 East, and all within the City. The existing property consists of orange groves and open pasture land. The environmental areas associated with the Development have been reviewed and are to be part of an Open Space/Conservation area within the District. The terrain of the site is somewhat rolling with elevations ranging from 85 to 149 NVGD.

## 3.0 Master Project Infrastructure

### 3.1 Summary of the Proposed Master Project Infrastructure

The Master Project will generally consist of the following project infrastructure and systems to serve the Development:

- ▶ On-Site Public Roadway Improvements
- ▶ Water Distribution and Sanitary Sewer Collection Systems and Reuse Water Distribution – On-Site and Off-Site (County Road 48)
- ▶ Off-Site Public Roadway Improvements (County Road 48 and Number 2 Road Improvements)
- ▶ Master Stormwater Management System
- ▶ Landscaping
- ▶ Irrigation
- ▶ Hardscape
- ▶ Conservation Mitigation Areas
- ▶ Electrical Service System (Underground Differential Cost only)
- ▶ Gas Service System

This infrastructure serves as a system of improvements benefitting all lands within the District. To the extent that the boundary of the District is amended from time or time, the District will consider amendments or supplementals to this report at such time.

Table 2 shows the Master Project facilities, proposed ownership, and maintenance entities for each.

**Table 2**  
**Proposed Facilities**

Facilities/Systems	Proposed Ownership and Maintenance Entity
Sanitary Sewer Collection (On & Off-Site)	City of Leesburg
Water Distribution (On & Off-Site)	City of Leesburg
Reuse Water (On & Off-Site)	City of Leesburg
Master Stormwater Management System	Lake Harris CDD
Electrical Service System	Duke Energy
Gas Service System	City of Leesburg

Facilities/Systems	Proposed Ownership and Maintenance Entity
Conservation Mitigation	Lake Harris CDD
On-Site Master Public Roadway Improvements	City of Leesburg
Off-Site Master Public Roadway Improvements	Lake County
Landscaping/Irrigation/ Hardscape within Master Public Roads	Lake Harris CDD
On-Site Public Roadway Improvements	City of Leesburg

### 3.2 Master Stormwater Management System

The Master Stormwater Management System provides for the stormwater runoff treatment and will attenuate and provide for the runoff that will be carried out through the use of manmade retention and detention systems as collected in pipes, curbs, and surfaces to convey this runoff. These systems discharge to the ponds within the Development. The City and the St. Johns River Water Management District (SJRWMD) regulate the design criteria for the District's stormwater management facilities. The Master Stormwater Management System will discharge to the ponds. Ponds 1 and Pond1A are landlocked and will have the capacity to hold the 100-year storm event. Ponds 2, 3 and 8 outfall to a closed basin and will hold the volumetric difference between the pre and post development for the 25-year 24-hour storm event. The remaining ponds have a positive outfall.

The Master Stormwater Management System will also adhere to other requirements of SJRWMD and the City, which requires that all building finished floor elevations be constructed above the anticipated flood elevation for the 100-year, 72-hour storm event. The treatment of stormwater runoff will be provided in accordance with the design guidelines for retention/detention systems as mandated by the SJRWMD and the City. Stormwater runoff will be collected by curbs and stormwater conveyance surfaces with drainage inlets and an underground storm sewer pipe system conveyed to the retention/detention areas. The overall drainage system is shown on the Master Stormwater Plan attached as Exhibit C. The District may finance the cost of stormwater collection and treatment systems, as well as the construction and/or acquisition, and maintenance of said retention and detention areas. All of these improvements shall be owned and maintained by the District.

**Table 3**  
**Stormwater Master System**

Ponds	Acreage (AC.)
Phase 1	4.52
Phase 2	6.42
Phase 3	8.26
Phase 4	3.59
<b>TOTAL</b>	<b>22.79</b>

### 3.3 Master Public Roadway Systems On and Off-Site

The on-site roadway improvements associated with the Development may be and funded by the District and later turned over to the City for ownership and operation. The roadway improvements consist of two (2)-lane roads and a minimum of 22-foot pavement sections with curbs. The internal roadways will be public and may be funded by the District. The roadways will serve the various land uses within the Development. Construction of the roadways pavement will consist of an asphaltic concrete surface, sidewalks, signing and striping, landscaping, and landscaped hardscape features

The Master Project will provide for off-site roadway improvements at County Road 48 and Number 2 Road. These intersection improvements will include turn lane expansions and will be turned over to the County.

The off-site master public roadway improvements will be designed and constructed in accordance with the applicable County and Florida Department of Transportation (FDOT) standards. Please refer to Exhibit B for the depiction of the roadway systems within and adjacent to the Development.

The on-site and off-site roadway improvements will include utilities that will run within the road right-of-way of the internal roads within the Development and County Road 48, as described in 3.4. The utilities within these roadways (described in 3.4) and any landscaping/hardscaping related to these roadways (described in 3.5) will be developed as part of the improvements to the District. A stormwater drainage facility (as described in 3.2) may also be provided for these improvements within the Master Stormwater Management System. The District may finance these onsite and off-site roadways and convey such to the County or City, as applicable, upon completion.

### **3.4 Water Distribution, Sanitary Sewer Collection, and Reuse Water Distribution Systems**

The Master Project includes utilities within the right-of-way of the internal roads within the Development and off-site along County Road 48. The City will provide potable water and wastewater services for the District. The City will additionally provide reuse to the Development in the future. The Development has been designed with a reuse system within the internal roadways of the Development. Until the City can provide the Development with reuse water the Development will utilize potable water to supply the Development's reuse system. The major trunk lines, collection systems, and transmission mains to serve the District may be constructed or acquired by the District. The overall water distribution systems, sanitary sewer collection, and reuse water lines are shown on the Master Utility Plan Sheets, Exhibits D-1, D-2, and D-3.

The potable water facilities will include both transmission and distribution mains along with necessary valving, fire hydrants, and water services to individual lots and development parcels. It is currently estimated that these watermain of various sizes may be funded by the District.

The wastewater facilities will include gravity collection sewer services, mains and manholes. The three (3) new lift stations will be located within the District and will service the Development. These new lift stations along with the proposed on-site forcemain and offsite forcemain on County Road 48 will tie into the existing forcemain located on County Road 48. It is currently estimated that this gravity collection systems and forcemains may be financed by the District.

The design of the wastewater collection system, reuse water system, and the water distribution system for potable water and fire protection is in accordance with the criteria and guidelines of the City and the Florida Department of Environmental Protection (FDEP). Utility extensions within County Road 48 will also be included as part of the infrastructure improvements for the Development. All of these improvements are anticipated to be financed by the CDD and owned and maintained by the City of Leesburg Utilities.

### **3.5 Landscaping, Irrigation, and Entry Features**

Landscaping, irrigation and entry features may be financed by the District. The irrigation system will tie into the reuse system that will use potable water as provided by the City until the City can provide reuse to the Development. It is anticipated that the master reuse watermain to the various phases of development will be constructed or acquired by the CDD with District funds and subsequently turned over to the City. Landscaping for the roadways will consist of sod, shrubs, ground cover, and trees for the on-site roadway improvements within the Community. Monument signs and retaining walls at the site entrances of the Master Project. These items may be funded, owned, and/or maintained by the CDD.

### **3.6 Electrical Service Systems (Underground)**

Duke Energy will provide underground electrical service to the Community. The service will include the primary and secondary systems to serve the various land uses. The differential cost of undergrounding electric utilities may be financed by the District.

### **3.7 Conservation Areas**

The proposed development of the community will require mitigation of wetland communities for any impacts to the existing wetlands within the District and as part of the approvals for the Master Stormwater Management System. The permitting and approvals will require any mitigation be secured and payment of the costs of the mitigation, which is anticipated to be funded by the Developer. The remaining conservation area with the Development will be owned and maintained by the District.

### **3.8 Gas Service Systems**

The City will provide the underground gas service to the Community. The service will include the primary and secondary systems to serve the various land uses. The gas service may be financed by the District.

## **4.0 Opinion of Probable Construction Costs**

Exhibit F presents a summary of the estimated costs for the Master Project infrastructure described in this report.

Costs in Exhibit F are derived from expected quantities of the infrastructure multiplied by unit costs typical of the industry in Central Florida. Additionally included within these costs are professional consulting fees associated with the Master Project including planning, land surveying, design and engineering, legal fees, permitting, soil and material testing related to such infrastructure. These services are necessary for the design, permitting, and construction contract management for the Master Project infrastructure. The costs are exclusive of costs necessary to finance, operate, and/or maintain the Master Project infrastructure.

## **5.0 Permitting Status**

The District is in the City utility service area and has been approved as a PUD by the City. The City has approved Phase 1, Phase 2 and Phase 3 and Phase 4 has been submitted for approval. FDEP has approved Phase 1 and Phase 2 and Phase 3 have been submitted for approval. Phase 1 and Phase 4 offsite areas are waiting for County approval. SJRWMD has approved all phases. The Environmental Protection Agency (EPA) National Pollutant Discharge Elimination System (NPDES) has been obtained for Phase 1 and Phase 2. The NPDES is the responsibility of the contractor to obtain,

The District Engineer will certify that all permits necessary to complete the Master Project have either been obtained or, in his expert opinion, will be obtained and there is no reason to believe that the necessary permits cannot be obtained for the entire Development.

## **6.0 Engineer's Certification**

It is our opinion that the costs of the Master Project improvements proposed to 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. Such benefits will equal or be greater than the costs of such improvements. We have no reason to believe that the Master Project cannot be constructed at the cost described in this report. We expect all or a portion of the Master Project improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. Phase 1 and Phase 2 are under construction. We believe that the District will be well served by the improvements discussed in this report.

The Master Project will be owned by the District or other governmental units and such Master Project is intended to be available and will reasonably be available for use by the general public (either by being part of a system of improvements that is available to the general public or is otherwise available to the general public) including nonresidents of the District. All of the Master Project is or will be located on lands owned or to be owned by the District or another governmental entity or on perpetual public easements in favor of the District or other governmental entities. The Master Project, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on lots or property intended to be privately owned. Regarding any fill generated by construction of the Master Project, and that is not used as part of the Master Project, such fill will only be placed on-site at the expense of the Developer. If the District acquires portions of the Master Project, the District will pay the lesser of the cost of the components of the Master Project or the fair market value.

I hereby certify that the foregoing is a true and correct copy of the Engineer's Report for the Lake Harris Community Development District.

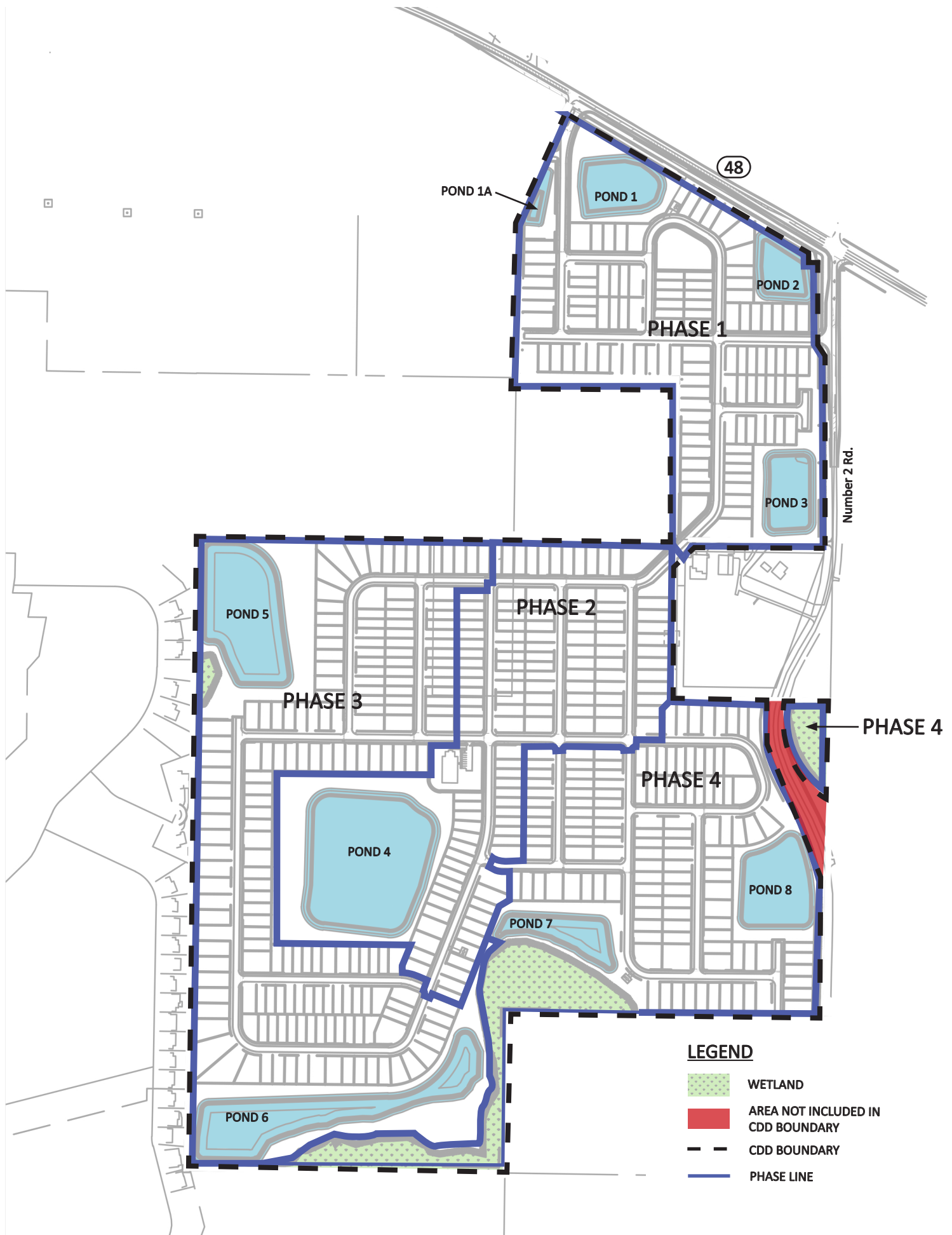
## **EXHIBIT A**

### **Location Map**



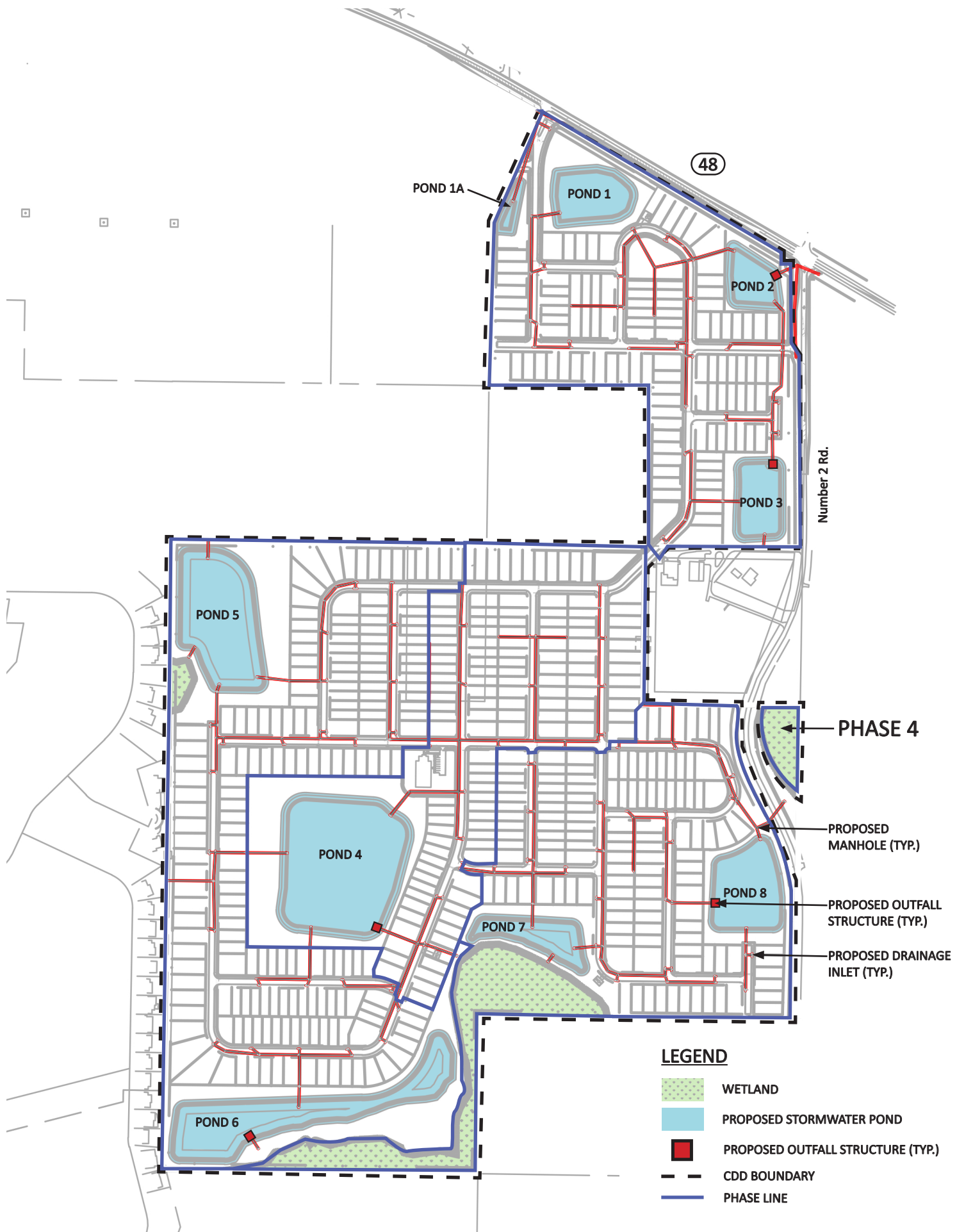
## **EXHIBIT B**

### **Overall Site Plan**



## **EXHIBIT C**

### **Stormwater Masterplan**



## **EXHIBIT D-1**

### **Wastewater Distribution Plan**



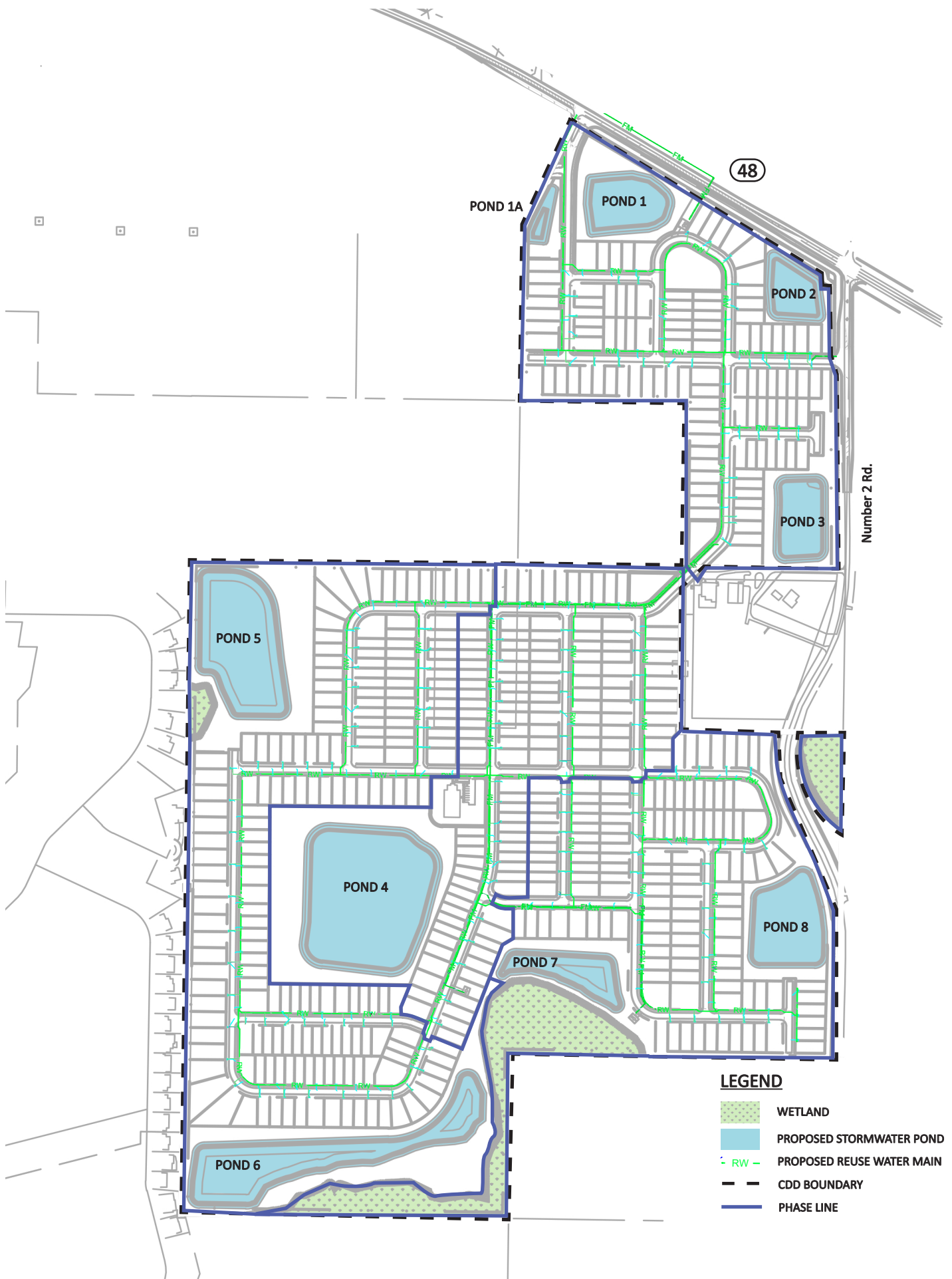
#### LEGEND

- WETLAND
- PROPOSED STORMWATER POND
- PROPOSED WASTEWATER LIFT STATION
- PROPOSED WASTEWATER MAIN
- CDD BOUNDARY
- PHASE LINE



## **EXHIBIT D-2**

### **Reuse Distribution Plan**



## **EXHIBIT D-3**

### **Water Distribution Plan**



## **EXHIBIT E**

### **Legal Description**

## EXHIBIT "A"

## THIS IS NOT A SURVEY

## LEGAL DESCRIPTION (BY SURVEYOR):

A parcel of land located in the East half of Section 18 and the Northeast quarter of Section 19, in Township 20 South, Range 25 East, Lake County, Florida. Said parcel being more particularly described as follows:

Commence at the East quarter corner of Section 18, Township 20 South, Range 25 East, thence along the East line of the Southeast quarter of Section 18 run South 44° 55' 10" West, 174.53 feet; thence North 59° 21' 38" West, 103.86 feet to the Point of Beginning; thence South 00° 18' 13" West, 28.97 feet; thence South 59° 21' 47" East, 28.97 feet to the Westerly right of way line of No 2 Road; thence along the Westerly right of way line the following three courses; South 00° 16' 09" West, 352.23 feet; thence South 19° 19' 06" East, 37.40 feet; South 00° 09' 16" East, 774.78 feet to the North line of the South half of the Southeast quarter of said Section 18; thence along said North line run North 89° 11' 38" West, 532.64 feet; thence leaving said North line run South 45° 49' 11" West, 140.01 feet to the West line of the Northeast quarter of the Southeast quarter of Section 18; thence along the said West line run South 00° 49' 40" West, 565.30 feet to the South line of the Northeast quarter of the Southeast quarter of the Southeast quarter of Section 18; thence along the South line run South 89° 12' 09" East, 410.43 feet to the Westerly right of way line of No. 2 Road; said point being on a curve concave Easterly, having a radius of 465.00 feet, a central angle of 40° 31' 07" and a chord of 322.03 feet that bears South 06° 17' 03" East; thence along the arc of said curve and said Westerly right of way a distance of 328.84 feet to the point of tangency; thence continue along said Westerly right of way the following two courses; run South 26° 32' 36" East, 222.98 feet to the point of curvature of a curve to the right, having a radius of 760.00 feet, a central angle of 27° 58' 08" and a chord of 367.32 feet that bears South 12° 33' 32" East; thence along the arc of said curve a distance of 370.99 feet to the point of tangency; thence South 01° 25' 32" West, 451.56 feet to the South line of the North half of the Northeast quarter of the Northeast quarter of Section 19, Township 20 South, Range 25 East; thence along the South line run North 89° 12' 08" West, 1296.66 feet to the West line of the South half of the Northeast quarter of the Northeast quarter of Section 19, Township 20 South, Range 25 East; thence along said West line run South 00° 53' 24" West, 662.10 feet to the South line of the North 1quarter of the Northeast quarter of Section 19; thence along the South line run North 89° 11' 15" West, 1329.02 feet to the West line of the Northeast quarter of Section 19; thence along said West line run North 00° 02' 23" East, 1323.53 feet to the North quarter corner of Section 19, also being the South quarter corner of the aforesaid Section 18; thence along the West line of the Southeast quarter of Section 18 run North 00° 33' 16" East, 1329.60 feet to the North line of the South half of the Southeast quarter of Section 18; thence along the North line run South 89° 11' 17" East, 1994.70 feet to the East line of the Southwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the East line run North 00° 50' 19" East, 664.29 feet to the North line of the Southwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the North line run North 89° 10' 24" West, 665.83 feet to West line of the Northwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the West line run North 00° 45' 05" East, 689.46 feet to the East line of Rumford Road, a.k.a. County District Road No 2—3220, as maintained at the edge of pavement on August 15, 2021; thence along the East line of Rumford Road the following eight courses; thence North 14° 17' 25" East, 5.23 feet; thence North 21° 41' 22" East, 45.63 feet; thence North 26° 36' 21" East, 51.50 feet; thence North 26° 56' 12" East, 51.79 feet; thence North 27° 29' 30" East, 116.04 feet; thence North 26° 48' 23" East, 67.20 feet; thence North 26° 38' 09" East, 59.46 feet; thence North 26° 47' 09" East, 56.05 feet; thence North 26° 05' 08" East, 38.32 feet to the South right of way line of County Road No. 48; thence along the South line run South 59° 21' 38" East, 1189.78 feet to the Point of Beginning.

Said parcel contains 162.53 acres, more or less.

## SURVEYORS NOTES

1. North and the bearings shown hereon are referenced to the West line of the Southwest 1/4 of Section 17, Township 20 South, Range 25 East as being North 00°55'10" East.
2. All measurements shown hereon are in U.S. Survey Feet.
3. An abstract of title was not performed by or furnished to this surveyor
4. Legal description was prepared by Maser Consulting, Inc. per client request and is based on deeds of record and a field survey to locate the controlling corners needed to establish the parcels and right-of-way shown in the legal description and sketch hereon.
5. This sketch meets the applicable "Standards of Practice" as set forth by the Florida Board of Professional Surveyors and Mappers in rule 5J17.050—.052, Florida Administrative Code. Not valid without the original signature and the raised seal or the electronic signature and computer generated seal of a Florida Licensed Surveyor and Mapper.

02/17/2022

**BRIAN K. HEFFNER, P.S.M.**  
MASER CONSULTING INC.

FLORIDA REGISTRATION No. 5370  
FLORIDA REGISTRATION No. LB 7388

DATE



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SKETCH OF DESCRIPTION  
FOR  
HANOVER LAND  
COMPANY, LLC

SECTION 17, TOWNSHIP 20  
SOUTH, RANGE 25 EAST  
LAKE COUNTY, FLORIDA



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ORLANDO OFFICE  
1101 North Lake Destiny Road  
Suite 415  
Maitland, FL 32751

Phone: 321.441.9405  
Fax: 813.281.1050

MCELYEA

SCALE:	DATE:	DRAWN BY:	CHECKED BY:
N/A	02/17/2022	CCH	BKH
PROJECT NUMBER:	DRAWING NAME:		
19002590A	MCELYEA BOUNDARY TOPO OVERALL		

SHEET TITLE:

PROJECT BOUNDARY

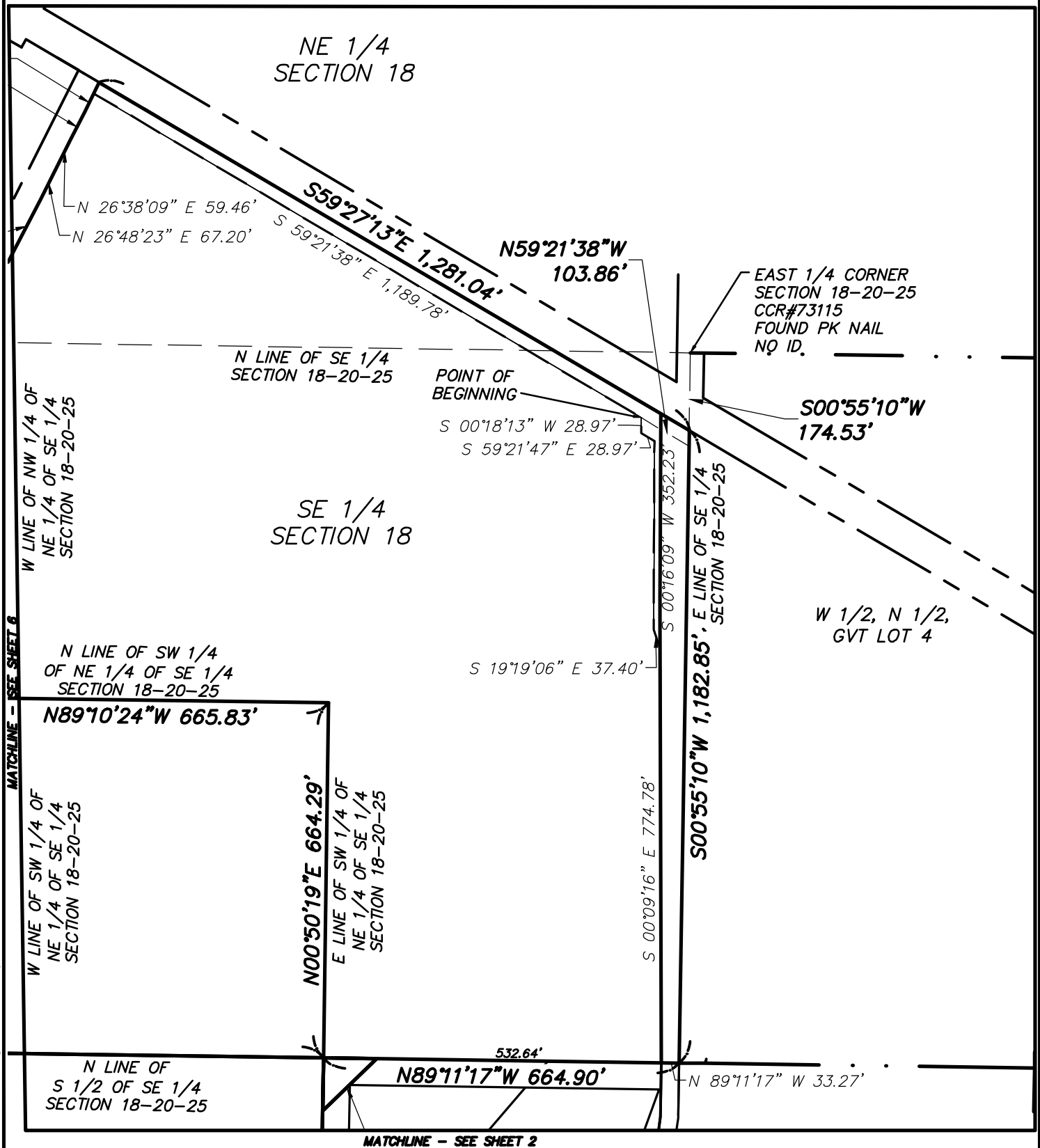
SHEET NUMBER:

1 OF 6

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EXHIBIT "A"

THIS IS NOT A SURVEY



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SKETCH OF DESCRIPTION  
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LAKE COUNTY, FLORIDA



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MCLEYEA

SCALE:	DATE:	DRAWN BY:	CHECKED BY:
N/A	02/17/2022	CCH	BKH

PROJECT NUMBER:	DRAWING NAME:
19002590A	MCLEYEA BOUNDARY TOPO OVERALL

SHEET TITLE:

PROJECT BOUNDARY

SHEET NUMBER:

2 OF 6

EXHIBIT "A"

THIS IS NOT A SURVEY

MATCHLINE - SEE SHEET 2

N LINE OF  
S 1/2 OF SE 1/4  
SECTION 18-20-25

OF SE 1/4  
SECTION 18-20-25

W LINE OF NE 1/4 OF  
SE 1/4 OF SE 1/4  
SECTION 18-20-25

S 00°49'40" W 565.30'

N89°11'17"W 664.90'

N 89°11'17" W 33.27'

N 1/2, NW 1/4, S 1/4  
GVT LOT 4

N 45°49'11" E 140.01'

S LINE OF NE 1/4 OF  
SE 1/4 OF SE 1/4  
SECTION 18-20-25

S89°12'09"E 663.84'

410.43'

R=465.00'

L=328.84'

Δ=40° 31' 07"

CHB=S 6° 17' 03" E

CHD=322.03'

S 26°32'36" E 222.98'

E LINE OF SE 1/4  
SECTION 18-20-25

S00°55'10"W 664.12'

MATCHLINE - SEE SHEET 5

N 13°01'E  
51.13'

S LINE OF SE 1/4  
SECTION 18-20-25

SE CORNER OF  
SECTION 18-20-25  
CCR 20127

R=760.00'

L=370.99'

Δ=27° 58' 08"

CHB=S 12° 33' 32" E

CHD=367.32'

S 01°25'32" W 451.56'

S LINE OF  
N 1/2 OF NE 1/4  
OF NE 1/4  
SECTION 19-20-25

N 89°12'08" W 1,296.66'

N89°12'08"W 1,327.29'

S89°12'08"E

30.64'

MATCHLINE - SEE SHEET 3



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PROJECT NUMBER: 19002590A DRAWING NAME: MCLEYEA BOUNDARY TOPO OVERALL

SHEET TITLE:

PROJECT BOUNDARY

SHEET NUMBER:

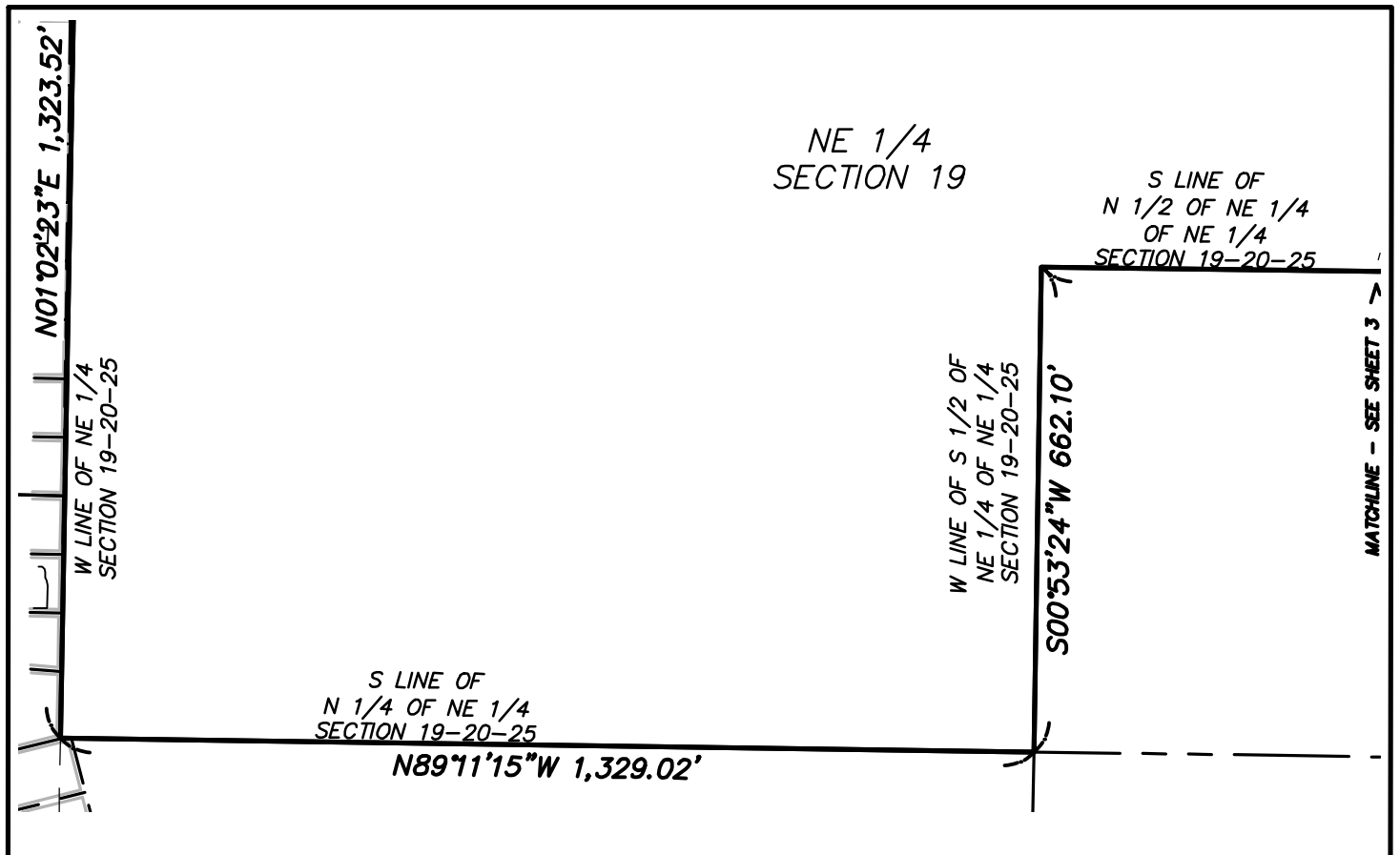
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PROJECT NUMBER: 19002590A DRAWING NAME: MCELYEA BOUNDARY TOPO OVERALL

SHEET TITLE:

PROJECT BOUNDARY

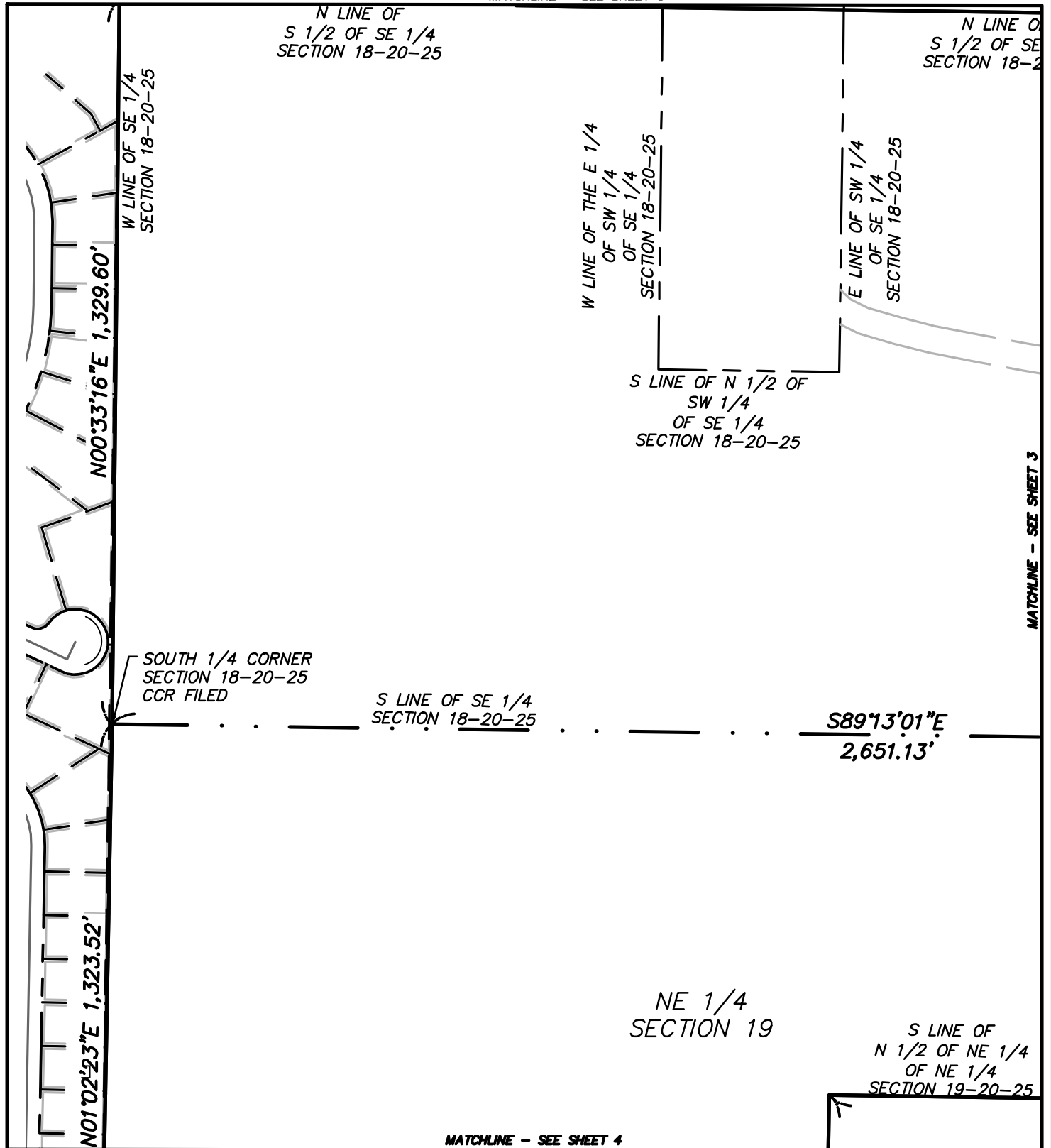
SHEET NUMBER:

4 OF 6

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By: BHEFNER  
A:\Publish\_5588\MCELYEA BOUNDARY TOPO OVERALL.dwg\Sketch 5



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SHEET NUMBER:

5 OF 6

EXHIBIT "A"

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NW 1/4  
SECTION 18

N 26°05'08" E 38.32'  
N 26°47'09" E 56.05'  
W LINE OF  
E 1/2 OF NE 1/4  
SECTION 18-20-25

N 27°29'30" E 116.04'  
N 26°56'12" E 51.79'  
N 26°36'21" E 51.50'  
N 21°41'22" E 45.63'  
N 14°17'25" E 6.25'

CENTER OF  
SECTION 18-20-25  
FOUND CONC MONUMENT

SW 1/4  
SECTION 18

N00°35'49"E  
1,329.59'

N00°43'54"E 688.47'

W LINE OF NW 1/4 OF  
NE 1/4 OF SE 1/4  
SECTION 18-20-25

N LINE OF  
OF NE 1/4  
SECTION  
N89°10'2"

W LINE OF SW 1/4 OF  
NE 1/4 OF SE 1/4  
SECTION 18-20-25

S89°11'17"E 1,994.70'

N LINE OF  
S 1/2 OF SE 1/4  
SECTION 18-20-25

N LINE  
S 1/2 OF  
SECTION 18

MATCHLINE - SEE SHEET 5



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SHEET TITLE:  
PROJECT BOUNDARY

SHEET NUMBER:  
6 OF 6

## **EXHIBIT F**

### **Opinion of Probable Construction Costs**

64875743v2/208788.010100

**Exhibit F**  
**Lake Harris CDD**

**Opinion of Probable Construction Costs**

<b>Proposed Improvements Cost</b>	<b>Total</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Phase 4</b>
1. Master Utilities System (Onsite)					
a. Sanitary Sewer System	2,714,490	\$ 638,101	\$ 818,392	\$ 532,766	\$ 725,231
b. Water Distribution System	1,935,854	\$ 390,791	\$ 549,356	\$ 539,462	\$ 456,245
c. Reuse Water System	1,426,313	\$ 256,068	\$ 417,901	\$ 439,593	\$ 312,751
2. Master Stormwater Management System					
a. Pond and Roadway Earthwork	5,694,041	\$ 2,704,019	\$ 820,394	\$ 1,561,407	\$ 608,220
b. On and Offsite Storm Conveyance System	2,937,715	\$ 547,391	\$ 788,572	\$ 884,176	\$ 717,575
3. Electrical Service Systems (Differential Cost of Underground)	813,000	\$ 165,000	\$ 184,500	\$ 274,500	\$ 189,000
4. Gas	581,159	\$ 149,159	\$ 123,000	\$ 183,000	\$ 126,000
5. On-Site Roadway Improvements	2,524,926	\$ 602,078	\$ 642,894	\$ 680,409	\$ 599,544
6. Off-Site Roadway Improvements	866,381	\$ 866,381			
7. Landscaping, Hardscaping and Irrigation	1,619,626	\$ 565,916	\$ 288,583	\$ 462,284	\$ 302,843
8. Professional Consulting Fees	1,073,168	\$ 642,473	\$ 182,002	\$ 132,891	\$ 115,802
9. Contingency (15%)	3,328,001	\$ 1,129,107	\$ 722,339	\$ 853,573	\$ 622,982
Total	<b>25,514,674</b>	<b>\$ 8,656,484</b>	<b>\$ 5,537,933</b>	<b>\$ 6,544,063</b>	<b>\$ 4,776,193</b>
Construction Start		10/1/2021	9/1/2022	6/1/2023	4/1/2024
Construction Completion		9/30/2022	6/30/2023	5/30/2024	2/28/2025

## SECTION 2

**MASTER  
ASSESSMENT METHODOLOGY REPORT  
  
FOR  
LAKE HARRIS  
COMMUNITY DEVELOPMENT DISTRICT**

**Date: July 27, 2022**

**Prepared by**

**Governmental Management Services – Central Florida, LLC  
219 E. Livingston Street  
Orlando, FL 32801**



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## **1.0 Introduction**

The Lake Harris Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes, as amended (the “District”). The District plans to issue up to \$30,735,000 of tax exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain infrastructure improvements within the District, more specifically described in the Master Engineer’s Report dated June 2, 2022 prepared by GAI Consultants, Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of public infrastructure improvements consisting of improvements that benefit property owners within the District.

### **1.1 Purpose**

This Master Assessment Methodology Report (the “Assessment Report”) provides for an assessment methodology for allocating the debt to be incurred by the District to benefiting properties within the District. This Assessment Report allocates the debt to properties based on the special benefits each receives from the District’s capital improvement plan (“CIP”). This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds. This Assessment Report is designed to conform to the requirements of Chapters 190 , 197, 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 impose non ad valorem special assessments on the benefited lands within the District based on this Assessment Report. It is anticipated that all of the proposed special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes, or any other legal means of collection available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 162.53 acres within the City of Leesburg, Lake County, Florida. The development program currently envisions approximately 542 residential units (herein the “Development”). The proposed Development program is depicted in Table 1. It is recognized that such land use plan may change, and this Assessment Report will be modified accordingly.

The public improvements contemplated by the District in the CIP will provide facilities that benefit certain property within the District. The CIP is delineated in the Engineer’s Report. Specifically, the District will construct and/or acquire certain sanitary sewer system, water distribution system, reuse water system, pond and

roadway earthwork, on and offsite stormwater conveyance system, differential costs of undergrounding electric utilities, gas, on-site roadway improvements, off-site roadway improvements, landscaping, hardscaping & irrigation, professional consulting fees and contingency. The CIP estimated 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 CIP.
2. The District Engineer determines the assessable acres that benefit from the District's CIP.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct CIP.
4. This amount is initially divided equally among the benefited properties on a prorated gross acreage basis. Ultimately, as land is platted, site planned, or subjected to a declaration of condominiums, this amount will be assigned to each of the benefited properties based on an ERU basis.

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

Improvements undertaken by the District create special and peculiar benefits to the assessable property, different in kind and degree than general benefits, for properties outside its borders as well as general benefits to the public at large.

However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to the assessable property within the District. The implementation of the CIP enables properties within its boundaries to be developed. Without the District's CIP, there would be no infrastructure to support development of land within the District. Without these improvements, the proposed Development of the property within the District would be prohibited by law.

There is no doubt that the general public and property owners outside the District will benefit from the provision of the District's CIP. However, these benefits will be incidental to the District's CIP, which is designed solely to meet the needs of property within the District. Properties outside the District boundaries do not depend upon the District's CIP. The property owners within the District are therefore receiving special benefits not received by those outside 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 improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

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

## **1.5 Special Benefits Exceed the Costs Allocated**

The special benefits provided to the property owners within the District are greater than the costs associated with providing these benefits. The District Engineer estimates that the District's CIP that is necessary to support full development of property will cost approximately \$25,514,674. The District's Underwriter projects that financing costs required to fund the infrastructure improvements, including project costs, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be approximately \$30,735,000. Additionally, funding required to complete the CIP which is not financed with Bonds will be funded by Hanover 623 Holdings, LLC or a related entity (the "Developer"). Without the CIP, the property would not be able to be developed per the Development program and occupied by future residents of the community.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District is planning to issue up to \$30,735,000 in Bonds, in one or more series, to fund the District's CIP, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$30,735,000 in debt to the properties benefiting from the CIP.

Table 1 identifies the proposed land uses as identified by the Developer and current landowners of the land within the District. The District has relied on the Engineer's Report to develop the costs of the CIP needed to support the Development, these construction costs are outlined in Table 2. The improvements needed to support the Development are described in detail in the Engineer's Report and are estimated to cost \$25,514,674. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the CIP and related costs was determined by the District's Underwriter to total approximately \$30,735,000. 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 is completed. The CIP funded by District Bonds benefits all developable acres within the District.

The initial assessments will be levied on an equal basis to all acres within 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 of the lands within the District are benefiting from the improvements.

Once platting, site planning, or the recording of declaration of condominium, ("Assigned Properties") has begun, the assessments will be allocated to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted, assigned development rights or subjected to a declaration of condominium, will continue to be assessed on a per acre basis ("Unassigned Properties"). Eventually the Development plan will be completed and the debt relating to the Bonds will be allocated to the planned 542 residential units within the District, which are the beneficiaries of the CIP, as depicted in Table 5 and Table 6. If there are changes to the 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 Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

## **2.3 Allocation of Benefit**

The CIP consists of sanitary sewer system, water distribution system, reuse water system, pond and roadway earthwork, on and offsite stormwater conveyance system, differential costs of undergrounding electric utilities, gas, on-site roadway improvements, off-site roadway improvements, landscaping, hardscaping & irrigation, professional consulting fees and contingency. There are three residential product types within the planned Development. The single family 50' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of the CIP costs and Bond debt to the particular land uses. It is important to note that the benefit derived from the improvements on the particular units exceeds the cost that the units 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 CIP will provide several types of systems, facilities and services for its residents. These include sanitary sewer system, water distribution system, reuse water system, pond and roadway earthwork, on and offsite stormwater conveyance system, differential costs of undergrounding electric utilities, gas, on-site roadway improvements, off-site roadway improvements, landscaping, hardscaping & irrigation, professional consulting fees and contingency. These improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the 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 as a result of their logical connection from the improvements in fact actually provided.

For the provision of CIP, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of 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 non-ad valorem special assessment levied for the improvement or the debt 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 Engineer's Report is delineated in Table 5 (expressed as 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 District's CIP have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the land use categories.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any non-ad valorem special assessment more than the

determined special benefit peculiar to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

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 units are built and sold as planned, and the entire proposed CIP is developed or acquired and financed by the District.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, 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 processed, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. In the case that the revenue generated is less than 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.

### **4.0 Assessment Roll**

The District will initially distribute the liens across the property within the District boundaries on a gross acreage basis. As Assigned Property becomes 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 changes, then the District will update Tables 1, 4, 5 & 6 to reflect the changes. As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to the time final Assigned Properties become known. At this time the debt associated with the District's CIP will be distributed evenly across the acres within the District. As the development process occurs, the debt will be distributed against the Assigned Property in the manner described in this Assessment Report. The current assessment roll is depicted in Table 7.

TABLE 1  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
DEVELOPMENT PROGRAM  
MASTER ASSESSMENT METHODOLOGY

Product Types	Phase 1	Phase 2	Phase 3	Phase 4	Total No. of Units*	ERUs per Unit (1)	Total ERUs
Single Family 40'	55	62	82	62	261	0.80	209
Single Family 50'	54	62	78	64	258	1.00	258
Single Family 65'	0	0	23	0	23	1.30	30
Total Units					542		497

(1) Benefit is allocated on an ERU basis; based on density of planned development, with a 50' Single Family unit equal to 1 ERU

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 2  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
INFRASTRUCTURE COST ESTIMATES  
MASTER ASSESSMENT METHODOLOGY

Capital Improvement Plan ("CIP") (1)	Amount
Sanitary Sewer System	\$2,714,490
Water Distribution System	\$1,935,854
Reuse Water System	\$1,426,313
Pond and Roadway Earthwork	\$5,694,041
On and Offsite Storm Conveyance System	\$2,937,714
Differential Cost Undergrounding Electric Utilities	\$813,000
Gas	\$581,159
On-Site Roadway Improvements	\$2,524,926
Off-site Roadway Improvements	\$866,381
Landscaping, Hardscaping and Irrigation	\$1,619,626
Professional Consulting Fees	\$1,073,168
Contingency	\$3,328,001
Total	\$25,514,674

(1) A detailed description of these improvements is provided in the Master Engineer's Report dated June 2, 2022

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
BOND SIZING  
MASTER ASSESSMENT METHODOLOGY

Description	Total
Construction Funds	\$25,514,674
Debt Service Reserve	\$2,353,489
Interest Reserve	\$1,997,775
Underwriters Discount	\$614,700
Cost of Issuance	\$254,362
<b>Par Amount*</b>	<b>\$30,735,000</b>

Bond Assumptions:

Average Coupon	6.50%
Amortization	30 years
Capitalized Interest	12 months
Debt Service Reserve	Max Annual D/S
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  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF BENEFIT  
MASTER ASSESSMENT METHODOLOGY

Product Types	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family 40'	261	0.80	209	42.04%	\$10,725,718	\$41,095
Single Family 50'	258	1.00	258	51.94%	\$13,253,042	\$51,368
Single Family 65'	23	1.30	30	6.02%	\$1,535,915	\$66,779
Totals	542		497	100.00%	\$25,514,674	

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF TOTAL BENEFIT/PAR DEBT TO EACH PRODUCT TYPE  
MASTER ASSESSMENT METHODOLOGY

Product Types	No. of Units *	Total Improvements Costs Per Product Type	Allocation of Par Debt Per Product Type	Par Debt Per Unit
Single Family 40'	261	\$10,725,718	\$12,920,210	\$49,503
Single Family 50'	258	\$13,253,042	\$15,964,627	\$61,878
Single Family 65'	23	\$1,535,915	\$1,850,164	\$80,442
Totals	542	\$25,514,674	\$30,735,000	

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 6  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE  
MASTER ASSESSMENT METHODOLOGY

Product Types	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'	261	\$12,920,210	\$49,503	\$989,347	\$3,790.60	\$4,032.55
Single Family 50'	258	\$15,964,627	\$61,878	\$1,222,469	\$4,738.25	\$5,040.69
Single Family 65'	23	\$1,850,164	\$80,442	\$141,674	\$6,159.73	\$6,552.90
Totals	542	\$30,735,000		\$2,353,489		

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

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 7  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT  
PRELIMINARY ASSESSMENT ROLL  
MASTER ASSESSMENT METHODOLOGY

Owner	Property*	Net Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Hanover 623 Holdings, LLC	182025000100000301	34.17	\$189,104	\$6,460,912	\$494,735	\$526,314
Hanover 623 Holdings, LLC	182025000400001900	5.07	\$189,104	\$958,755	\$73,415	\$78,101
Hanover 623 Holdings, LLC	182025000400002100	63.13	\$189,104	\$11,938,107	\$914,144	\$972,493
Hanover 623 Holdings, LLC	192025000100000100	60.05	\$189,104	\$11,355,857	\$869,559	\$925,063
Hanover 623 Holdings, LLC	182025000400004400	0.11	\$189,104	\$21,369	\$1,636	\$1,741
Totals		162.53		\$30,735,000	\$2,353,489	\$2,503,712

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

Annual Assessment Periods	30
Average Coupon Rate (%)	6.50%
Maximum Annual Debt Service	\$2,353,489

\* - See Metes and Bounds, attached as Exhibit A

Prepared by: Governmental Management Services - Central Florida, LLC

## EXHIBIT "A"

## THIS IS NOT A SURVEY

## LEGAL DESCRIPTION (BY SURVEYOR):

A parcel of land located in the East half of Section 18 and the Northeast quarter of Section 19, in Township 20 South, Range 25 East, Lake County, Florida. Said parcel being more particularly described as follows:

Commence at the East quarter corner of Section 18, Township 20 South, Range 25 East, thence along the East line of the Southeast quarter of Section 18 run South 44° 55' 10" West, 174.53 feet; thence North 59° 21' 38" West, 103.86 feet to the Point of Beginning; thence South 00° 18' 13" West, 28.97 feet; thence South 59° 21' 47" East, 28.97 feet to the Westerly right of way line of No 2 Road; thence along the Westerly right of way line the following three courses; South 00° 16' 09" West, 352.23 feet; thence South 19° 19' 06" East, 37.40 feet; South 00° 09' 16" East, 774.78 feet to the North line of the South half of the Southeast quarter of said Section 18; thence along said North line run North 89° 11' 38" West, 532.64 feet; thence leaving said North line run South 45° 49' 11" West, 140.01 feet to the West line of the Northeast quarter of the Southeast quarter of Section 18; thence along the said West line run South 00° 49' 40" West, 565.30 feet to the South line of the Northeast quarter of the Southeast quarter of the Southeast quarter of Section 18; thence along the South line run South 89° 12' 09" East, 410.43 feet to the Westerly right of way line of No. 2 Road; said point being on a curve concave Easterly, having a radius of 465.00 feet, a central angle of 40° 31' 07" and a chord of 322.03 feet that bears South 06° 17' 03" East; thence along the arc of said curve and said Westerly right of way a distance of 328.84 feet to the point of tangency; thence continue along said Westerly right of way the following two courses; run South 26° 32' 36" East, 222.98 feet to the point of curvature of a curve to the right, having a radius of 760.00 feet, a central angle of 27° 58' 08" and a chord of 367.32 feet that bears South 12° 33' 32" East; thence along the arc of said curve a distance of 370.99 feet to the point of tangency; thence South 01° 25' 32" West, 451.56 feet to the South line of the North half of the Northeast quarter of the Northeast quarter of Section 19, Township 20 South, Range 25 East; thence along the South line run North 89° 12' 08" West, 1296.66 feet to the West line of the South half of the Northeast quarter of the Northeast quarter of Section 19, Township 20 South, Range 25 East; thence along said West line run South 00° 53' 24" West, 662.10 feet to the South line of the North 1quarter of the Northeast quarter of Section 19; thence along the South line run North 89° 11' 15" West, 1329.02 feet to the West line of the Northeast quarter of Section 19; thence along said West line run North 00° 02' 23" East, 1323.53 feet to the North quarter corner of Section 19, also being the South quarter corner of the aforesaid Section 18; thence along the West line of the Southeast quarter of Section 18 run North 00° 33' 16" East, 1329.60 feet to the North line of the South half of the Southeast quarter of Section 18; thence along the North line run South 89° 11' 17" East, 1994.70 feet to the East line of the Southwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the East line run North 00° 50' 19" East, 664.29 feet to the North line of the Southwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the North line run North 89° 10' 24" West, 665.83 feet to West line of the Northwest quarter of the Northeast quarter of the Southeast quarter of Section 18; thence along the West line run North 00° 45' 05" East, 689.46 feet to the East line of Rumford Road, a.k.a. County District Road No 2-3220, as maintained at the edge of pavement on August 15, 2021; thence along the East line of Rumford Road the following eight courses; thence North 14° 17' 25" East, 5.23 feet; thence North 21° 41' 22" East, 45.63 feet; thence North 26° 36' 21" East, 51.50 feet; thence North 26° 56' 12" East, 51.79 feet; thence North 27° 29' 30" East, 116.04 feet; thence North 26° 48' 23" East, 67.20 feet; thence North 26° 38' 09" East, 59.46 feet; thence North 26° 47' 09" East, 56.05 feet; thence North 26° 05' 08" East, 38.32 feet to the South right of way line of County Road No. 48; thence along the South line run South 59° 21' 38" East, 1189.78 feet to the Point of Beginning.

Said parcel contains 162.53 acres, more or less.

## SURVEYORS NOTES

1. North and the bearings shown hereon are referenced to the West line of the Southwest 1/4 of Section 17, Township 20 South, Range 25 East as being North 00°55'10" East.
2. All measurements shown hereon are in U.S. Survey Feet.
3. An abstract of title was not performed by or furnished to this surveyor
4. Legal description was prepared by Maser Consulting, Inc. per client request and is based on deeds of record and a field survey to locate the controlling corners needed to establish the parcels and right-of-way shown in the legal description and sketch hereon.
5. This sketch meets the applicable "Standards of Practice" as set forth by the Florida Board of Professional Surveyors and Mappers in rule 5J17.050-.052, Florida Administrative Code. Not valid without the original signature and the raised seal or the electronic signature and computer generated seal of a Florida Licensed Surveyor and Mapper.

02/17/2022

**BRIAN K. HEFFNER, P.S.M.**  
MASER CONSULTING INC.

FLORIDA REGISTRATION No. 5370  
FLORIDA REGISTRATION No. LB 7388

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■ TEXAS  
■ TENNESSEE  
■ COLORADO  
■ VIRGINIA

SKETCH OF DESCRIPTION  
FOR  
HANOVER LAND  
COMPANY, LLC

SECTION 17, TOWNSHIP 20  
SOUTH, RANGE 25 EAST  
LAKE COUNTY, FLORIDA



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Fax: 813.281.1050

MCLEYEA

SCALE:	DATE:	DRAWN BY:	CHECKED BY:
N/A	02/17/2022	CCH	BKH
PROJECT NUMBER:	DRAWING NAME:		
19002590A	MCLEYEA BOUNDARY TOPO OVERALL		

SHEET TITLE:  
**PROJECT BOUNDARY**

SHEET NUMBER:  
**I OF 6**

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## SECTION 4

## RESOLUTION 2022-31

A RESOLUTION AUTHORIZING DISTRICT PROJECTS FOR CONSTRUCTION AND/OR ACQUISITION OF INFRASTRUCTURE IMPROVEMENTS; EQUALIZING, APPROVING, CONFIRMING, AND LEVYING SPECIAL ASSESSMENTS ON PROPERTY SPECIALLY BENEFITED BY SUCH PROJECTS TO PAY THE COST THEREOF; PROVIDING FOR THE PAYMENT AND THE COLLECTION OF SUCH SPECIAL ASSESSMENTS BY THE METHODS PROVIDED FOR BY CHAPTERS 170, 190, AND 197, FLORIDA STATUTES; CONFIRMING THE DISTRICT'S INTENTION TO ISSUE SPECIAL ASSESSMENT BONDS; MAKING PROVISIONS FOR TRANSFERS OF REAL PROPERTY TO GOVERNMENTAL BODIES; PROVIDING FOR THE RECORDING OF AN ASSESSMENT NOTICE; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

### RECITALS

**WHEREAS**, Lake Harris Community Development District ("**District**") previously indicated its intention to construct certain types of infrastructure improvements and to finance such infrastructure improvements through the issuance of bonds, which bonds would be repaid by the imposition of special assessments on benefited property within the District; and

**WHEREAS**, the District Board of Supervisors ("**Board**") noticed and conducted a public hearing pursuant to Chapters 170, 190, and 197, *Florida Statutes*, relating to the imposition, levy, collection and enforcement of such assessments.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to Chapters 170, 190, and 197, *Florida Statutes*, including without limitation, section 170.08, *Florida Statutes*.

**SECTION 2. FINDINGS.** The Board hereby finds and determines as follows:

(a) The District is a local unit of special-purpose government organized and existing under and pursuant to Chapter 190, *Florida Statutes*, as amended.

(b) The District is authorized by Chapter 190, *Florida Statutes*, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct certain infrastructure improvements (the "**Improvements**").

(c) The District is authorized by Chapter 190, *Florida Statutes*, to levy and impose special assessments to pay all, or any part of, the cost of such infrastructure projects and services and to issue special assessment revenue bonds payable from such special assessments as provided in Chapters 170, 190, and 197, *Florida Statutes*.

(d) It is necessary to the public health, safety and welfare and in the best interests of the District that (i) the District provide the project (the “**Project**”), the nature and location of which was initially described in Resolution 2022-25 and more particularly described in the *Master Engineer’s Report*, dated June 2, 2022 (the “**Engineer’s Report**”) (attached as **Exhibit A** hereto and incorporated herein by this reference), and which Project’s plans and specifications are on file at 219 East Livingston Street, Orlando, Florida 32801 (“**District Manager’s Offices**”); (ii) the cost of such Project be assessed against the lands specially benefited by such Project; and (iii) the District issue bonds to provide funds for such purposes pending the receipt of such special assessments.

(e) The provision of said Project, the levying of such Assessments (hereinafter defined) and the sale and issuance of such bonds serves a proper, essential, and valid public purpose and is in the best interests of the District, its landowners, and residents.

(f) In order to provide funds with which to pay all or a portion of the costs of the Project which are to be assessed against the benefitted properties, pending the collection of such Assessments, it is necessary for the District from time to time to sell and issue its special assessment bonds, in one or more series (the “**Bonds**”).

(g) By Resolution 2022-25, the Board determined to provide the Project and to defray the costs thereof by making Assessments on benefited property and expressed an intention to issue Bonds, notes or other specific financing mechanisms to provide a portion of the funds needed for the Project prior to the collection of such Assessments. Resolution 2022-25 was adopted in compliance with the requirements of section 170.03, *Florida Statutes*, and prior to the time it was adopted, the requirements of section 170.04, *Florida Statutes*, had been met.

(h) As directed by Resolution 2022-25, said Resolution 2022-25 was published as required by section 170.05, *Florida Statutes*, and a copy of the publisher's affidavit of publication is on file with the Secretary of the District.

(i) As directed by Resolution 2022-25, a preliminary assessment roll was adopted and filed with the Board as required by section 170.06, *Florida Statutes*.

(j) As required by section 170.07, *Florida Statutes*, upon completion of the preliminary assessment roll, the Board adopted Resolution 2022-26, fixing the time and place of a public hearing at which owners of the property to be assessed and other persons interested therein may appear before the Board and be heard as to (1) the propriety and advisability of making the

infrastructure improvements, (2) the cost thereof, (3) the manner of payment therefore, and (4) the amount thereof to be assessed against each specially benefited property or parcel so improved and provided for publication of notice of such public hearing and individual mailed notice in accordance with Chapters 170, 190, and 197, *Florida Statutes*.

(k) Notice of such public hearing was given by publication and also by mail as required by section 170.07, *Florida Statutes*. Affidavits as to such publications and mailings are on file in the office of the Secretary of the District.

(l) On July 27, 2022, at the time and place specified in Resolution 2022-26 and the notice referred to in paragraph (k) above, the Board met as an Equalization Board, conducted such public hearing, and heard and considered all complaints and testimony as to the matters described in paragraph (j) above. The Board has made such modifications in the preliminary assessment roll as it deems necessary, just and right in the making of the final assessment roll.

(m) Having considered the estimated costs of the Project, estimates of financing costs and all complaints and evidence presented at such public hearing, the Board further finds and determines:

(i) that the estimated costs of the Project is as specified in the Engineer's Report, which Engineer's Report is hereby adopted and approved, and that the amount of such costs is reasonable and proper; and

(ii) it is reasonable, proper, just and right to assess the cost of such Project against the properties specially benefited thereby using the method determined by the Board set forth in the *Master Assessment Methodology Report*, dated July 27, 2022 (the "**Assessment Report**," attached hereto as **Exhibit B** and incorporated herein by this reference), for the Bonds, which results in the special assessments set forth on the final assessment roll included within such Exhibit B (the "**Assessments**"); and

(iii) the Assessment Report is hereby approved, adopted and confirmed. The District authorizes its use in connection with the issuance of the Bonds;

(iv) it is hereby declared that the Project will constitute a special benefit to all parcels of real property listed on said final assessment roll and that the special benefit, in the case of each such parcel, will be equal to or in excess of the Assessments thereon when allocated as set forth in Exhibit B;

(v) it is in the best interests of the District that the Assessments be paid and collected as herein provided; and

(vi) it is reasonable, proper, just and right for the District to utilize the true-up

mechanisms and calculations contained in the Assessment Report in order to ensure that all parcels of real property benefiting from the Project are assessed accordingly and that sufficient assessment receipts are being generated in order to pay the corresponding bond debt-service when due;

**SECTION 3. AUTHORIZATION OF DISTRICT PROJECT.** That certain Project for construction of infrastructure improvements initially described in Resolution 2022-25, and more specifically identified and described in Exhibit A attached hereto, is hereby authorized and approved and the proper officers, employees and/or agents of the District are hereby authorized and directed to take such further action as may be necessary or desirable to cause the same to be made.

**SECTION 4. ESTIMATED COST OF IMPROVEMENTS.** The total estimated costs of the Project and the costs to be paid by Assessments on all specially benefited property are set forth in Exhibits A and B, respectively, hereto.

**SECTION 5. EQUALIZATION, APPROVAL, CONFIRMATION AND LEVY OF SPECIAL ASSESSMENTS.** The Assessments on the parcels specially benefited by the Project, all as specified in the final assessment roll set forth in Exhibit B, attached hereto, are hereby equalized, approved, confirmed and levied. Immediately following the adoption of this Resolution these Assessments, as reflected in Exhibit B, attached hereto, shall be recorded by the Secretary of the Board of the District in a special book, to be known as the "Improvement Lien Book." The Assessment or Assessments against each respective parcel shown on such final assessment roll and interest, costs and penalties thereon, as hereafter provided, shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims. Prior to the issuance of any Bonds, including refunding bonds, the District may, by subsequent resolution, adjust the acreage assigned to particular parcel identification numbers listed on the final assessment roll to reflect accurate apportionment of acreage within the District amongst individual parcel identification numbers. The District may make any other such acreage and boundary adjustments to parcels listed on the final assessment roll as may be necessary in the best interests of the District as determined by the Board by subsequent resolution. Any such adjustment in the assessment roll shall be consistent with the requirements of law. In the event the issuance of Bonds, including refunding bonds, by the District would result in a decrease of the Assessments, then the District shall by subsequent resolution, adopted within sixty (60) days of the sale of such Bonds at a publicly noticed meeting and without the need for further public hearing, evidence such a decrease and amend the final assessment roll as shown in the Improvement Lien Book to reflect such a decrease.

**SECTION 6. FINALIZATION OF SPECIAL ASSESSMENTS.** When the entire Project has both been constructed or otherwise provided to the satisfaction of the Board, the Board shall adopt a resolution accepting the same and determining the actual costs (including financing costs) thereof, as required by sections 170.08 and 170.09, *Florida Statutes*. Pursuant to the provisions

of section 170.08, *Florida Statutes*, regarding completion of a project funded by a particular series of bonds, the District shall credit to each Assessment the difference, if any, between the Assessment as hereby made, approved and confirmed and the proportionate part of the actual costs of the Project, as finally determined upon completion thereof, but in no event shall the final amount of any such special assessment exceed the amount of benefits originally assessed hereunder. In making such credits, no credit shall be given for bond financing costs, capitalized interest, funded reserves or bond discounts. Such credits, if any, shall be entered in the Improvement Lien Book. Once the final amount of Assessments for the entire Project has been determined, the term "Assessment" shall, with respect to each parcel, mean the sum of the costs of the Project.

## **SECTION 7. PAYMENT OF SPECIAL ASSESSMENTS AND METHOD OF COLLECTION.**

(a) The Assessments may be paid in not more than thirty (30) substantially equal consecutive annual installments of principal and interest. The Assessments may be paid in full without interest at any time within thirty (30) days after the completion of the Project and the adoption by the Board of a resolution accepting the Project as further provided in section 170.09, *Florida Statutes*, unless such option has been waived by the owner of the land subject to the Assessments; provided, however, that the Board shall at any time make such adjustments by resolution, at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually issued by the District. At any time subsequent to thirty (30) days after the Project has been completed and a resolution accepting the Project has been adopted by the Board, the Assessments may be prepaid in full including interest amounts to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within forty-five (45) calendar days before an interest payment date. Subject to the provisions of any supplemental assessment resolution, any owner of property subject to Assessments may prepay the entire remaining balance of the Assessments at any time, or a portion of the remaining balance of the Assessment one time, if there is also paid, in addition to the prepaid principal balance of the Assessment, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date, or, if prepaid during the forty-five day (45) period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date. Prepayment of Assessments does not entitle the property owner to any discounts for early payment.

(b) The District may elect to use the method of collecting Assessments authorized by sections 197.3632 and 197.3635, *Florida Statutes* (the "**Uniform Method**"). The District has heretofore taken or will use its best efforts to take as timely required, any necessary actions to comply with the provisions of said sections 197.3632 and 197.3635, *Florida Statutes*. Such Assessments may be subject to all of the collection provisions of Chapter 197, *Florida Statutes*. Notwithstanding the above, in the event the Uniform Method of collecting its special or non-ad valorem assessments is not available to the District in any year, or if determined by the District to be in its best interest, the Assessments may be collected as is otherwise permitted by law. The

District may, in its sole discretion, collect Assessments by directly assessing landowner(s) and enforcing said collection in any manner authorized by law.

(c) For each year the District uses the Uniform Method, the District shall enter into an agreement with the Tax Collector of Lake County who may notify each owner of a lot or parcel within the District of the amount of the special assessment, including interest thereon, in the manner provided in section 197.3635, *Florida Statutes*.

#### **SECTION 8. APPLICATION OF TRUE-UP PAYMENTS.**

(a) Pursuant to the Assessment Report, attached hereto as Exhibit B, there may be required from time to time certain true-up payments. As parcels of land or lots are platted, site planned, or subjected to a declaration of condominium (all such processes shall be referred to in this Section 8 as 'plats,' 'platted,' and/or 'platting'), the Assessments securing the Bonds shall be allocated as set forth in the Assessment Report. In furtherance thereof, at such time as parcels or land or lots are platted, it shall be an express condition of the lien established by this Resolution that any and all plats of any portion of the lands within the District, as the District's boundaries may be amended from time to time, shall be presented to the District Manager for review and approval. The District Manager shall cause the Assessments securing each series of Bonds issued to be reallocated to the units being platted and the remaining property in accordance with Exhibit B, cause such reallocation to be recorded in the District's Improvement Lien Book, and shall perform the true-up calculations described in Exhibit B, which process is incorporated herein as if fully set forth. No further action by the Board of Supervisors shall be required. The District's review and approval shall be limited solely to this function and the enforcement of the lien established by this Resolution. Any resulting true-up payment shall become due and payable that tax year by the landowner(s) of record of the remaining unplatted property, in addition to the regular assessment installment payable with respect to such remaining unplatted acres.

(b) The District will take all necessary steps to ensure that true-up payments are made in a timely fashion to ensure its debt service obligations are met. The District shall record all true-up payments in its Improvement Lien Book.

(c) The foregoing is based on the District's understanding that the Developer intends to develop the unit numbers and types shown in Exhibit B, on the net developable acres and is intended to provide a formula to ensure that the appropriate ratio of the Assessments to gross acres is maintained if fewer units are developed. However, no action by the District prohibits more than the maximum units shown in Exhibit B from being developed. In no event shall the District collect Assessments pursuant to this Resolution in excess of the total debt service related to the Project, including all costs of financing and interest. The District recognizes that such events as regulatory requirements and market conditions may affect the timing and scope of the development in the District. If the strict application of the true-up methodology, as described in the Assessment Report, to any assessment reallocation pursuant to this paragraph would result

in Assessments collected in excess of the District's total debt service obligation for the Project, the Board shall by resolution take appropriate action to equitably reallocate the Assessments. Further, upon the District's review of the final plat for the developable acres, any unallocated Assessments shall become due and payable and must be paid prior to the District's approval of that plat.

(d) The application of the monies received from true-up payments or Assessments to the actual debt service obligations of the District, whether long term or short term, shall be set forth in the supplemental assessment resolution adopted for each series of Bonds actually issued. Such subsequent resolution shall be adopted at a noticed meeting of the District, and shall set forth the actual amounts financed, costs of issuance, expected costs of collection, and the total amount of the assessments pledged to that issue, which amount shall be consistent with the lien imposed by this Resolution. Each such supplemental resolution shall also address the allocation of any impact fee credits expected to be received from the provision of the Project funded by the corresponding series of Bonds issued or to be issued.

**SECTION 9. PROPERTY OWNED BY HOMEOWNERS ASSOCIATIONS, PROPERTY OWNERS ASSOCIATIONS OR GOVERNMENTAL ENTITIES.** Property owned by units of local, state, and federal government shall not be subject to the Special Assessments without specific consent thereto. In addition, property owned by a property owners association or homeowners association that is exempt from special assessments under Florida law shall not be subject to the Special Assessments. If at any time, any real property on which Special Assessments are imposed by this Resolution is sold or otherwise transferred to a unit of local, state, or federal government (without consent of such governmental unit to the imposition of Special Assessments thereon), all future unpaid Special Assessments for such tax parcel shall become due and payable immediately prior to such transfer without any further action of the District.

**SECTION 10. ASSESSMENT NOTICE.** The District's Secretary is hereby directed to record a general Notice of Assessments in the Official Records of Lake County, Florida, which shall be updated from time to time in a manner consistent with changes in the boundaries of the District.

**SECTION 11. SEVERABILITY.** If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this Resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

**SECTION 12. CONFLICTS.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

**SECTION 13. EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

**[Remainder of page intentionally left blank.]**

**APPROVED AND ADOPTED THIS 27th DAY OF JULY 2022.**

**DISTRICT** **LAKE HARRIS COMMUNITY DEVELOPMENT**

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

\_\_\_\_\_  
Chairman, Board of Supervisors

**Exhibit A:** *Master Engineer's Report, dated June 2, 2022*

**Exhibit B:** *Master Assessment Methodology Report, dated July 27, 2022*

## SECTION B

# SECTION 1

**RESOLUTION 2022-32**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT ADOPTING RULES OF PROCEDURE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Lake Harris Community Development District ("**District**") is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*; and

**WHEREAS**, Chapter 190, *Florida Statutes*, authorizes the District to adopt rules to govern the administration of the District and to adopt resolutions as may be necessary for the conduct of District business; and

**WHEREAS**, to provide for efficient and effective District operations and to maintain compliance with recent changes to Florida law, the Board of Supervisors finds that it is in the best interests of the District to adopt by resolution the Rules of Procedure attached hereto as **Exhibit A** for immediate use and application; and

**WHEREAS**, the Board of Supervisors has complied with applicable Florida law concerning rule development and adoption.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The attached Rules of Procedure are hereby adopted pursuant to this resolution as necessary for the conduct of District business. These Rules of Procedure shall stay in full force and effect until such time as the Board of Supervisors may amend these rules in accordance with Chapter 190, *Florida Statutes*.

**SECTION 2.** If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 3.** This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 27th day of July 2022.

**ATTEST:**

**LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chair/Vice Chair, Board of Supervisors

**Exhibit A:** Rules of Procedure

**EXHIBIT A**  
RULES OF PROCEDURE

**RULES OF PROCEDURE  
LAKE HARRIS COMMUNITY DEVELOPMENT DISTRICT**

**EFFECTIVE AS OF July 27, 2022**

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**Rule 1.0      General.**

- (1) The Lake Harris Community Development District (the “District”) was created pursuant to the provisions of Chapter 190 of the Florida Statutes, and was established to provide for the ownership, operation, maintenance, and provision of various capital facilities and services within its jurisdiction. The purpose of these rules (the “Rules”) is to describe the general operations of the District.
- (2) Definitions located within any section of these Rules shall be applicable within all other sections, unless specifically stated to the contrary.
- (3) Unless specifically permitted by a written agreement with the District, the District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (4) A Rule of the District shall be effective upon adoption by affirmative vote of the District Board. After a Rule becomes effective, it may be repealed or amended only through the rulemaking procedures specified in these Rules. Notwithstanding, the District may immediately suspend the application of a Rule if the District determines that the Rule conflicts with Florida law. In the event that a Rule conflicts with Florida law and its application has not been suspended by the District, such Rule should be interpreted in the manner that best effectuates the intent of the Rule while also complying with Florida law. If the intent of the Rule absolutely cannot be effectuated while complying with Florida law, the Rule shall be automatically suspended.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Rule 1.1      Board of Supervisors; Officers and Voting.**

- (1) Board of Supervisors. The Board of Supervisors of the District (the “Board”) shall consist of five (5) members. Members of the Board (“Supervisors”) appointed by ordinance or rule or elected by landowners must be citizens of the United States of America and residents of the State of Florida. Supervisors elected or appointed by the Board to elector seats must be citizens of the United States of America, residents of the State of Florida and of the District and registered to vote with the Supervisor of Elections of the county in which the District is located and for those elected, shall also be qualified to run by the Supervisor of Elections. The Board shall exercise the powers granted to the District under Florida law.
  - (a) Supervisors shall hold office for the term specified by Section 190.006 of the Florida Statutes. If, during the term of office, any Board member(s) vacates their office, the remaining member(s) of the Board shall fill the vacancies by appointment for the remainder of the term(s). If three or more vacancies exist at the same time, a quorum, as defined herein, shall not be required to appoint replacement Board members.
  - (b) Three (3) members of the Board shall constitute a quorum for the purposes of conducting business, exercising powers and all other purposes. A Board member shall be counted toward the quorum if physically present at the meeting, regardless of whether such Board member is prohibited from, or abstains from, participating in discussion or voting on a particular item.
  - (c) Action taken by the Board shall be upon a majority vote of the members present, unless otherwise provided in the Rules or required by law. Subject to Rule 1.3(10), a Board member participating in the Board meeting by teleconference or videoconference shall be entitled to vote and take all other action as though physically present.
  - (d) Unless otherwise provided for by an act of the Board, any one Board member may attend a mediation session on behalf of the Board. Any agreement resulting from such mediation session must be approved pursuant to subsection (1)(c) of this Rule.
- (2) Officers. At the first Board meeting held after each election where the newly elected members take office, the Board shall select a Chairperson, Vice-Chairperson, Secretary, Assistant Secretary, and Treasurer.
  - (a) The Chairperson must be a member of the Board. If the Chairperson resigns from that office or ceases to be a member of the Board, the Board shall select a Chairperson. The Chairperson serves at the pleasure of the Board. The Chairperson shall be authorized to execute resolutions and contracts on the District’s behalf. The Chairperson shall convene and conduct all meetings of the Board. In the event the Chairperson is unable

to attend a meeting, the Vice-Chairperson shall convene and conduct the meeting. The Chairperson or Vice-Chairperson may delegate the responsibility of conducting the meeting to the District's manager ("District Manager") or District Counsel, in whole or in part.

- (b) The Vice-Chairperson shall be a member of the Board and shall have such duties and responsibilities as specifically designated by the Board from time to time. The Vice-Chairperson has the authority to execute resolutions and contracts on the District's behalf in the absence of the Chairperson. If the Vice-Chairperson resigns from office or ceases to be a member of the Board, the Board shall select a Vice-Chairperson. The Vice-Chairperson serves at the pleasure of the Board.
- (c) The Secretary of the Board serves at the pleasure of the Board and need not be a member of the Board. The Secretary shall be responsible for maintaining the minutes of Board meetings and may have other duties assigned by the Board from time to time. An employee of the District Manager may serve as Secretary. The Secretary shall be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (d) The Treasurer need not be a member of the Board but must be a resident of the State of Florida. The Treasurer shall perform duties described in Section 190.007(2) and (3) of the Florida Statutes, as well as those assigned by the Board from time to time. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall either be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (e) In the event that both the Chairperson and Vice-Chairperson are absent from a Board meeting and a quorum is present, the Board may designate one of its members or a member of District staff to convene and conduct the meeting. In such circumstances, any of the Board members present are authorized to execute agreements, resolutions, and other documents approved by the Board at such meeting. In the event that the Chairperson and Vice-Chairperson are both unavailable to execute a document previously approved by the Board, the Secretary or any Assistant Secretary may execute such document.

- (f) The Board may assign additional duties to District officers from time to time, which include, but are not limited to, executing documents on behalf of the District.
  - (g) The Chairperson, Vice-Chairperson, and any other person authorized by District Resolution may sign checks and warrants for the District, countersigned by the Treasurer or other persons authorized by the Board.
- (3) Committees. The Board may establish committees of the Board, either on a permanent or temporary basis, to perform specifically designated functions. Committees may include individuals who are not members of the Board. Such functions may include, but are not limited to, review of bids, proposals, and qualifications, contract negotiations, personnel matters, and budget preparation.
- (4) Record Book. The Board shall keep a permanent record book entitled "Record of Proceedings," in which shall be recorded minutes of all meetings, resolutions, proceedings, certificates, and corporate acts. The Records of Proceedings shall be located at a District office and shall be available for inspection by the public.
- (5) Meetings. For each fiscal year, the Board shall establish a schedule of regular meetings, which shall be published in a newspaper of general circulation in the county in which the District is located and filed with the local general-purpose governments within whose boundaries the District is located. All meetings of the Board and Committees serving an advisory function shall be open to the public in accord with the provisions of Chapter 286 of the Florida Statutes.
- (6) Voting Conflict of Interest. The Board shall comply with Section 112.3143 of the Florida Statutes, so as to ensure the proper disclosure of conflicts of interest on matters coming before the Board for a vote. For the purposes of this section, "voting conflict of interest" shall be governed by the Florida Constitution and Chapters 112 and 190 of the Florida Statutes, as amended from time to time. Generally, a voting conflict exists when a Board member is called upon to vote on an item which would inure to the Board member's special private gain or loss or the Board member knows would inure to the special private gain or loss of a principal by whom the Board member is retained, the parent organization or subsidiary of a corporate principal, a business associate, or a relative including only a father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law.
  - (a) When a Board member knows the member has a conflict of interest on a matter coming before the Board, the member should notify the Board's Secretary prior to participating in any discussion with the Board on the matter. The member shall publicly announce the conflict of interest at the meeting. This announcement shall appear in the minutes.

If the Board member was elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, the Board member may vote or abstain from voting on the matter at issue. If the Board member was elected by electors residing within the District, the Board member is prohibited from voting on the matter at issue. In the event that the Board member intends to abstain or is prohibited from voting, such Board member shall not participate in the discussion on the item subject to the vote.

The Board's Secretary shall prepare a Memorandum of Voting Conflict (Form 8B) which shall then be signed by the Board member, filed with the Board's Secretary, and provided for attachment to the minutes of the meeting within fifteen (15) days of the meeting.

- (b) If a Board member inadvertently votes on a matter and later learns he or she has a conflict on the matter, the member shall immediately notify the Board's Secretary. Within fifteen (15) days of the notification, the member shall file the appropriate Memorandum of Voting Conflict, which will be attached to the minutes of the Board meeting during which the vote on the matter occurred. The Memorandum of Voting Conflict shall immediately be provided to other Board members and shall be read publicly at the next meeting held subsequent to the filing of the Memorandum of Voting Conflict. The Board member's vote is unaffected by this filing.
- (c) It is not a conflict of interest for a Board member, the District Manager, or an employee of the District to be a stockholder, officer or employee of a landowner or of an entity affiliated with a landowner.
- (d) In the event that a Board member elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, has a continuing conflict of interest, such Board member is permitted to file a Memorandum of Voting Conflict at any time in which it shall state the nature of the continuing conflict. Only one such continuing Memorandum of Voting Conflict shall be required to be filed for each term the Board member is in office.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 112.3143, 190.006, 190.007, Fla. Stat.

**Rule 1.2      District Offices; Public Information and Inspection of Records; Policies; Service Contract Requirements; Financial Disclosure Coordination.**

- (1)    District Offices. Unless otherwise designated by the Board, the official District office shall be the District Manager's office identified by the District Manager. If the District Manager's office is not located within the county in which the District is located, the Board shall designate a local records office within such county which shall at a minimum contain, but not be limited to, the following documents:
- (a)    Agenda packages for prior 24 months and next meeting;
  - (b)    Official minutes of meetings, including adopted resolutions of the Board;
  - (c)    Names and addresses of current Board members and District Manager, unless such addresses are protected from disclosure by law;
  - (d)    Adopted engineer's reports;
  - (e)    Adopted assessment methodologies/reports;
  - (f)    Adopted disclosure of public financing;
  - (g)    Limited Offering Memorandum for each financing undertaken by the District;
  - (h)    Proceedings, certificates, bonds given by all employees, and any and all corporate acts;
  - (i)    District policies and rules;
  - (j)    Fiscal year end audits; and
  - (k)    Adopted budget for the current fiscal year.

The District Manager shall ensure that each District records office contains the documents required by Florida law.

- (2)    Public Records. District public records include all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received in connection with the transaction of official business of the District. All District public records not otherwise restricted by law may be copied or inspected at the District Manager's office during regular business hours. Certain District records can also be inspected and copied at the District's local records office during regular business hours. All written public records requests shall be directed to the Secretary who by these rules is appointed

as the District's records custodian. Regardless of the form of the request, any Board member or staff member who receives a public records request shall immediately forward or communicate such request to the Secretary for coordination of a prompt response. The Secretary, after consulting with District Counsel as to the applicability of any exceptions under the public records laws, shall be responsible for responding to the public records request. At no time can the District be required to create records or summaries of records, or prepare opinions regarding District policies, in response to a public records request.

- (3) Service Contracts. Any contract for services, regardless of cost, shall include provisions required by law that require the contractor to comply with public records laws. The District Manager shall be responsible for initially enforcing all contract provisions related to a contractor's duty to comply with public records laws.
- (4) Fees; Copies. Copies of public records shall be made available to the requesting person at a charge of \$0.15 per page for one-sided copies and \$0.20 per page for two-sided copies if not more than 8 ½ by 14 inches. For copies of public records in excess of the sizes listed in this section and for outside duplication services, the charge shall be equal to the actual cost of reproduction. Certified copies of public records shall be made available at a charge of one dollar (\$1.00) per page. If the nature or volume of records requested requires extensive use of information technology resources or extensive clerical or supervisory assistance, the District may charge, in addition to the duplication charge, a special service charge that is based on the cost the District incurs to produce the records requested. This charge may include, but is not limited to, the cost of information technology resource, employee labor, and fees charged to the District by consultants employed in fulfilling the request. In cases where the special service charge is based in whole or in part on the costs incurred by the District due to employee labor, consultant fees, or other forms of labor, those portions of the charge shall be calculated based on the lowest labor cost of the individual(s) who is/are qualified to perform the labor, taking into account the nature or volume of the public records to be inspected or copied. The charge may include the labor costs of supervisory and/or clerical staff whose assistance is required to complete the records request, in accordance with Florida law. For purposes of this Rule, the word "extensive" shall mean that it will take more than 15 minutes to locate, review for confidential information, copy and re-file the requested material. In cases where extensive personnel time is determined by the District to be necessary to safeguard original records being inspected, the special service charge provided for in this section shall apply. If the total fees, including but not limited to special service charges, are anticipated to exceed twenty-five dollars (\$25.00), then, prior to commencing work on the request, the District will inform the person making the public records request of the estimated cost, with the understanding that the final cost may vary from that estimate. If the person making the public records request decides to proceed with the request, payment of the estimated cost is required in advance. Should the person fail to pay the estimate, the District is under no duty to produce

the requested records. After the request has been fulfilled, additional payments or credits may be due. The District is under no duty to produce records in response to future records requests if the person making the request owes the District for past unpaid duplication charges, special service charges, or other required payments or credits.

- (5) Records Retention. The Secretary of the District shall be responsible for retaining the District's records in accordance with applicable Florida law.
- (6) Policies. The Board may adopt policies related to the conduct of its business and the provision of services either by resolution or motion.
- (7) Financial Disclosure Coordination. Unless specifically designated by Board resolution otherwise, the Secretary shall serve as the Financial Disclosure Coordinator ("Coordinator") for the District as required by the Florida Commission on Ethics ("Commission"). The Coordinator shall create, maintain and update a list of the names, e-mail addresses, physical addresses, and names of the agency of, and the office or position held by, all Supervisors and other persons required by Florida law to file a statement of financial interest due to his or her affiliation with the District ("Reporting Individual"). The Coordinator shall provide this list to the Commission by February 1 of each year, which list shall be current as of December 31 of the prior year. Each Supervisor and Reporting Individual shall promptly notify the Coordinator in writing if there are any changes to such person's name, e-mail address, or physical address. Each Supervisor and Reporting Individual shall promptly notify the Commission in the manner prescribed by the Commission if there are any changes to such person's e-mail address.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 112.31446(3), 112.3145(8)(a)1., 119.07, 119.0701, 190.006, Fla. Stat.

### **Rule 1.3      Public Meetings, Hearings, and Workshops.**

- (1) Notice. Except in emergencies, or as otherwise required by statute or these Rules, at least seven (7) days, but no more than thirty (30) days public notice shall be given of any public meeting, hearing or workshop of the Board. Public notice shall be given by publication in a newspaper of general circulation in the District and in the county in which the District is located. "General circulation" means a publication that is printed and published at least once a week for the preceding year, offering at least 25% of its words in the English language, qualifies as a periodicals material for postal purposes in the county in which the District is located, is for sale to the public generally, is available to the public generally for the publication of official or other notices, and is customarily containing information of a public character or of interest or of value to the residents or owners of property in the county where published, or of interest or of value to the general public. The annual meeting notice required to be published by Section 189.015 of the Florida Statutes, shall be published in a newspaper not of limited subject matter, which is published at least five days a week, unless the only newspaper in the county is published less than five days a week. Each Notice shall state, as applicable:
  - (a) The date, time and place of the meeting, hearing or workshop;
  - (b) A brief description of the nature, subjects, and purposes of the meeting, hearing, or workshop;
  - (c) The District office address for the submission of requests for copies of the agenda, as well as a contact name and telephone number for verbal requests for copies of the agenda; and
  - (d) The following or substantially similar language: "Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (407) 841-5524. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770 or 1 (800) 955-8771, who can aid you in contacting the District Office."
  - (e) The following or substantially similar language: "A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based."

- (f) The following or substantially similar language: “The meeting [or hearing or workshop] may be continued in progress without additional notice to a time, date, and location stated on the record.”
- (2) Mistake. In the event that a meeting is held under the incorrect assumption that notice required by law and these Rules has been given, the Board at its next properly noticed meeting shall cure such defect by considering the agenda items from the prior meeting individually and anew.
- (3) Agenda. The District Manager, under the guidance of District Counsel and the Chairperson or Vice-Chairperson, shall prepare an agenda of the meeting/hearing/workshop. The agenda and any meeting materials available in an electronic format, excluding any confidential and any confidential and exempt information, shall be available to the public at least seven days before the meeting/hearing/workshop, except in an emergency. Meeting materials shall be defined as, and limited to, the agenda, meeting minutes, resolutions, and agreements of the District that District staff deems necessary for Board approval. Inclusion of additional materials for Board consideration other than those defined herein as “meeting materials” shall not convert such materials into “meeting materials.” For good cause, the agenda may be changed after it is first made available for distribution, and additional materials may be added or provided under separate cover at the meeting. The requirement of good cause shall be liberally construed to allow the District to efficiently conduct business and to avoid the expenses associated with special meetings.

The District may, but is not required to, use the following format in preparing its agenda for its regular meetings:

- Call to order
- Roll call
- Public comment
- Organizational matters
- Review of minutes
- Specific items of old business
- Specific items of new business
- Staff reports
  - (a) District Counsel
  - (b) District Engineer
  - (c) District Manager
    - 1. Financial Report
    - 2. Approval of Expenditures
- Supervisor’s requests and comments
- Public comment
- Adjournment

- (4) Minutes. The Secretary shall be responsible for preparing and keeping the minutes of each meeting of the Board. Minutes shall be corrected and approved by the Board at a subsequent meeting. The Secretary may work with other staff members in preparing draft minutes for the Board's consideration.
- (5) Special Requests. Persons wishing to receive, by mail, notices or agendas of meetings, may so advise the District Manager or Secretary at the District Office. Such persons shall furnish a mailing address in writing and shall be required to pre-pay the cost of the copying and postage.
- (6) Emergency Meetings. The Chairperson, or Vice-Chairperson if the Chairperson is unavailable, upon consultation with the District Manager and District Counsel, if available, may convene an emergency meeting of the Board without first having complied with sections (1) and (3) of this Rule, to act on emergency matters that may affect the public health, safety, or welfare. Whenever possible, the District Manager shall make reasonable efforts to provide public notice and notify all Board members of an emergency meeting twenty-four (24) hours in advance. Reasonable efforts may include telephone notification. Notice of the emergency meeting must be provided both before and after the meeting on the District's website, if it has one. Whenever an emergency meeting is called, the District Manager shall be responsible for notifying at least one newspaper of general circulation in the District. After an emergency meeting, the Board shall publish in a newspaper of general circulation in the District, the time, date and place of the emergency meeting, the reasons why an emergency meeting was necessary, and a description of the action taken. Actions taken at an emergency meeting may be ratified by the Board at a regularly noticed meeting subsequently held.
- (7) Public Comment. The Board shall set aside a reasonable amount of time at each meeting for public comment and members of the public shall be permitted to provide comment on any proposition before the Board. The portion of the meeting generally reserved for public comment shall be identified in the agenda. Policies governing public comment may be adopted by the Board in accordance with Florida law.
- (8) Budget Hearing. Notice of hearing on the annual budget(s) shall be in accord with Section 190.008 of the Florida Statutes. Once adopted in accord with Section 190.008 of the Florida Statutes, the annual budget(s) may be amended from time to time by action of the Board. Approval of invoices by the Board in excess of the funds allocated to a particular budgeted line item shall serve to amend the budgeted line item.
- (9) Public Hearings. Notice of required public hearings shall contain the information required by applicable Florida law and by these Rules applicable to meeting notices and shall be mailed and published as required by Florida law. The District Manager shall ensure that all such notices, whether mailed or published, contain the information required by Florida law and these Rules and are mailed and

published as required by Florida law. Public hearings may be held during Board meetings when the agenda includes such public hearing.

- (10) Participation by Teleconference/Videoconference. District staff may participate in Board meetings by teleconference or videoconference. Board members may also participate in Board meetings by teleconference or videoconference if in the good judgment of the Board extraordinary circumstances exist; provided however, at least three Board members must be physically present at the meeting location to establish a quorum. Such extraordinary circumstances shall be presumed when a Board member participates by teleconference or videoconference, unless a majority of the Board members physically present determines that extraordinary circumstances do not exist.
- (11) Board Authorization. The District has not adopted Robert's Rules of Order. For each agenda item, there shall be discussion permitted among the Board members during the meeting. Unless such procedure is waived by the Board, approval or disapproval of resolutions and other proposed Board actions shall be in the form of a motion by one Board member, a second by another Board member, and an affirmative vote by the majority of the Board members present. Any Board member, including the Chairperson, can make or second a motion.
- (12) Continuances. Any meeting or public hearing of the Board may be continued without re-notice or re-advertising provided that:
  - (a) The Board identifies on the record at the original meeting a reasonable need for a continuance;
  - (b) The continuance is to a specified date, time, and location publicly announced at the original meeting; and
  - (c) The public notice for the original meeting states that the meeting may be continued to a date and time and states that the date, time, and location of any continuance shall be publicly announced at the original meeting and posted at the District Office immediately following the original meeting.
- (13) Attorney-Client Sessions. An Attorney-Client Session is permitted when the District's attorneys deem it necessary to meet in private with the Board to discuss pending litigation to which the District is a party before a court or administrative agency or as may be authorized by law. The District's attorney must request such session at a public meeting. Prior to holding the Attorney-Client Session, the District must give reasonable public notice of the time and date of the session and the names of the persons anticipated to attend the session. The session must commence at an open meeting in which the Chairperson or Vice-Chairperson announces the commencement of the session, the estimated length of the session, and the names of the persons who will be attending the session. The discussion during the session is confined to settlement negotiations or strategy related to

litigation expenses or as may be authorized by law. Only the Board, the District's attorneys (including outside counsel), the District Manager, and the court reporter may attend an Attorney-Client Session. During the session, no votes may be taken and no final decisions concerning settlement can be made. Upon the conclusion of the session, the public meeting is reopened, and the Chairperson or Vice-Chairperson must announce that the session has concluded. The session must be transcribed by a court-reporter and the transcript of the session filed with the District Secretary within a reasonable time after the session. The transcript shall not be available for public inspection until after the conclusion of the litigation.

- (14) Security and Firesafety Board Discussions. Portions of a meeting which relate to or would reveal a security or firesafety system plan or portion thereof made confidential and exempt by section 119.071(3)(a), Florida Statutes, are exempt from the public meeting requirements and other requirements of section 286.011, Florida Statutes, and section 24(b), Article 1 of the State Constitution. Should the Board wish to discuss such matters, members of the public shall be required to leave the meeting room during such discussion. Any records of the Board's discussion of such matters, including recordings or minutes, shall be maintained as confidential and exempt records in accordance with Florida law.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 189.069(2)(a)16, 190.006, 190.007, 190.008, 286.0105, 286.011, 286.0113, 286.0114, Fla. Stat.

**Rule 1.4      Internal Controls to Prevent Fraud, Waste and Abuse**

- (1)    Internal Controls.    The District shall establish and maintain internal controls designed to:
- (a)    Prevent and detect “fraud,” “waste” and “abuse” as those terms are defined in section 11.45(1), Florida Statutes; and
  - (b)    Promote and encourage compliance with applicable laws, rules contracts, grant agreements, and best practices; and
  - (c)    Support economical and efficient operations; and
  - (d)    Ensure reliability of financial records and reports; and
  - (e)    Safeguard assets.
- (2)    Adoption.    The internal controls to prevent fraud, waste and abuse shall be adopted and amended by the District in the same manner as District policies.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** § 218.33(3), Fla. Stat.

## **Rule 2.0      Rulemaking Proceedings.**

- (1) Commencement of Proceedings. Proceedings held for adoption, amendment, or repeal of a District rule shall be conducted according to these Rules. Rulemaking proceedings shall be deemed to have been initiated upon publication of notice by the District. A “rule” is a District statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the District (“Rule”). Nothing herein shall be construed as requiring the District to consider or adopt rules unless required by Chapter 190 of the Florida Statutes. Policies adopted by the District which do not consist of rates, fees, rentals or other monetary charges may be, but are not required to be, implemented through rulemaking proceedings.
- (2) Notice of Rule Development.
  - (a) Except when the intended action is the repeal of a Rule, the District shall provide notice of the development of a proposed rule by publication of a Notice of Rule Development in a newspaper of general circulation in the District before providing notice of a proposed rule as required by section (3) of this Rule. Consequently, the Notice of Rule Development shall be published at least twenty-nine (29) days prior to the public hearing on the proposed Rule. The Notice of Rule Development shall indicate the subject area to be addressed by rule development, provide a short, plain explanation of the purpose and effect of the proposed rule, cite the specific legal authority for the proposed rule, and include a statement of how a person may promptly obtain, without cost, a copy of any preliminary draft, if available.
  - (b) All rules as drafted shall be consistent with Sections 120.54(1)(g) and 120.54(2)(b) of the Florida Statutes.
- (3) Notice of Proceedings and Proposed Rules.
  - (a) Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, the District shall give notice of its intended action, setting forth a short, plain explanation of the purpose and effect of the proposed action, a reference to the specific rulemaking authority pursuant to which the rule is adopted, and a reference to the section or subsection of the Florida Statutes being implemented, interpreted, or made specific. The notice shall include a summary of the District’s statement of the estimated regulatory costs, if one has been prepared, based on the factors set forth in Section 120.541(2) of the Florida Statutes, and a statement that any person who wishes to provide the District with a lower cost regulatory alternative as provided by Section 120.541(1), must do so in writing within twenty-one (21) days after publication of the notice. The notice shall additionally include a statement that any affected person may request a public hearing

by submitting a written request within twenty-one (21) days after the date of publication of the notice. Except when intended action is the repeal of a rule, the notice shall include a reference to both the date on which and the place where the Notice of Rule Development required by section (2) of this Rule appeared.

- (b) The notice shall be published in a newspaper of general circulation in the District and each county in which the District is located not less than twenty-eight (28) days prior to the intended action. The proposed rule shall be available for inspection and copying by the public at the time of the publication of notice.
  - (c) The notice shall be mailed to all persons named in the proposed rule and to all persons who, at least fourteen (14) days prior to such mailing, have made requests of the District for advance notice of its rulemaking proceedings. Any person may file a written request with the District Manager to receive notice by mail of District proceedings to adopt, amend, or repeal a rule. Such persons must furnish a mailing address and may be required to pay the cost of copying and mailing.
- (4) Rule Development Workshops. Whenever requested in writing by any affected person, the District must either conduct a rule development workshop prior to proposing rules for adoption or the Chairperson must explain in writing why a workshop is unnecessary. The District may initiate a rule development workshop but is not required to do so.
- (5) Petitions to Initiate Rulemaking. All Petitions to Initiate Rulemaking proceedings must contain the name, address, and telephone number of the petitioner, the specific action requested, the specific reason for adoption, amendment, or repeal, the date submitted, the text of the proposed rule, and the facts showing that the petitioner is regulated by the District or has a substantial interest in the rulemaking. Not later than sixty (60) calendar days following the date of filing a petition, the Board shall initiate rulemaking proceedings or deny the petition with a written statement of its reasons for the denial. If the petition is directed to an existing policy that the District has not formally adopted as a rule, the District may, in its discretion, notice and hold a public hearing on the petition to consider the comments of the public directed to the policy, its scope and application, and to consider whether the public interest is served adequately by the application of the policy on a case-by-case basis, as contrasted with its formal adoption as a rule. However, this section shall not be construed as requiring the District to adopt a rule to replace a policy.
- (6) Rulemaking Materials. After the publication of the notice referenced in section (3) of this Rule, the Board shall make available for public inspection and shall provide, upon request and payment of the cost of copies, the following materials:

- (a) The text of the proposed rule, or any amendment or repeal of any existing rules;
  - (b) A detailed written statement of the facts and circumstances justifying the proposed rule;
  - (c) A copy of the statement of estimated regulatory costs if required by Section 120.541 of the Florida Statutes; and
  - (d) The published notice.
- (7) Hearing. The District may, or, upon the written request of any affected person received within twenty-one (21) days after the date of publication of the notice described in section (3) of this Rule, shall, provide a public hearing for the presentation of evidence, argument, and oral statements, within the reasonable conditions and limitations imposed by the District to avoid duplication, irrelevant comments, unnecessary delay, or disruption of the proceedings. The District shall publish notice of the public hearing in a newspaper of general circulation within the District either in the text of the notice described in section (3) of this Rule or in a separate publication at least seven (7) days before the scheduled public hearing. The notice shall specify the date, time, and location of the public hearing, and the name, address, and telephone number of the District contact person who can provide information about the public hearing. Written statements may be submitted by any person prior to or at the public hearing. All timely submitted written statements shall be considered by the District and made part of the rulemaking record.
- (8) Emergency Rule Adoption. The Board may adopt an emergency rule if it finds that immediate danger to the public health, safety, or welfare exists which requires immediate action. Prior to the adoption of an emergency rule, the District Manager shall make reasonable efforts to notify a newspaper of general circulation in the District. Notice of emergency rules shall be published as soon as possible in a newspaper of general circulation in the District. The District may use any procedure which is fair under the circumstances in the adoption of an emergency rule as long as it protects the public interest as determined by the District and otherwise complies with these provisions.
- (9) Negotiated Rulemaking. The District may use negotiated rulemaking in developing and adopting rules pursuant to Section 120.54(2)(d) of the Florida Statutes, except that any notices required under Section 120.54(2)(d) of the Florida Statutes, may be published in a newspaper of general circulation in the county in which the District is located.
- (10) Rulemaking Record. In all rulemaking proceedings, the District shall compile and maintain a rulemaking record. The record shall include, if applicable:

- (a) The texts of the proposed rule and the adopted rule;
- (b) All notices given for a proposed rule;
- (c) Any statement of estimated regulatory costs for the rule;
- (d) A written summary of hearings, if any, on the proposed rule;
- (e) All written comments received by the District and responses to those written comments; and
- (f) All notices and findings pertaining to an emergency rule.

(11) Petitions to Challenge Existing Rules.

- (a) Any person substantially affected by a rule may seek an administrative determination of the invalidity of the rule on the ground that the rule is an invalid exercise of the District's authority.
- (b) The petition seeking an administrative determination must state with particularity the provisions alleged to be invalid with sufficient explanation of the facts or grounds for the alleged invalidity and facts sufficient to show that the person challenging a rule is substantially affected by it.
- (c) The petition shall be filed with the District. Within 10 days after receiving the petition, the Chairperson shall, if the petition complies with the requirements of subsection (b) of this section, designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer who shall conduct a hearing within 30 days thereafter, unless the petition is withdrawn or a continuance is granted by agreement of the parties. The failure of the District to follow the applicable rulemaking procedures or requirements in this Rule shall be presumed to be material; however, the District may rebut this presumption by showing that the substantial interests of the petitioner and the fairness of the proceedings have not been impaired.
- (d) Within 30 days after the hearing, the hearing officer shall render a decision and state the reasons therefor in writing.
- (e) Hearings held under this section shall be de novo in nature. The petitioner has a burden of proving by a preponderance of the evidence that the existing rule is an invalid exercise of District authority as to the objections raised. The hearing officer may:
  - (i) Administer oaths and affirmations;

- (ii) Rule upon offers of proof and receive relevant evidence;
    - (iii) Regulate the course of the hearing, including any pre-hearing matters;
    - (iv) Enter orders; and
    - (v) Make or receive offers of settlement, stipulation, and adjustment.
  - (f) The petitioner and the District shall be adverse parties. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (12) Variances and Waivers. A “variance” means a decision by the District to grant a modification to all or part of the literal requirements of a rule to a person who is subject to the rule. A “waiver” means a decision by the District not to apply all or part of a rule to a person who is subject to the rule. Variances and waivers from District rules may be granted subject to the following:
- (a) Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person, and when application of the rule would create a substantial hardship or would violate principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.
  - (b) A person who is subject to regulation by a District Rule may file a petition with the District, requesting a variance or waiver from the District’s Rule. Each petition shall specify:
    - (i) The rule from which a variance or waiver is requested;
    - (ii) The type of action requested;
    - (iii) The specific facts that would justify a waiver or variance for the petitioner; and
    - (iv) The reason why the variance or the waiver requested would serve the purposes of the underlying statute.
  - (c) The District shall review the petition and may request only that information needed to clarify the petition or to answer new questions

raised by or directly related to the petition. If the petitioner asserts that any request for additional information is not authorized by law or by Rule of the District, the District shall proceed, at the petitioner's written request, to process the petition.

- (d) The Board shall grant or deny a petition for variance or waiver and shall announce such disposition at a publicly held meeting of the Board, within ninety (90) days after receipt of the original petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. The District's statement granting or denying the petition shall contain a statement of the relevant facts and reasons supporting the District's action.

- (13) Rates, Fees, Rentals and Other Charges. All rates, fees, rentals, or other charges shall be subject to rulemaking proceedings. Policies adopted by the District which do not consist of rates, fees, rentals or other charges may be, but are not required to be, implemented through rulemaking proceedings.

**Specific Authority:** §§ 190.011(5), 190.011(15), 190.035, Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.035(2), Fla. Stat.

### **Rule 3.0      Competitive Purchase.**

- (1) Purpose and Scope. In order to comply with Sections 190.033(1) through (3), 287.055 and 287.017 of the Florida Statutes, the following provisions shall apply to the purchase of Professional Services, insurance, construction contracts, design-build services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Board Authorization. Except in cases of an Emergency Purchase, a competitive purchase governed by these Rules shall only be undertaken after authorization by the Board.
- (3) Definitions.
  - (a) “Competitive Solicitation” means a formal, advertised procurement process, other than an Invitation to Bid, Request for Proposals, or Invitation to Negotiate, approved by the Board to purchase commodities and/or services which affords vendors fair treatment in the competition for award of a District purchase contract.
  - (b) “Continuing Contract” means a contract for Professional Services entered into in accordance with Section 287.055 of the Florida Statutes, between the District and a firm, whereby the firm provides Professional Services to the District for projects in which the costs do not exceed two million dollars (\$2,000,000), for a study activity when the fee for such Professional Services to the District does not exceed two hundred thousand dollars (\$200,000), or for work of a specified nature as outlined in the contract with the District, with no time limitation except that the contract must provide a termination clause (for example, a contract for general District engineering services). Firms providing Professional Services under Continuing Contracts shall not be required to bid against one another.
  - (c) “Contractual Service” means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors. Contractual Services do not include auditing services, Maintenance Services, or Professional Services as defined in Section 287.055(2)(a) of the Florida Statutes, and these Rules. Contractual Services also do not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of any facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Chapter 255 of the Florida Statutes, and Rules 3.5 or 3.6.

- (d) “Design-Build Contract” means a single contract with a Design-Build Firm for the design and construction of a public construction project.
- (e) “Design-Build Firm” means a partnership, corporation or other legal entity that:
  - (i) Is certified under Section 489.119 of the Florida Statutes, to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or
  - (ii) Is certified under Section 471.023 of the Florida Statutes, to practice or to offer to practice engineering; certified under Section 481.219 of the Florida Statutes, to practice or to offer to practice architecture; or certified under Section 481.319 of the Florida Statutes, to practice or to offer to practice landscape architecture.
- (f) “Design Criteria Package” means concise, performance-oriented drawings or specifications for a public construction project. The purpose of the Design Criteria Package is to furnish sufficient information to permit Design-Build Firms to prepare a bid or a response to the District’s Request for Proposals, or to permit the District to enter into a negotiated Design-Build Contract. The Design Criteria Package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project. Design Criteria Packages shall require firms to submit information regarding the qualifications, availability, and past work of the firms, including the partners and members thereof.
- (g) “Design Criteria Professional” means a firm who holds a current certificate of registration under Chapter 481 of the Florida Statutes, to practice architecture or landscape architecture, or a firm who holds a current certificate as a registered engineer under Chapter 471 of the Florida Statutes, to practice engineering, and who is employed by or under contract to the District to provide professional architect services, landscape architect services, or engineering services in connection with the preparation of the Design Criteria Package.
- (h) “Emergency Purchase” means a purchase necessitated by a sudden unexpected turn of events (for example, acts of God, riot, fires, floods, hurricanes, accidents, or any circumstances or cause beyond the control of the Board in the normal conduct of its business), where the Board finds

that the delay incident to competitive purchase would be detrimental to the interests of the District. This includes, but is not limited to, instances where the time to competitively award the project will jeopardize the funding for the project, will materially increase the cost of the project, or will create an undue hardship on the public health, safety, or welfare.

- (i) “Invitation to Bid” is a written solicitation for sealed bids with the title, date, and hour of the public bid opening designated specifically and defining the commodity or service involved. It includes printed instructions prescribing conditions for bidding, qualification, evaluation criteria, and provides for a manual signature of an authorized representative. It may include one or more bid alternates.
- (j) “Invitation to Negotiate” means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or services.
- (k) “Negotiate” means to conduct legitimate, arm’s length discussions and conferences to reach an agreement on a term or price.
- (l) “Professional Services” means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of Florida, or those services performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper, in connection with the firm's or individual's professional employment or practice.
- (m) “Proposal (or Reply or Response) Most Advantageous to the District” means, as determined in the sole discretion of the Board, the proposal, reply, or response that is:
  - (i) Submitted by a person or firm capable and qualified in all respects to perform fully the contract requirements, who has the integrity and reliability to assure good faith performance;
  - (ii) The most responsive to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation as determined by the Board; and
  - (iii) For a cost to the District deemed by the Board to be reasonable.
- (n) “Purchase” means acquisition by sale, rent, lease, lease/purchase, or installment sale. It does not include transfer, sale, or exchange of goods, supplies, or materials between the District and any federal, state, regional or local governmental entity or political subdivision of the State of Florida.

- (o) “Request for Proposals” or “RFP” is a written solicitation for sealed proposals with the title, date, and hour of the public opening designated and requiring the manual signature of an authorized representative. It may provide general information, applicable laws and rules, statement of work, functional or general specifications, qualifications, proposal instructions, work detail analysis, and evaluation criteria as necessary.
- (p) “Responsive and Responsible Bidder” means an entity or individual that has submitted a bid that conforms in all material respects to the Invitation to Bid and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. “Responsive and Responsible Vendor” means an entity or individual that has submitted a proposal, reply, or response that conforms in all material respects to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an entity or individual is a Responsive and Responsible Bidder (or Vendor), the District may consider, in addition to factors described in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the following:
  - (i) The ability and adequacy of the professional personnel employed by the entity/individual;
  - (ii) The past performance of the entity/individual for the District and in other professional employment;
  - (iii) The willingness of the entity/individual to meet time and budget requirements;
  - (iv) The geographic location of the entity’s/individual’s headquarters or office in relation to the project;
  - (v) The recent, current, and projected workloads of the entity/individual;
  - (vi) The volume of work previously awarded to the entity/individual;
  - (vii) Whether the cost components of the bid or proposal are appropriately balanced; and
  - (viii) Whether the entity/individual is a certified minority business enterprise.

- (q) “Responsive Bid,” “Responsive Proposal,” “Responsive Reply,” and “Responsive Response” all mean a bid, proposal, reply, or response which conforms in all material respects to the specifications and conditions in the Invitation to Bid, Request for Proposals, Invitations to Negotiate, or Competitive Solicitation document and these Rules, and the cost components of which, if any, are appropriately balanced. A bid, proposal, reply or response is not responsive if the person or firm submitting it fails to meet any material requirement relating to the qualifications, financial stability, or licensing of the bidder.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.033, 255.20, 287.055, Fla. Stat.

### **Rule 3.1      Procedure Under the Consultants' Competitive Negotiations Act.**

- (1) Scope. The following procedures are adopted for the selection of firms or individuals to provide Professional Services exceeding the thresholds herein described, for the negotiation of such contracts, and to provide for protest of actions of the Board under this Rule. As used in this Rule, "Project" means that fixed capital outlay study or planning activity when basic construction cost is estimated by the District to exceed the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FIVE, or for a planning study activity when the fee for Professional Services is estimated by the District to exceed the threshold amount provided in Section 287.017 for CATEGORY TWO, as such categories may be amended or adjusted from time to time.
- (2) Qualifying Procedures. In order to be eligible to provide Professional Services to the District, a consultant must, at the time of receipt of the firm's qualification submittal:
  - (a) Hold all required applicable state professional licenses in good standing;
  - (b) Hold all required applicable federal licenses in good standing, if any;
  - (c) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the consultant is a corporation; and
  - (d) Meet any qualification requirements set forth in the District's Request for Qualifications.

Evidence of compliance with this Rule may be submitted with the qualifications, if requested by the District. In addition, evidence of compliance must be submitted any time requested by the District.

- (3) Public Announcement. Except in cases of valid public emergencies as certified by the Board, the District shall announce each occasion when Professional Services are required for a Project or a Continuing Contract by publishing a notice providing a general description of the Project, or the nature of the Continuing Contract, and the method for interested consultants to apply for consideration. The notice shall appear in at least one (1) newspaper of general circulation in the District and in such other places as the District deems appropriate. The notice must allow at least fourteen (14) days for submittal of qualifications from the date of publication. The District may maintain lists of consultants interested in receiving such notices. These consultants are encouraged to submit annually statements of qualifications and performance data. The District shall make reasonable efforts to provide copies of any notices to such consultants, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process. The Board has the

right to reject any and all qualifications, and such reservation shall be included in the published notice. Consultants not receiving a contract award shall not be entitled to recover from the District any costs of qualification package preparation or submittal.

(4) Competitive Selection.

- (a) The Board shall review and evaluate the data submitted in response to the notice described in section (3) of this Rule regarding qualifications and performance ability, as well as any statements of qualifications on file. The Board shall conduct discussions with, and may require public presentation by consultants regarding their qualifications, approach to the Project, and ability to furnish the required services. The Board shall then select and list the consultants, in order of preference, deemed to be the most highly capable and qualified to perform the required Professional Services, after considering these and other appropriate criteria:
  - (i) The ability and adequacy of the professional personnel employed by each consultant;
  - (ii) Whether a consultant is a certified minority business enterprise;
  - (iii) Each consultant's past performance;
  - (iv) The willingness of each consultant to meet time and budget requirements;
  - (v) The geographic location of each consultant's headquarters, office and personnel in relation to the project;
  - (vi) The recent, current, and projected workloads of each consultant; and
  - (vii) The volume of work previously awarded to each consultant by the District.
- (b) Nothing in these Rules shall prevent the District from evaluating and eventually selecting a consultant if less than three (3) Responsive qualification packages, including packages indicating a desire not to provide Professional Services on a given Project, are received.
- (c) If the selection process is administered by any person or committee other than the full Board, the selection made will be presented to the full Board with a recommendation that competitive negotiations be instituted with the selected firms in order of preference listed.

- (d) Notice of the rankings adopted by the Board, including the rejection of some or all qualification packages, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's ranking decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

(5) Competitive Negotiation.

- (a) After the Board has authorized the beginning of competitive negotiations, the District may begin such negotiations with the firm listed as most qualified to perform the required Professional Services at a rate or amount of compensation which the Board determines is fair, competitive, and reasonable.
- (b) In negotiating a lump-sum or cost-plus-a-fixed-fee professional contract for more than the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, the firm receiving the award shall be required to execute a truth-in-negotiation certificate stating that "wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting." In addition, any professional service contract under which such a certificate is required, shall contain a provision that "the original contract price and any additions thereto, shall be adjusted to exclude any significant sums by which the Board determines the contract price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs."
- (c) Should the District be unable to negotiate a satisfactory agreement with the firm determined to be the most qualified at a price deemed by the District to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the District shall immediately begin negotiations with the second most qualified firm. If a satisfactory agreement with the second firm cannot be reached, those negotiations shall be terminated and negotiations with the third most qualified firm shall be undertaken.
- (d) Should the District be unable to negotiate a satisfactory agreement with one of the top three (3) ranked consultants, additional firms shall be selected by the District, in order of their competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.

- (6) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (7) Continuing Contract. Nothing in this Rule shall prohibit a Continuing Contract between a consultant and the District.
- (8) Emergency Purchase. The District may make an Emergency Purchase without complying with these Rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 190.011(3), 190.033, 287.055, Fla. Stat.

### **Rule 3.2      Procedure Regarding Auditor Selection.**

In order to comply with the requirements of Section 218.391 of the Florida Statutes, the following procedures are outlined for selection of firms or individuals to provide Auditing Services and for the negotiation of such contracts. For audits required under Chapter 190 of the Florida Statutes but not meeting the thresholds of Chapter 218 of the Florida Statutes, the District need not follow these procedures but may proceed with the selection of a firm or individual to provide Auditing Services and for the negotiation of such contracts in the manner the Board determines is in the best interests of the District.

(1)    Definitions.

- (a)    "Auditing Services" means those services within the scope of the practice of a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.
- (b)    "Committee" means the auditor selection committee appointed by the Board as described in section (2) of this Rule.

(2)    Establishment of Auditor Selection Committee. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Board shall establish an auditor selection committee ("Committee"), the primary purpose of which is to assist the Board in selecting an auditor to conduct the annual financial audit required by Section 218.39 of the Florida Statutes. The Committee shall include at least three individuals, at least one of which must also be a member of the Board. The establishment and selection of the Committee must be conducted at a publicly noticed and held meeting of the Board. The Chairperson of the Committee must be a member of the Board. An employee, a chief executive officer, or a chief financial officer of the District may not serve as a member of the Committee; provided however such individual may serve the Committee in an advisory capacity.

(3)    Establishment of Minimum Qualifications and Evaluation Criteria. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Committee shall meet at a publicly noticed meeting to establish minimum qualifications and factors to use for the evaluation of Auditing Services to be provided by a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

- (a)    Minimum Qualifications. In order to be eligible to submit a proposal, a firm must, at all relevant times including the time of receipt of the proposal by the District:

- (i) Hold all required applicable state professional licenses in good standing;
- (ii) Hold all required applicable federal licenses in good standing, if any;
- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation; and
- (iv) Meet any pre-qualification requirements established by the Committee and set forth in the RFP or other specifications.

If requested in the RFP or other specifications, evidence of compliance with the minimum qualifications as established by the Committee must be submitted with the proposal.

- (b) **Evaluation Criteria.** The factors established for the evaluation of Auditing Services by the Committee shall include, but are not limited to:
  - (i) Ability of personnel;
  - (ii) Experience;
  - (iii) Ability to furnish the required services; and
  - (iv) Such other factors as may be determined by the Committee to be applicable to its particular requirements.

The Committee may also choose to consider compensation as a factor. If the Committee establishes compensation as one of the factors, compensation shall not be the sole or predominant factor used to evaluate proposals.

- (4) **Public Announcement.** After identifying the factors to be used in evaluating the proposals for Auditing Services as set forth in section (3) of this Rule, the Committee shall publicly announce the opportunity to provide Auditing Services. Such public announcement shall include a brief description of the audit and how interested firms can apply for consideration and obtain the RFP. The notice shall appear in at least one (1) newspaper of general circulation in the District and the county in which the District is located. The public announcement shall allow for at least seven (7) days for the submission of proposals.
- (5) **Request for Proposals.** The Committee shall provide interested firms with a Request for Proposals (“RFP”). The RFP shall provide information on how proposals are to be evaluated and such other information the Committee

determines is necessary for the firm to prepare a proposal. The RFP shall state the time and place for submitting proposals.

- (6) Committee's Evaluation of Proposals and Recommendation. The Committee shall meet at a publicly held meeting that is publicly noticed for a reasonable time in advance of the meeting to evaluate all qualified proposals and may, as part of the evaluation, require that each interested firm provide a public presentation where the Committee may conduct discussions with the firm, and where the firm may present information, regarding the firm's qualifications. At the public meeting, the Committee shall rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to subsection (3)(b) of this Rule. If fewer than three firms respond to the RFP or if no firms respond to the RFP, the Committee shall recommend such firm as it deems to be the most highly qualified. Notwithstanding the foregoing, the Committee may recommend that any and all proposals be rejected.
- (7) Board Selection of Auditor.
  - (a) Where compensation was not selected as a factor used in evaluating the proposals, the Board shall negotiate with the firm ranked first and inquire of that firm as to the basis of compensation. If the Board is unable to negotiate a satisfactory agreement with the first ranked firm at a price deemed by the Board to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the Board shall immediately begin negotiations with the second ranked firm. If a satisfactory agreement with the second ranked firm cannot be reached, those negotiations shall be terminated and negotiations with the third ranked firm shall be undertaken. The Board may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time. If the Board is unable to negotiate a satisfactory agreement with any of the selected firms, the Committee shall recommend additional firms in order of the firms' respective competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.
  - (b) Where compensation was selected as a factor used in evaluating the proposals, the Board shall select the highest-ranked qualified firm or document in its public records the reason for not selecting the highest-ranked qualified firm.
  - (c) In negotiations with firms under this Rule, the Board may allow the District Manager, District Counsel, or other designee to conduct negotiations on its behalf.

- (d) Notwithstanding the foregoing, the Board may reject any or all proposals. The Board shall not consider any proposal, or enter into any contract for Auditing Services, unless the proposed agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39 of the Florida Statutes, and the needs of the District.
- (8) Contract. Any agreement reached under this Rule shall be evidenced by a written contract, which may take the form of an engagement letter signed and executed by both parties. The written contract shall include all provisions and conditions of the procurement of such services and shall include, at a minimum, the following:
  - (a) A provision specifying the services to be provided and fees or other compensation for such services;
  - (b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract;
  - (c) A provision setting forth deadlines for the auditor to submit a preliminary draft audit report to the District for review and to submit a final audit report no later than June 30 of the fiscal year that follows the fiscal year for which the audit is being conducted;
  - (d) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. The maximum contract period including renewals shall be five (5) years. A renewal may be done without the use of the auditor selection procedures provided in this Rule but must be in writing.
  - (e) Provisions required by law that require the auditor to comply with public records laws.
- (9) Notice of Award. Once a negotiated agreement with a firm or individual is reached, or the Board authorizes the execution of an agreement with a firm where compensation was a factor in the evaluation of proposals, notice of the intent to award, including the rejection of some or all proposals, shall be provided in writing to all proposers by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests regarding the award of contracts under this Rule shall be as provided for in Rule 3.11. No proposer shall be entitled to recover any costs of proposal preparation or submittal from the District.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** §§ 119.0701, 218.33, 218.391, Fla. Stat.

### **Rule 3.3      Purchase of Insurance.**

- (1) Scope. The purchases of life, health, accident, hospitalization, legal expense, or annuity insurance, or all of any kinds of such insurance for the officers and employees of the District, and for health, accident, hospitalization, and legal expenses upon a group insurance plan by the District, shall be governed by this Rule. This Rule does not apply to the purchase of any other type of insurance by the District, including but not limited to liability insurance, property insurance, and directors and officers insurance. Nothing in this Rule shall require the District to purchase insurance.
- (2) Procedure. For a purchase of insurance within the scope of these Rules, the following procedure shall be followed:
  - (a) The Board shall cause to be prepared a Notice of Invitation to Bid.
  - (b) Notice of the Invitation to Bid shall be advertised at least once in a newspaper of general circulation within the District. The notice shall allow at least fourteen (14) days for submittal of bids.
  - (c) The District may maintain a list of persons interested in receiving notices of Invitations to Bid. The District shall make reasonable efforts to provide copies of any notices to such persons, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process.
  - (d) Bids shall be opened at the time and place noted in the Invitation to Bid.
  - (e) If only one (1) response to an Invitation is received, the District may proceed with the purchase. If no response to an Invitation to Bid is received, the District may take whatever steps are reasonably necessary in order to proceed with the purchase.
  - (f) The Board has the right to reject any and all bids and such reservations shall be included in all solicitations and advertisements.
  - (g) Simultaneously with the review of the submitted bids, the District may undertake negotiations with those companies that have submitted reasonable and timely bids and, in the opinion of the District, are fully qualified and capable of meeting all services and requirements. Bid responses shall be evaluated in accordance with the specifications and criteria contained in the Invitation to Bid; in addition, the total cost to the District, the cost, if any, to the District officers, employees, or their dependents, the geographic location of the company's headquarters and offices in relation to the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase

insurance shall be awarded to that company whose response to the Invitation to Bid best meets the overall needs of the District, its officers, employees, and/or dependents.

- (h) Notice of the intent to award, including rejection of some or all bids, shall be provided in writing to all bidders by United States Mail, by hand delivery, or by overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of insurance under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** § 112.08, Fla. Stat.

### **Rule 3.4      Pre-qualification**

- (1) Scope. In its discretion, the District may undertake a pre-qualification process in accordance with this Rule for vendors to provide construction services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Procedure. When the District seeks to pre-qualify vendors, the following procedures shall apply:
  - (a) The Board shall cause to be prepared a Request for Qualifications.
  - (b) For construction services exceeding the thresholds described in Section 255.20 of the Florida Statutes, the Board must advertise the proposed pre-qualification criteria and procedures and allow at least seven (7) days notice of the public hearing for comments on such pre-qualification criteria and procedures. At such public hearing, potential vendors may object to such pre-qualification criteria and procedures. Following such public hearing, the Board shall formally adopt pre-qualification criteria and procedures prior to the advertisement of the Request for Qualifications for construction services.
  - (c) The Request for Qualifications shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall allow at least seven (7) days for submittal of qualifications for goods, supplies and materials, Contractual Services, maintenance services, and construction services under two hundred fifty thousand dollars (\$250,000). The notice shall allow at least twenty-one (21) days for submittal of qualifications for construction services estimated to cost over two hundred fifty thousand dollars (\$250,000) and thirty (30) days for construction services estimated to cost over five hundred thousand dollars (\$500,000).
  - (d) The District may maintain lists of persons interested in receiving notices of Requests for Qualifications. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any pre-qualification determination or contract awarded in accordance with these Rules and shall not be a basis for a protest of any pre-qualification determination or contract award.
  - (e) If the District has pre-qualified vendors for a particular category of purchase, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies or

responses in response to the applicable Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

- (f) In order to be eligible to submit qualifications, a firm or individual must, at the time of receipt of the qualifications:
  - (i) Hold all required applicable state professional licenses in good standing;
  - (ii) Hold all required applicable federal licenses in good standing, if any;
  - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
  - (iv) Meet any special pre-qualification requirements set forth in the Request for Qualifications.

Evidence of compliance with these Rules must be submitted with the qualifications if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the qualifications.

- (g) Qualifications shall be presented to the Board, or a committee appointed by the Board, for evaluation in accordance with the Request for Qualifications and this Rule. Minor variations in the qualifications may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature.
- (h) All vendors determined by the District to meet the pre-qualification requirements shall be pre-qualified. To assure full understanding of the responsiveness to the requirements contained in a Request for Qualifications, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion and revision of qualifications. For construction services, any contractor pre-qualified and considered eligible by the Department of Transportation to bid to perform the type of work the project entails shall be presumed to be qualified to perform the project.
- (i) The Board shall have the right to reject all qualifications if there are not enough to be competitive or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of qualification preparation or submittal from the District.

(j) Notice of intent to pre-qualify, including rejection of some or all qualifications, shall be provided in writing to all vendors by United States Mail, electronic mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's pre-qualification decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11; provided however, protests related to the pre-qualification criteria and procedures for construction services shall be resolved in accordance with section (2)(b) of this Rule and Section 255.20(1)(b) of the Florida Statutes.

(3) Suspension, Revocation, or Denial of Qualification

(a) The District, for good cause, may deny, suspend, or revoke a prequalified vendor's pre-qualified status. A suspension, revocation, or denial for good cause shall prohibit the vendor from bidding on any District construction contract for which qualification is required, shall constitute a determination of non-responsibility to bid on any other District construction or maintenance contract, and shall prohibit the vendor from acting as a material supplier or subcontractor on any District contract or project during the period of suspension, revocation, or denial. Good cause shall include the following:

- i. One of the circumstances specified under Section 337.16(2), Fla. Stat., has occurred.
- ii. Affiliated contractors submitted more than one proposal for the same work. In this event the pre-qualified status of all of the affiliated bidders will be revoked, suspended, or denied. All bids of affiliated bidders will be rejected.
- iii. The vendor made or submitted false, deceptive, or fraudulent statements, certifications, or materials in any claim for payment or any information required by any District contract.
- iv. The vendor or its affiliate defaulted on any contract or a contract surety assumed control of financial responsibility for any contract of the vendor.
- v. The vendor's qualification to bid is suspended, revoked, or denied by any other public or semi-public entity, or the vendor has been the subject of a civil enforcement proceeding or settlement involving a public or semi-public entity.
- vi. The vendor failed to comply with contract or warranty requirements or failed to follow District direction in the performance of a contract.

- vii. The vendor failed to timely furnish all contract documents required by the contract specifications, special provisions, or by any state or federal statutes or regulations. If the vendor fails to furnish any of the subject contract documents by the expiration of the period of suspension, revocation, or denial set forth above, the vendor's pre-qualified status shall remain suspended, revoked, or denied until the documents are furnished.
  - viii. The vendor failed to notify the District within 10 days of the vendor, or any of its affiliates, being declared in default or otherwise not completing work on a contract or being suspended from qualification to bid or denied qualification to bid by any other public or semi-public agency.
  - ix. The vendor did not pay its subcontractors or suppliers in a timely manner or in compliance with contract documents.
  - x. The vendor has demonstrated instances of poor or unsatisfactory performance, deficient management resulting in project delay, poor quality workmanship, a history of payment of liquidated damages, untimely completion of projects, uncooperative attitude, contract litigation, inflated claims or defaults.
  - xi. An affiliate of the vendor has previously been determined by the District to be non-responsible, and the specified period of suspension, revocation, denial, or non-responsibility remains in effect.
  - xii. The vendor or affiliate(s) has been convicted of a contract crime.
    - 1. The term "contract crime" means any violation of state or federal antitrust laws with respect to a public contract or any violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract.
    - 2. The term "convicted" or "conviction" means a finding of guilt or a conviction of a contract crime, with or without an adjudication of guilt, in any federal or state trial court of record as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
- (b) A denial, suspension, or revocation shall prohibit the vendor from being a subcontractor on District work during the period of denial, suspension, or revocation, except when a prime contractor's bid has used prices of a subcontractor who becomes disqualified after the bid, but before the request for authorization to sublet is presented.

- (c) The District shall inform the vendor in writing of its intent to deny, suspend, or revoke its pre-qualified status and inform the vendor of its right to a hearing, the procedure which must be followed, and the applicable time limits. If a hearing is requested within 10 days after the receipt of the notice of intent, the hearing shall be held within 30 days after receipt by the District of the request for the hearing. The decision shall be issued within 15 days after the hearing.
- (d) Such suspension or revocation shall not affect the vendor's obligations under any preexisting contract.
- (e) In the case of contract crimes, the vendor's pre-qualified status under this Rule shall be revoked indefinitely. For all violations of Rule 3.4(3)(a) other than for the vendor's conviction for contract crimes, the revocation, denial, or suspension of a vendor's pre-qualified status under this Rule shall be for a specific period of time based on the seriousness of the deficiency.

Examples of factors affecting the seriousness of a deficiency are:

- i. Impacts on project schedule, cost, or quality of work;
- ii. Unsafe conditions allowed to exist;
- iii. Complaints from the public;
- iv. Delay or interference with the bidding process;
- v. The potential for repetition;
- vi. Integrity of the public contracting process;
- vii. Effect on the health, safety, and welfare of the public.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.033, 255.0525, 255.20, Fla. Stat.

### **Rule 3.5      Construction Contracts, Not Design-Build.**

- (1) Scope. All contracts for the construction or improvement of any building, structure, or other public construction works authorized by Chapter 190 of the Florida Statutes, the costs of which are estimated by the District in accordance with generally accepted cost accounting principles to be in excess of the threshold amount for applicability of Section 255.20 of the Florida Statutes, as that amount may be indexed or amended from time to time, shall be let under the terms of these Rules and the procedures of Section 255.20 of the Florida Statutes, as the same may be amended from time to time. A project shall not be divided solely to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of construction services is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation in the District and in the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least twenty-one (21) days for submittal of sealed bids, proposals, replies, or responses, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of bids, proposals, replies, or responses. If the Board has previously pre-qualified contractors pursuant to Rule 3.4 and determined that only the contractors that have been pre-qualified will be permitted to submit bids, proposals, replies, and responses, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation need not be published. Instead, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be sent to the pre-qualified contractors by United States Mail, hand delivery, facsimile, or overnight delivery service.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.

- (d) If the District has pre-qualified providers of construction services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses to Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations.
- (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
  - (i) Hold all required applicable state professional licenses in good standing;
  - (ii) Hold all required applicable federal licenses in good standing, if any;
  - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the bidder is a corporation; and
  - (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to, reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response, if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. Bids, proposals, replies, and responses shall be evaluated in

accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and these Rules. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.

- (g) The lowest Responsive Bid submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No contractor shall be entitled to recover any costs of bid, proposal, response, or reply preparation or submittal from the District.
- (i) The Board may require potential contractors to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses, shall be provided in writing to all contractors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of construction services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase construction services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of construction services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the construction services without further competitive selection processes.
- (3) Sole Source; Government. Construction services that are only available from a single source are exempt from this Rule. Construction services provided by governmental agencies are exempt from this Rule. This Rule shall not apply to the purchase of construction services, which may include goods, supplies, or materials, that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules. A contract for construction services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
- (4) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (5) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board Meeting.
- (6) Exceptions. This Rule is inapplicable when:
  - (a) The project is undertaken as repair or maintenance of an existing public facility;
  - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
  - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contract; or
  - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

**Rule 3.6      Construction Contracts, Design-Build.**

- (1) Scope. The District may utilize Design-Build Contracts for any public construction project for which the Board determines that use of such contract is in the best interest of the District. When letting a Design-Build Contract, the District shall use the following procedure:
- (2) Procedure.
  - (a) The District shall utilize a Design Criteria Professional meeting the requirements of Section 287.055(2)(k) of the Florida Statutes, when developing a Design Criteria Package, evaluating the proposals and qualifications submitted by Design-Build Firms, and determining compliance of the project construction with the Design Criteria Package. The Design Criteria Professional may be an employee of the District, may be the District Engineer selected by the District pursuant to Section 287.055 of the Florida Statutes, or may be retained pursuant to Rule 3.1. The Design Criteria Professional is not eligible to render services under a Design-Build Contract executed pursuant to the Design Criteria Package.
  - (b) A Design Criteria Package for the construction project shall be prepared and sealed by the Design Criteria Professional. If the project utilizes existing plans, the Design Criteria Professional shall create a Design Criteria Package by supplementing the plans with project specific requirements, if any.
  - (c) The Board may either choose to award the Design-Build Contract pursuant to the competitive proposal selection process set forth in Section 287.055(9) of the Florida Statutes, or pursuant to the qualifications-based selection process pursuant to Rule 3.1.
    - (i) Qualifications-Based Selection. If the process set forth in Rule 3.1 is utilized, subsequent to competitive negotiations, a guaranteed maximum price and guaranteed completion date shall be established.
    - (ii) Competitive Proposal-Based Selection. If the competitive proposal selection process is utilized, the Board, in consultation with the Design Criteria Professional, shall establish the criteria, standards and procedures for the evaluation of Design-Build Proposals based on price, technical, and design aspects of the project, weighted for the project. After a Design Criteria Package and the standards and procedures for evaluation of proposals have been developed, competitive proposals from qualified firms shall be solicited pursuant to the design criteria by the following procedure:

1. A Request for Proposals shall be advertised at least once in a newspaper of general circulation in the county in which the District is located. The notice shall allow at least twenty-one (21) days for submittal of sealed proposals, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of proposals.
2. The District may maintain lists of persons interested in receiving notices of Requests for Proposals. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
3. In order to be eligible to submit a proposal, a firm must, at the time of receipt of the proposals:
  - a. Hold the required applicable state professional licenses in good standing, as defined by Section 287.055(2)(h) of the Florida Statutes;
  - b. Hold all required applicable federal licenses in good standing, if any;
  - c. Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation;
  - d. Meet any special pre-qualification requirements set forth in the Request for Proposals and Design Criteria Package.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may

be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the proposal if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the proposal.

4. The proposals, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. In consultation with the Design Criteria Professional, the Board shall evaluate the proposals received based on evaluation criteria and procedures established prior to the solicitation of proposals, including but not limited to qualifications, availability, and past work of the firms and the partners and members thereof. The Board shall then select no fewer than three (3) Design-Build Firms as the most qualified.
5. The Board shall have the right to reject all proposals if the proposals are too high, or rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of proposal preparation or submittal from the District.
6. If less than three (3) Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no Responsive Proposals are received, the District may proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the design-build services without further competitive selection processes.
7. Notice of the rankings adopted by the Board, including the rejection of some or all proposals, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the

Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's rankings under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

8. The Board shall negotiate a contract with the firm ranking the highest based on the evaluation standards and shall establish a price which the Board determines is fair, competitive and reasonable. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the second most qualified firm, based on the ranking by the evaluation standards. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the third most qualified firm. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the third most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. Should the Board be unable to negotiate a satisfactory contract with any of the selected firms, the Board shall select additional firms in order of their rankings based on the evaluation standards and continue negotiations until an agreement is reached or the list of firms is exhausted.
  9. After the Board contracts with a firm, the firm shall bring to the Board for approval, detailed working drawings of the project.
  10. The Design Criteria Professional shall evaluate the compliance of the detailed working drawings and project construction with the Design Criteria Package and shall provide the Board with a report of the same.
- (3) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
  - (4) Emergency Purchase. The Board may, in case of public emergency, declare an emergency and immediately proceed with negotiations with the best qualified

Design-Build Firm available at the time. The fact that an Emergency Purchase has occurred shall be noted in the minutes of the next Board meeting.

(5) Exceptions. This Rule is inapplicable when:

- (a) The project is undertaken as repair or maintenance of an existing public facility;
- (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
- (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contractor; or
- (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

**Rule 3.7      Payment and Performance Bonds.**

- (1) Scope. This Rule shall apply to contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work and shall be construed in addition to terms prescribed by any other Rule that may also apply to such contracts.
- (2) Required Bond. Upon entering into a contract for any of the services described in section (1) of this Rule in excess of \$200,000, the Board should require that the contractor, before commencing the work, execute and record a payment and performance bond in an amount equal to the contract price. Notwithstanding the terms of the contract or any other law, the District may not make payment to the contractor until the contractor has provided to the District a certified copy of the recorded bond.
- (3) Discretionary Bond. At the discretion of the Board, upon entering into a contract for any of the services described in section (1) of this Rule for an amount not exceeding \$200,000, the contractor may be exempted from executing a payment and performance bond.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** § 255.05, Fla. Stat.

**Rule 3.8      Goods, Supplies, and Materials.**

- (1) Purpose and Scope. All purchases of goods, supplies, or materials exceeding the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, shall be purchased under the terms of this Rule. Contracts for purchases of “goods, supplies, and materials” do not include printing, insurance, advertising, or legal notices. A contract involving goods, supplies, or materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of goods, supplies, or materials is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, or Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
  - (d) If the District has pre-qualified suppliers of goods, supplies, and materials, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses.
  - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
    - (i) Hold all required applicable state professional licenses in good standing;
    - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

Any firm or individual whose principal place of business is outside the State of Florida must also submit a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that foreign state to business entities whose principal places of business are in that foreign state, in the letting of any or all public contracts. Failure to submit such a written opinion or submission of a false or misleading written opinion may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and this Rule. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid, after taking into account the preferences provided for in this subsection, submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be accepted. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which does not grant a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the

lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference of five (5) percent. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which grants a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference equal to the preference granted by such foreign state.

To assure full understanding of the responsiveness to the solicitation requirements contained in an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.

- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.
- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of goods, supplies, and materials under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase goods, supplies, or materials, or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct

purchase of the goods, supplies, and materials without further competitive selection processes.

- (3) Goods, Supplies, and Materials included in a Construction Contract Awarded Pursuant to Rule 3.5 or 3.6. There may be occasions where the District has undergone the competitive purchase of construction services which contract may include the provision of goods, supplies, or materials. In that instance, the District may approve a change order to the contract and directly purchase the goods, supplies, and materials. Such purchase of goods, supplies, and materials deducted from a competitively purchased construction contract shall be exempt from this Rule.
- (4) Exemption. Goods, supplies, and materials that are only available from a single source are exempt from this Rule. Goods, supplies, and materials provided by governmental agencies are exempt from this Rule. A contract for goods, supplies, or materials is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process. This Rule shall not apply to the purchase of goods, supplies or materials that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules.
- (5) Renewal. Contracts for the purchase of goods, supplies, and/or materials subject to this Rule may be renewed for a maximum period of five (5) years.
- (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 189.053, 190.033, 287.017, 287.084, Fla. Stat.

### **Rule 3.9      Maintenance Services.**

- (1) Scope. All contracts for maintenance of any District facility or project shall be set under the terms of this Rule if the cost exceeds the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR. A contract involving goods, supplies, and materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of maintenance services is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
  - (d) If the District has pre-qualified suppliers of maintenance services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, and responses.
  - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
    - (i) Hold all required applicable state professional licenses in good standing;
    - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and these Rules. Minor variations in the bids, proposals, replies, and responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid submitted in response to an Invitation to Bid by a Responsive and Responsible Bidder shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate or Competitive Solicitation the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, or responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No Vendor shall be

entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.

- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
  - (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of maintenance services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
  - (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase the maintenance services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of maintenance services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the maintenance services without further competitive selection processes.
- (3) Exemptions. Maintenance services that are only available from a single source are exempt from this Rule. Maintenance services provided by governmental agencies are exempt from this Rule. A contract for maintenance services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
  - (4) Renewal. Contracts for the purchase of maintenance services subject to this Rule may be renewed for a maximum period of five (5) years.
  - (5) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
  - (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), 190.033, Fla. Stat.  
**Law Implemented:** §§ 119.0701, 190.033, 287.017, Fla. Stat.

**Rule 3.10 Contractual Services.**

- (1) Exemption from Competitive Purchase. Pursuant to Section 190.033(3) of the Florida Statutes, Contractual Services shall not be subject to competitive purchasing requirements. If an agreement is predominantly for Contractual Services, but also includes maintenance services or the purchase of goods and services, the contract shall not be subject to competitive purchasing requirements. Regardless of whether an advertisement or solicitation for Contractual Services is identified as an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, no rights or remedies under these Rules, including but not limited to protest rights, are conferred on persons, firms, or vendors proposing to provide Contractual Services to the District.
- (2) Contracts; Public Records. In accordance with Florida law, each contract for Contractual Services shall include provisions required by law that require the contractor to comply with public records laws.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 190.011(3), 190.033, Fla. Stat.

**Rule 3.11      Protests with Respect to Proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9.**

The resolution of any protests with respect to proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9 shall be in accordance with this Rule.

(1)      Filing.

- (a)      With respect to a protest regarding qualifications, specifications, documentation, or other requirements contained in a Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation issued by the District, the notice of protest shall be filed in writing within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after the first advertisement of the Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation. A 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 Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's intended decision. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (b)      Except for those situations covered by subsection (1)(a) of this Rule, any firm or person who is affected adversely by a District's ranking or intended award under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9 and desires to contest the District's ranking or intended award, shall file with the District a written notice of protest within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after receipt of the notice of the District's ranking or intended award. A 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 Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's ranking or intended award. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (c)      If the requirement for the posting of a protest bond and the amount of the protest bond, which may be expressed by a percentage of the contract to be awarded or a set amount, is disclosed in the District's competitive solicitation documents for a particular purchase under Rules 3.1, 3.2, 3.3,

3.4, 3.5, 3.6, 3.8, or 3.9, any person who files a notice of protest must post the protest bond. The amount of the protest bond shall be determined by District staff after consultation with the Board and within the limits, if any, imposed by Florida law. In the event the protest is successful, the protest bond shall be refunded to the protestor. In the event the protest is unsuccessful, the protest bond shall be applied towards the District's costs, expenses, and attorney's fees associated with hearing and defending the protest. In the event the protest is settled by mutual agreement of the parties, the protest bond shall be distributed as agreed to by the District and protestor.

- (d) The District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (2) Contract Execution. Upon receipt of a notice of protest which has been timely filed, the District shall not execute the contract under protest until the subject of the protest is resolved. However, if the District sets forth in writing particular facts and circumstances showing that delay incident to protest proceedings will jeopardize the funding for the project, will materially increase the cost of the project, or will create an immediate and serious danger to the public health, safety, or welfare, the contract may be executed.
- (3) Informal Proceeding. If the Board determines a protest does not involve a disputed issue of material fact, the Board may, but is not obligated to, schedule an informal proceeding to consider the protest. Such informal proceeding shall be at a time and place determined by the Board. Notice of such proceeding shall be sent via facsimile, United States Mail, or hand delivery to the protestor and any substantially affected persons or parties not less than three (3) calendar days prior to such informal proceeding. Within thirty (30) calendar days following the informal proceeding, the Board shall issue a written decision setting forth the factual, legal, and policy grounds for its decision.
- (4) Formal Proceeding. If the Board determines a protest involves disputed issues of material fact or if the Board elects not to use the informal proceeding process provided for in section (3) of this Rule, the District shall schedule a formal hearing to resolve the protest. The Chairperson shall designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer to conduct the hearing. The hearing officer may:
  - (a) Administer oaths and affirmations;
  - (b) Rule upon offers of proof and receive relevant evidence;
  - (c) Regulate the course of the hearing, including any pre-hearing matters;

(d) Enter orders; and

(e) Make or receive offers of settlement, stipulation, and adjustment.

The hearing officer shall, within thirty (30) days after the hearing or receipt of the hearing transcript, whichever is later, file a recommended order which shall include a caption, time and place of hearing, appearances entered at the hearing, statement of the issues, findings of fact and conclusions of law, separately stated, and a recommendation for final District action. The District shall allow each party fifteen (15) days in which to submit written exceptions to the recommended order. The District shall issue a final order within sixty (60) days after the filing of the recommended order.

(5) Intervenors. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.

(6) Rejection of all Qualifications, Bids, Proposals, Replies and Responses after Receipt of Notice of Protest. If the Board determines there was a violation of law, defect, or an irregularity in the competitive solicitation process, the Bids, Proposals, Replies, and Responses are too high, or if the Board determines it is otherwise in the District's best interest, the Board may reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew. If the Board decides to reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew, any pending protests shall automatically terminate.

(7) Settlement. Nothing herein shall preclude the settlement of any protest under this Rule at any time.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** § 190.033, Fla. Stat.

**Rule 4.0      Effective Date.**

These Rules shall be effective July 27, 2022, except that no election of officers required by these Rules shall be required until after the next regular election for the Board.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.011(15), Fla. Stat.