

***EPPERSON RANCH II COMMUNITY
DEVELOPMENT DISTRICT***

Advanced Meeting Package

***Board of Supervisors
Regular Meeting***

***Tuesday
August 23,
2018***

9:00 a.m.

***Residence Inn
2101 Northpointe Parkway
Lutz, Florida***

Note: The Advanced Meeting Package is a working document and thus all materials are considered DRAFTS prior to presentation and Board acceptance, approval or adoption.

EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT AGENDA

Residence Inn
2101 Northpointe Parkway
Lutz, Florida

District Board of Supervisors	Mike Lawson Doug Draper Lori Price Ted Sanders	Chairman Vice Chairman Assistant Secretary Assistant Secretary
District Manager	Paul Cusmano Lore Yeira	DPFG DP FG
District Attorney	Vivek Babbar	Straley & Robin
District Engineer	Tonja Stewart	Stantec Consulting Services, Inc.

All cellular phones and pagers must be turned off during the meeting.
The District Agenda is comprised of seven different sections:

The meeting will begin promptly with the first section which is called **Audience Questions and Comments on Agenda Items**. The Audience Comment portion of the agenda is where individuals may comment on matters that concern the District. Each individual is limited to three (3) minutes for such comment. The Board of Supervisors or Staff is not obligated to provide a response until sufficient time for research or action is warranted. IF THE COMMENT CONCERNS A MAINTENANCE RELATED ITEM, THE ITEM WILL NEED TO BE ADDRESSED BY THE DISTRICT MANAGER OUTSIDE THE CONTEXT OF THIS MEETING. The second section is called **District Counsel and District Engineer Reports**. This section allows the District Engineer, and Attorney to update the Board of Supervisors on any pending issues that are being researched for Board action. The third section is the **Landscaping and Ponds** section and contains items that often require District Engineer, Operations Manager, and Landscape Contractor to discuss and update the Board. The fourth section is the **Business Administration** section and contains items that require the review and approval of the District Board of Supervisors as a normal course of business. The fifth section is called **Business Items**. The business items section contains items for approval by the District Board of Supervisors that may require discussion, motion and votes on an item-by-item basis. Occasionally, certain items for decision within this section are required by Florida Statute to be held as a Public Hearing. During the Public Hearing portion of the agenda item, each member of the public will be permitted to provide one comment on the issue, prior to the Board of Supervisors' discussion, motion and vote. Agendas can be reviewed by contacting the Manager's office at (813) 374-9105 at least seven days in advance of the scheduled meeting. Requests to place items on the agenda must be submitted in writing with an explanation to the District Manager at least fourteen (14) days prior to the date of the meeting. The sixth section is called **Staff Reports**. This section allows the District Manager and Maintenance Supervisor to update the Board of Supervisors on any pending issues that are being researched for Board action. The seventh section which is called **Audience Comments on Other Items** provides members of the Audience the opportunity to comment on matters of concern to them that were not addressed during the meeting. The same guidelines used during the first audience comment section will apply here as well. The final section is called **Supervisor Requests**. This is the section in which the Supervisors may request Staff to prepare certain items in an effort to meet residential needs.

Public workshops sessions may be advertised and held in an effort to provide informational services. These sessions allow staff or consultants to discuss a policy or business matter in a more informal manner and allow for lengthy presentations prior to scheduling the item for approval. Typically no motions or votes are made during these sessions.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (813) 374-9105, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770, who can aid you in contacting the District Office.

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

EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT

Date of Meeting: Thursday August 23, 2018
Time: 9:00 a.m.
Location: Residence Inn
2101 Northpointe Parkway
Lutz, Florida 33558

Conference Call No.: (563) 999-2090
Code: 686859#

AGENDA

- I. Roll Call**
- II. Audience Comments**
- III. Consent Agenda**
 - A. Approval of Minutes from July 10, 2018 Meeting** **Exhibit 1**
 - B. Acceptance of June Unaudited Financial Statements** **Exhibit 2**
- IV. Business Matters**
 - A. FY 2019 Public Hearing**
 - 1. Open Budget Public Hearing
 - 2. Review Budget
 - 3. Audience Comments
 - 4. Close Budget Public Hearing
 - B. Consideration and Adoption of Resolution 2018-33 Adopting the FY 2018-2019 Budget** **Exhibit 3**
 - C. Budget Funding Agreement** **Exhibit 4**
 - D. Consideration and Adoption of Resolution 2018-34 Imposing Special Assessments** **Exhibit 5**
 - E. Consideration and Adoption of Resolution 2018- 35 Re-Designating Officers** **Exhibit 6**
 - F. Consideration and Authorization Resolution 2018-36 the Submittal of a Petition to Expand the District** **Exhibit 7**
 - G. Consideration of Resolution 2018-37 Authorizing the Construction and Acquisition** **Exhibit 8**

V. Staff Reports

A. District Manager

B. Attorney

C. District Engineer

VI. Supervisors Requests

VII. Audience Questions and Comments on Other Items

VIII. Adjournment

Exhibit 1

**MINUTES OF MEETING
EPPERSON RANCH II
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Epperson Ranch Community Development District was held on Tuesday, July 10, 2018 at 9:00 a.m. at the Residence Inn 2101 Northpointe Parkway, Lutz, Florida 33558.

FIRST ORDER OF BUSINESS – Roll Call

Mr. Cusmano called the meeting to order.

Present and constituting a quorum were:

Mike Lawson	Board Supervisor, Chairman
Doug Draper	Board Supervisor, Vice Chairman
Lori Price	Board Supervisor, Assistant Secretary

Also present were:

Paul Cusmano	District Manager, DPFG
Lore Yeira	Assistant District Manager, DPFG
Maik Aagaard	Assistant Treasurer, DPFG

The following is a summary of the discussions and actions taken at the July 10, 2018 Epperson Ranch II CDD Board of Supervisors meeting.

SECOND ORDER OF BUSINESS – Audience Comments

Moving on to the Second Order of Business, Mr. Cusmano opened the floor for questions and comments from the audience on agenda items. There being none, the next item followed.

THIRD ORDER OF BUSINESS – Consent Agenda

Moving on to the Third Order of Business, Mr. Cusmano presented the consent agenda items, Exhibit 1 & 2, and asked for any questions or corrections. There being none, Mr. Cusmano called for a motion to approve the consent agenda items. MOTION PASSES 3-0.

- A. **Exhibit 1:** Approval of the Minutes from the June 12, 2018 Meeting
- B. **Exhibit 2:** Acceptance of the May 2018 Unaudited Financial Statement

On a MOTION by Mr. Lawson, SECONDED by Mr. Draper, WITH ALL IN FAVOR, the Board accepted Items A & B for the Epperson Ranch II Community Development District.

FOURTH ORDER OF BUSINESS – Business Matters

Moving on to the Fourth Order of Business, Mr. Cusmano opened the floor to discuss the following business matters:

- A. **Exhibit 3:** Consideration and Approval of Resolution 2018-29 for the Public Hearing Date on Special Assessments

On a MOTION by Mr. Lawson, SECONDED by Ms. Price, WITH ALL IN FAVOR, the Board adopted Resolution 2018-29 for the Public Hearing on Special Assessments to be held on August 23, 2018 at 9:00 a.m. at the Residence Inn 2101 Northpointe Parkway, Lutz, Florida 33558 for the Epperson Ranch II Community Development District.
--

B. Exhibit 4: Consideration and Approval of Resolution 2018-30 Preliminary Assessments

1. AMR
2. Engineer Report

On a MOTION by Mr. Lawson, SECONDED by Mr. Draper, WITH ALL IN FAVOR, the Board adopted **Resolution 2018-30, Preliminary Assessments and set the public hearing to be held on August 23, 2018 at 9:00 a.m. at the Residence Inn 2101 Northpointe Parkway, Lutz, Florida 33558** for the Epperson Ranch II Community Development District.

FIFTH ORDER OF BUSINESS – Staff Reports

Moving on to the Fifth Order of Business, Mr. Cusmano opened the floor to discuss the staff reports from the district manager, attorney, and district engineer. Mr. Cusmano presented the field report, Exhibit 5.

A. District Manager

1. **Exhibit 5:** June 2018 Field Report

B. Attorney

There being none, next item followed.

C. District Engineer

There being none, next item followed.

SIXTH ORDER OF BUSINESS – Supervisors Requests

Moving on to the Sixth Order of Business, Mr. Cusmano opened the floor for supervisors requests. There being none, next item followed.

SEVENTH ORDER OF BUSINESS – Audience Questions and Comments on Other Items

Moving on to the Seventh Order of Business, Mr. Cusmano opened the floor for questions and comments from the audience on other items. There being none, next item followed.

EIGHTH ORDER OF BUSINESS – Adjournment

Moving on to the Eighth Order of Business, Mr. Cusmano presented Resolution 2018-06, Adopting Electronic Records Retention Policy and asked for questions or corrections. There being none, Mr. Cusmano called for a motion to approve the resolution and to adjourn the meeting. MOTION PASSES 3-0.

On a MOTION by Mr. Lawson, SECONDED by Ms. Price, WITH ALL IN FAVOR, the Board adopted **Resolution 2018-06, Adopting Electronic Records Retention Policy** for the Epperson Ranch II Community Development District.

On a MOTION by Mr. Lawson, SECONDED by Ms. Price, WITH ALL IN FAVOR, the Board adjourned the meeting for the Epperson Ranch II Community Development District.

**Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.*

Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed meeting held on _____.

Signature

Signature

Printed Name

Title: ☐ Secretary ☐ Assistant Secretary

Printed Name

Title: ☐ Chairman ☐ Vice Chairman

Exhibit 2

Epperson Ranch II Community Development District

Financial Statements
(Unaudited)

Preliminary

Period Ending
July 31, 2018

EPPERSON RANCH II CDD
BALANCE SHEET
July 31, 2018

	FY2018 GEN FUND	CONSTRUCTION 2018	CONSOLIDATED TOTAL
<u>ASSETS:</u>			
CASH	\$ 253	\$ -	\$ 253
DEBT SERVICE RESERVE FUND	-	-	-
COST OF ISSUANCE - 2017	-	-	-
ACQ/CONSTRUCTION FUND	-	-	-
ACCOUNTS RECEIVABLE	2,856	524,728	527,584
DEPOSIT	-	-	-
TOTAL ASSETS	\$ 3,109	\$ 524,728	\$ 527,837
<u>LIABILITIES:</u>			
ACCOUNTS PAYABLE	\$ 2,856	\$ 524,728	\$ 527,584
RETAINAGE PAYABLE	-	-	-
<u>FUND BALANCE:</u>			
RESTRICTED FOR:			
ASSIGNED:	-	-	-
UNASSIGNED:	253	-	253
TOTAL LIABILITIES & FUND BALANCE	\$ 3,109	\$ 524,728	\$ 527,837

Epperson Ranch II CDD
Statement of Revenue, Expenditures And Change In Fund Balance
For The Period Ending July 31, 2018

	FY2018 ADOPTED BUDGET	BUDGET YEAR-TO-DATE	ACTUAL YEAR-TO-DATE	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
OFF ROLL FUNDING	\$ 365,003	\$ 65,701	\$ 56,853	\$ (8,848)
INTEREST	-	-	8	\$ 8
TOTAL REVENUES	365,003	65,701	56,861	(8,848)
EXPENDITURES				
GENERAL ADMINISTRATIVE:				
SUPERVISORS COMPENSATION	12,000	6,000	3,306	2,694
PAYROLL TAXES	918	459	569	(110)
PAYROLL PROCESSING	660	330	233	97
MANAGEMENT CONSULTING SERVICES	21,000	10,500	10,188	312
CONSTRUCTION ACCOUNTING SERVICES	9,000	4,500	-	4,500
PLANNING AND COORDINATING SERVICES	36,000	18,000	17,464	536
ADMINISTRATIVE SERVICES	3,500	1,750	2,911	(1,161)
BANK FEES	300	150	43	107
MISCELLANEOUS	500	250	-	250
AUDITING SERVICES	4,500	2,250	-	2,250
TRAVEL PER DIEM	-	-	17	(17)
INSURANCE	4,000	2,000	2,507	(507)
REGULATORY AND PERMIT FEES	175	88	-	88
LEGAL ADVERTISEMENTS	2,000	1,000	5,237	(4,237)
ENGINEERING SERVICES	4,000	2,000	-	2,000
LEGAL SERVICES	7,500	3,750	7,488	(3,738)
PERFORMANCE & WARRANTY BONDS	-	-	-	-
WEBSITE HOSTING	720	360	537	(177)
ADMINISTRATIVE CONTINGENCY	-	-	1,450	(1,450)
TOTAL GENERAL ADMINISTRATIVE	106,773	53,387	51,950	1,437
DEBT ADMINISTRATION				
DISSEMINATION AGENT	1,000	500	-	500
TRUSTEE FEES	8,000	4,000	-	4,000
ARBITRAGE	750	375	-	375
TOTAL DEBT ADMINISTRATION	9,750	4,875	-	4,875
PHYSICAL ENVIRONMENT EXPENDITURES:				
FIELD MANAGEMENT	9,600	4,800	4,657	143
FIELD MANAGER	11,679	5,840	-	5,840
AMENITY MANAGEMENT SERVICES	6,000	3,000	-	3,000
FIELD TRAVEL	1,400	700	-	700
STREETPOLE LIGHTING	-	-	-	-
ELECTRICITY (IRRIGATION & POND PUMPS)	-	-	-	-
WATER	-	-	-	-
LANDSCAPE MAINTENANCE	-	-	-	-
IRRIGATION MAINTENANCE	-	-	-	-
POND MAINTENANCE	-	-	-	-
CONTINGENCY FOR PHYSICAL ENVIRONMENT	219,801	109,901	-	109,901
TOTAL PHYSICAL ENVIRONMENT EXPENDITURES	248,480	124,240	4,657	119,583
TOTAL EXPENDITURES	365,003	182,502	56,607	
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	(116,801)	254	117,055
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ (116,801)	\$ 254	\$ 117,055

EPPERSON RANCH II CDD
CONSTRUCTION FUNDING
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
FOR THE PERIOD STARTING FEBRUARY 1 ENDING JULY 31, 2018

	<u>ACTUAL YEAR-TO-DATE</u>
REVENUE	
DEVELOPER FUNDING	748,519
INTEREST	-
TOTAL REVENUE	<u>748,519</u>
 EXPENDITURES	
CONSTRUCTION IN PROGRESS	748,519
	-
TOTAL EXPENDITURES	<u>748,519</u>
EXCESS REVENUE OVER (UNDER) EXPEND.	-
TRANSFER OUT	-
 FUND BALANCE - BEGINNING	-
 FUND BALANCE - ENDING	<u><u>-</u></u>

Epperson Ranch II CDD
Cash Reconciliation
July 31, 2018

	Cash Balance
Beginning Balance	76,681.49
Outstanding Checks	(76,428.13)
Adjusted Bank Balance	<u><u>\$ 253.36</u></u>

Previous Month Balance	261.32
Receipts	6,714.13
Disbursements	(6,722.09)
End Of Month Balance	<u><u>\$ 253.36</u></u>

Epperson Ranch II
Check Register FY2018

Date	Num	Name	Memo	Receipts	Disbursements	Balance
02/01/2018		BEGINNING BALANCE		0.00	0.00	0.00
02/22/2018		Epperson Ranch LLC	Funding Request 2018-01	1,697.75		1,697.75
02/28/2018		Bank United	Interest	0.04		1,697.79
02/28/2018		EOM		1,697.79	0.00	1,697.79
03/07/2018		Epperson Ranch LLC	Funding Request 2018-02	3,349.90		5,047.69
03/16/2018		Epperson Ranch LLC	FR 2018-03	981.60		6,029.29
03/16/2018	1001	Doug Draper	Mileage for 2-6-18 Meeting		4.30	6,024.99
03/16/2018	1002	Straley Robin Vericker	Legal Services		3,790.50	2,234.49
03/16/2018	1003	Tampa Bay Times	Legal Advertising		1,036.00	1,198.49
03/16/2018	1004	VenturesIn.com, Inc.	Hosting Set up Name Registration		296.99	901.50
03/16/2018	ACH3162018	Bank United	Business checks		16.36	885.14
03/26/2018		Epperson Ranch LLC	FR 2018-04	11,019.38		11,904.52
03/29/2018	1005	DPFG	Voided Check		0.00	11,904.52
03/29/2018		Paychex, Inc.	Meeting 2/6/18		146.85	11,757.67
03/29/2018		Doug Draper	Meeting 2/6/18		184.70	11,572.97
03/29/2018		Michael Lawson	Meeting 2/6/18		184.70	11,388.27
03/29/2018		Lori Price	Meeting 2/6/18		184.70	11,203.57
03/30/2018	1006	DPFG	CDD - Mgmt.		11,019.38	184.19
03/31/2018		Bank United	Interest	0.70		184.89
03/31/2018		EOM		15,351.58	16,864.48	184.89
04/02/2018	2473	Epperson Ranch LLC	FR 2018-05	3,628.82		3,813.71
04/18/2018	2521	Epperson Ranch LLC	FR 2018-06, 10	6,050.00		9,863.71
04/18/2018	1007	DPFG	Management Services 4/1-4/30/18		6,050.00	3,813.71
04/18/2018	1008	Straley Robin Vericker	Legal Services		1,127.22	2,686.49
04/18/2018	1009	Tampa Bay Times	Legal Ads		2,501.60	184.89
04/30/2018		Bank United	Service Charge		9.00	175.89
04/30/2018		Bank United	Interest	3.05		178.94
04/30/2018		EOM		9,681.87	9,687.82	178.94
05/10/2018	2577	Epperson Ranch LLC	GF 2018-7,8,9	11,233.85		11,412.79
05/16/2018	1011	Doug Draper	Mileage for 4-3-18 Meeting		3.27	11,409.52
05/16/2018	1012	DPFG	Management Services 5/1-5/31/18		6,050.00	5,359.52
05/16/2018	1013	Egis Insurance Advisors, LLC	Insurance Coverage 4/1-10/1/18		2,507.00	2,852.52
05/16/2018	1014	Straley Robin Vericker	Legal Services		870.78	1,981.74
05/16/2018	1015	Tampa Bay Times	Legal Advertising		340.00	1,641.74
05/16/2018	1016	VenturesIn.com, Inc.	Website Hosting - April		60.00	1,581.74
05/21/2018	ACH20180517	Paychex, Inc.	Board Meeting 3/6 & 4/3/18		246.49	1,335.25
05/21/2018	ACH10004	Michael Lawson	Board Meeting 3/6 & 4/3/18		369.40	965.85
05/21/2018	ACH10005DD	Lori Price	Board Meeting 3/6 & 4/3/18		360.23	605.62
05/21/2018	ACH10003	Doug Draper	Board Meeting 3/6 & 4/3/18		360.23	245.39
05/31/2018		Bank United	Service Charge		9.00	236.39
05/31/2018		Bank United	Interest	3.03		239.42
05/31/2018		EOM		11,236.88	11,176.40	239.42
06/01/2018	2669	Epperson Ranch LLC	GF 2018-10	764.67		1,004.09
06/01/2018	1018	Doug Draper	Mileage for 5-1-18 Meeting		3.27	1,000.82
06/01/2018	1019	VenturesIn.com, Inc.	Website Hosting - May		60.00	940.82
06/08/2018	2690	Epperson Ranch LLC	GF 2018-11	7,010.07		7,950.89
06/08/2018	1020	DPFG	Management Services 6/1-6/30/18		6,050.00	1,900.89
06/08/2018	1021	Gary Joiner, Property Appraiser	District Filing Fee - Property Appraiser		750.00	1,150.89
06/08/2018	1022	Straley Robin Vericker	Legal Services Through 5/15/18		210.07	940.82
06/13/2018	ACH10006	Doug Draper	Meeting 5/1/18		184.70	756.12
06/13/2018	ACH10008DD	Lori Price	Board Meeting 5/1/18		184.70	571.42
06/13/2018	ACH10007	Michael Lawson	Meeting 5/1/18		184.70	386.72
06/13/2018	ACHBOS50118	Paychex, Inc.	Meeting 5/1/18		136.35	250.37
06/18/2018	2747	Epperson Ranch LLC	GF2018-12,16	783.20		1,033.57
06/20/2018	1024	Mike Fasano Tax Collector	Tax Collector Administrative Fee		700.00	333.57
06/20/2018	1025	Tampa Bay Times	Legal Advertising		83.20	250.37
06/21/2018	2769	Epperson Ranch LLC	GF 2018-13	764.67		1,015.04

06/22/2018	1026	Doug Draper	Mileage for 6-12-18 Meeting	3.27	1,011.77
06/22/2018	1027	VenturesIn.com, Inc.	Website Hosting - June	60.00	951.77
06/30/2018	10009	Doug Draper	Board Meeting 6/12/18	184.70	767.07
06/30/2018	10011DD	Lori Price	Board Meeting 6/12/18	184.70	582.37
06/30/2018	10010	Michael Lawson	Board Meeting 6/12/18	184.70	397.67
06/30/2018	ACHBOS618	Paychex, Inc.	Meeting 6/12/18	136.35	261.32
06/30/2018	EOM			9,322.61	9,300.71
07/13/2018	2847	Epperson Ranch LLC	GF2018-14	6,713.09	6,974.41
07/16/2018	1029	DPFG	Management Services 7/1-7/31/18	6,050.00	924.41
07/16/2018	1030	Straley Robin Vericker	Legal Services Through 6/15/18	663.09	261.32
07/31/2018		Bank United	Service Charge	9.00	252.32
07/31/2018		Bank United	Interest	1.04	253.36
07/31/2018	EOM			6,714.13	6,722.09

Exhibit 3

RESOLUTION 2018-33

THE ANNUAL APPROPRIATION RESOLUTION OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019 APPROVING A BUDGET FUNDING AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2018, submitted to the Board of Supervisors (“**Board**”) a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

WHEREAS, at least sixty (60) days prior to the adoption of the proposed annual budget (“**Proposed Budget**”), the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

WHEREAS, the Board set August 23, 2018, as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), Florida Statutes; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), Florida Statutes, requires that, prior to October 1, of each year, the District Board by passage of the Annual Appropriation Resolution shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year; and

WHEREAS, in order for the Developer to fund a portion of the Budget, the Board desires to approve a form of the Budget Funding Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT:

Section 1. Budget

- a. That the Board of Supervisors has reviewed the District Manager’s Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. That the Proposed Budget, attached hereto as **Exhibit “A,”** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes, and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures for fiscal year 2017/2018 and/or revised projections for fiscal year 2018/2019.
- c. That the adopted budget, as amended, shall be maintained in the office of the District Manager and at the District’s Records Office and identified as the “Budget for the Epperson Ranch II Community Development District for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019,” as adopted by the Board of Supervisors on August 23, 2018.
- d. The final adopted budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption.

Section 2. Appropriations

There is hereby appropriated out of the revenues of the District, for the fiscal year beginning October 1, 2018, and ending September 30, 2019, the sum of \$_____ to be raised by the levy of assessments and otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$_____
TOTAL DEBT SERVICE FUNDS	\$_____
TOTAL ALL FUNDS	\$_____*

*Not inclusive of any collection costs.

Section 3. Budget Amendments

Pursuant to Section 189.016, Florida Statutes, the District at any time within the fiscal year or within 60 days following the end of the fiscal year may amend its budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016 of the Florida Statutes, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget(s) under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption.

Section 4. Budget Funding Agreement

The form of the Budget Funding Agreement, attached as **Exhibit "B"** hereto, is hereby approved in order to fund the Developer's portion of the budget for Fiscal Year 2018/2019.

Section 5. Effective Date.

This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Epperson Ranch II Community Development District.

PASSED AND ADOPTED THIS 23RD DAY OF AUGUST, 2018.

ATTEST:

**EPPERSON RANCH II COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Assistant Secretary

By: _____
Michael Lawson
Chair of the Board of Supervisors

Exhibit A: 2018/2019 Budget
Exhibit B: Budget Funding Agreement

Exhibit 4

Budget Funding Agreement
Fiscal Year 2018/2019

This Agreement is made and entered into this 23rd day of August, 2018, by and between the **Epperson Ranch II Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in Pasco County, Florida (hereinafter "**District**"), and **Epperson Ranch, LLC**, a Florida limited liability company (hereinafter "**Developer**").

Recitals

WHEREAS, the District is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes and located in Pasco County, Florida, (the "**County**") for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure ; and

WHEREAS, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, Developer presently owns real property within the District, which property will benefit from the timely construction and acquisition of the District' s facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is adopting its general fund budget for the Fiscal Year 2018/2019, which year commences on October 1, 2018 and concludes on September 30, 2019; and

WHEREAS, the District will need a funding mechanism to enable it to proceed with its operations and services during Fiscal Year 2018/2019 as described in **Exhibit "A"** attached hereto; and

WHEREAS, the Developer desires to provide such funds, as are necessary, to the District to proceed with its operations and services for Fiscal Year 2018/2019, as described in Exhibit "A," and as may be amended from time to time by the District.

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

1. The Developer agrees to make available to the District the monies necessary for the operation of the District as called for in the budget attached hereto as Exhibit "A", as may be amended from time to time, within thirty (30) days of written request by the District. The funds shall be placed in the District's general checking account. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District.

2. The parties hereto recognize that a portion of the aforereferenced operating expenses may be required in support of the District's effort to implement its capital improvements program which are to be financed in the form of note(s), bond(s) or future developer advances and as such may be considered to be reimbursable expenses. The District agrees that upon the issuance of its note(s) or bonds(s) that there will be included an amount sufficient to reimburse the Developer for a portion of the advances made pursuant to this agreement and such reimbursement will be made within thirty (30) days of receiving the proceeds of the note(s) or bond(s). The advances made pursuant to this agreement and reimbursement of same will not include any interest charge since it is anticipated that the District will proceed in a timely fashion to obtain its note(s) or bond(s).

3. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendment to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

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

5. This Agreement may be assigned, in whole or in part by either party only upon the written consent of the other. Any purported assignment without such written consent shall be void.

6. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages and specifically including the ability of the District to enforce any and all payment obligations under this Agreement through the imposition and enforcement of a contractual or other lien on property owned by the Developer.

7. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for, trial alternative dispute resolution, or appellate proceedings.

8. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

9. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

10. This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

11. The Agreement shall be effective after execution by both parties hereto.

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

Attest:

**Epperson Ranch II Community
Development District**

Secretary/Assistant Secretary

By: _____
Michael Lawson
Chair of the Board of Supervisors

Witness

Epperson Ranch, LLC
a Florida limited liability company

Witness

By: _____
John Ryan
Managing Member

Exhibit "A" – Fiscal Year 2018/2019 General Fund Budget

Exhibit 5

RESOLUTION 2018- 34

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT
IMPOSING SPECIAL ASSESSMENTS; PROVIDING FOR COLLECTION
AND ENFORCEMENT OF SPECIAL ASSESSMENTS; ADOPTING AND
CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR
AMENDMENT OF THE ASSESSMENT ROLL; PROVIDING A
SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Epperson Ranch II Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Pasco County, Florida (“**County**”); and

WHEREAS, the District owns and operates various infrastructure improvements and provides certain services in accordance with Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance activities described in the District’s budget for fiscal year 2018/2019 (“**Budget**”), attached hereto as **Exhibit “A”** and incorporated as a material part of this Resolution by this reference; and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance services and facilities provided by the District as described in the District’s Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, Florida Statutes, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the County Tax Roll and collected by the County Tax Collector (“**Uniform Method**”); and

WHEREAS, the District has, by resolution and public notice, previously evidenced its intention to utilize the Uniform Method; and

WHEREAS, the District has approved an agreement with the Pasco County Property Appraiser (“**Property Appraiser**”) and Pasco County Tax Collector (“**Tax Collector**”) to provide for the collection of special assessments under the Uniform Method; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments on all assessable lands for operations and maintenance in the amount contained in the Budget; and

WHEREAS, the District desires to levy and collect special assessments reflecting each parcel's portion of the District's Budget; and

WHEREAS, it is in the best interests of the District to adopt the Assessment Roll of the District ("**Assessment Roll**") attached to this Resolution as **Exhibit "B"** and incorporated as a material part of this Resolution by this reference, and to certify a portion of the Assessment Roll on the parcels designated in **Exhibit "B"** to the Tax Collector pursuant to the Uniform Method and to directly collect a portion of the assessments on the parcels designated in **Exhibit "B"** through the direct collection method pursuant to Chapter 190, Florida Statutes; and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the Tax Collector by this Resolution, as the Property Appraiser updates the property roll, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BENEFIT. The provision of the services, facilities and operations as described in **Exhibit "A"** confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the costs of the assessments. The allocation of the costs to the specially benefited lands is shown in **Exhibits "A" and "B"**.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapter 190 of the Florida Statutes, and using procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operations and maintenance is hereby imposed and levied on benefited lands within the District in accordance with **Exhibits "A" and "B"**. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

SECTION 3. COLLECTION AND DUE DATE.

A. Uniform Method Assessments. The collection of the previously levied debt service assessments and operations and maintenance special assessments on a portion of the platted lots and developed lands shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits "A" and "B."**

B. Direct Bill Assessments. The annual installment for the previously levied debt service assessments, and the annual operations and maintenance assessments, on a portion of the undeveloped and unplatted lands will be collected directly by the District in accordance with Florida law, as set forth in **Exhibits "A" and "B."** Assessments directly collected by the

District are due in full on December 1, 2018; provided, however, that, to the extent permitted by law, the assessments due may be paid in several partial, deferred payments and according to the following schedule: 50% due no later than December 1, 2018, 25% due no later than February 1, 2019 and 25% due no later than May 1, 2019. In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial, deferred payments for Fiscal Year 2018/2019, as well as any future installments of special assessments securing debt service – shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District's sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the applicable rate of any bonds or other debt instruments secured by the special assessments, or, in the case of operations and maintenance assessments, at the applicable statutory prejudgment interest rate. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170 of the Florida Statutes or other applicable law to collect and enforce the whole assessment, as set forth herein.

C. Future Collection Methods. The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices. The District certifies all assessments for debt service and operations and maintenance for collection pursuant to Chapters 190 and 197, Florida Statutes. All assessments collected by the Tax Collector shall be due and payable as provided in Chapter 197, Florida Statutes.

SECTION 4. ASSESSMENT ROLL. The District's Assessment Roll, attached to this Resolution as **Exhibit “B”**, is hereby certified and adopted.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the property roll by the Property Appraiser after the date of this Resolution, and shall amend the District's Assessment Roll in accordance with any such updates, for such time as authorized by Florida law. After any amendment of the Assessment Roll, the District Manager shall file the updates to the tax roll in the District records.

SECTION 6. 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 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Epperson Ranch II Community Development District.

PASSED AND ADOPTED THIS 23RD DAY OF AUGUST, 2018.

ATTEST:

**EPPERSON RANCH II COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Assistant Secretary

By: _____
Michael Lawson
Chair of the Board of Supervisors

Exhibit "A" – Fiscal Year 2018/2019 Budget
Exhibit "B" – District Assessment Lien Roll
 Assessment Roll (Uniform Method)
 Assessment Roll (Direct Collect)

Exhibit B:District Assessment Lien Roll

Parcel Number	Tax Area	Appraised	Assessed	Taxable	CDD Assessment	Acres
26-25-20-0000-00200-0040	36E2	17276	17272	17276	0	65.48
27-25-20-0000-00200-0040	36E2	227901	41999	227901	0	108.89
34-25-20-0000-00100-0022	36E2	17929	0	17929	0	2.23
35-25-20-0000-00300-0011	36E2	10054	0	10054	0	2.87

Name 1

EPPERSON RANCH LLC
EPPERSON RANCH LLC
EPPERSON RANCH LLC
EPPERSON RANCH LLC

Name 2 Addr 1

2502 N ROCKY POINT DR STE 1050
2502 N ROCKY POINT DR STE 1050
2502 N ROCKY POINT DR STE 1050
2502 N ROCKY POINT DR STE 1050

Addr 2

City	State	Zip	Phys StrNo	Phys Strname	Phys CityState	Phys Zip
ROCKY POINT	FL	336075995				
ROCKY POINT	FL	336075995				
ROCKY POINT	FL	336075995				
ROCKY POINT	FL	336075995				

Exhibit 6

RESOLUTION 2018-35

A RESOLUTION RE-DESIGNATING OFFICERS OF THE
EPPERSON RANCH II COMMUNITY DEVELOPMENT
DISTRICT

WHEREAS, the Board of Supervisors of the Epperson Ranch II Community Development District at the business meeting held on _____, 2018 desires to appoint the below recited persons to the offices specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
SUPERVISORS OF EPPERSON RANCH II COMMUNITY
DEVELOPMENT DISTRICT:

1. The following persons were appointed to the offices shown, to wit:

<u>Mike Lawson</u>	Chairman
<u>Doug Draper</u>	Vice Chairman
<u>Paul Cusmano</u>	Secretary
<u>Patricia Comings-Thibault</u>	Treasurer
<u>Maik Aagaard</u>	Assistant Treasurer
<u>Janet Johns</u>	Assistant Secretary
<u>Lori Price</u>	Assistant Secretary
<u>Ted Sanders</u>	Assistant Secretary
_____	Assistant Secretary

2. That this resolution supersedes all previous resolutions and motions designating, electing or appointing officers adopted by the Board of Supervisors of the Epperson Ranch II Community Development District and are hereby declared null and void.

Adopted this _____ day of _____, 2018.

Mike Lawson
Chairman

Paul Cusmano
Secretary

Exhibit 7

RESOLUTION NO. 2018- 36

A RESOLUTION AUTHORIZING THE EXPANSION OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT AND AUTHORIZING THE SUBMITTAL OF A PETITION TO EXPAND THE DISTRICT TO THE BOARD OF COUNTY COMMISSIONERS OF PASCO COUNTY, FLORIDA, UNDER SECTION 190.046, FLORIDA STATUTES.

WHEREAS, the Epperson Ranch II Community Development District (the "**District**") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, as amended, Chapter 190, Florida Statutes; and

WHEREAS, the Board of Supervisors of the District (the "**Board**") desires to expand the boundaries of the District and to submit a Petition to Expand the Boundaries of the Epperson Ranch II Community Development District (the "**Petition**") for the area described in **Exhibit A** attached hereto;

NOW THEREFORE, BE IT RESOLVED that:

1. The Board hereby authorizes and approves the expansion of the District, and the Board hereby authorizes and directs the Chair to sign and submit the Petition to the Board of County Commissioners of Pasco County, Florida.
2. The Board hereby authorizes and directs the Chair, the Vice Chair, any other member of the Board, the District Counsel, and the District Manager to take any action or to offer testimony in any proceeding held in connection with obtaining approval of the Petition from the Board of County Commissioners of Pasco County, Florida.
3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED ON THE 23RD DAY OF AUGUST, 2018.

Attest:

**Epperson Ranch II Community
Development District**

Name: _____
Secretary/Assistant Secretary

Michael Lawson
Chair of the Board of Supervisors

Exhibit 8

RESOLUTION 2018 - 37

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN MASTER AND SUBDIVISION IMPROVEMENTS; EQUALIZING, APPROVING, CONFIRMING, AND LEVYING SPECIAL ASSESSMENTS ON THE PROPERTY SPECIALLY BENEFITED BY SUCH IMPROVEMENTS TO PAY THE COST THEREOF; PROVIDING A METHOD FOR ALLOCATING THE TOTAL ASSESSMENTS AMONG THE BENEFITED PARCELS WITHIN THE DISTRICT; CONFIRMING THE DISTRICT'S INTENTION TO ISSUE ITS CAPITAL IMPROVEMENT REVENUE BONDS; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT (the “**BOARD**”) AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to Chapters 170 and 190 Florida Statutes, including specifically, Section 170.08, Florida Statutes.

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

(a) The Epperson Ranch II Community Development District (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 under Chapter 190, Florida Statutes, to construct certain master and subdivision improvements as described in the Report of the District Engineer dated July 10, 2018 (the “**Project**”).

(c) The District is authorized by Chapters 170 and 190, Florida Statutes, to levy special assessments to pay all or any part of the cost of community development improvements such as the Project and to issue revenue bonds payable from special assessments as provided in Chapters 170 and 190, Florida Statutes.

(d) It is desirable for the public safety and welfare that the District construct and/or acquire the Project on certain lands within the District, the nature and location of which are described in Resolution 2018-31 and more specifically described in the plans and specifications on file at the registered office of the District; that the cost of such Project be assessed against the lands specially benefited thereby, and that the District issue its capital improvement revenue bonds, in one or more series (herein, the “**Bonds**”), to provide funds for such purpose pending the receipt of such special assessments.

(e) The implementation of the Project, the levying of such special assessments and the sale and issuance of the Bonds serves a proper, essential, and valid public purpose.

(f) In order to provide funds with which to pay the cost of constructing a portion of the Project which are to be assessed against the benefited properties pending the collection of such special assessments, it is necessary for the District to issue and sell the Bonds.

(g) By Resolution 2018-31, the Board determined to implement the Project and to defray the cost thereof by levying special assessments on benefited property and expressed an intention to issue the Bonds to provide the funds needed therefor prior to the collection of such special assessments. Resolution 2018-31 was adopted in compliance with the requirements of Section 190.016, Florida Statutes and with the requirements of Section 170.03, Florida Statutes, and prior to the time the same was adopted, the requirements of Section 170.04, Florida Statutes had been complied with.

(h) Resolution 2018-31, 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 Chair of the Board of Supervisors of the District.

(i) A preliminary assessment roll has been prepared 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 2018-30 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 (i) the propriety and advisability of implementing the Project, (ii) the cost thereof, (iii) the manner of payment therefor, and (iv) the amount thereof to be assessed against each specially benefited property.

(k) At the time and place specified in the resolution and notice referred to in paragraph (j) above, the Board met as an equalization board, conducted such public hearing and heard and considered all comments and complaints as to the matters described in paragraph (j) above, and based thereon, has made such modifications in the preliminary assessment roll as it deemed desirable in the making of the final assessment roll.

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

(i) that the estimated costs of the Project is as specified in the Report (as defined below) and as attached as **Exhibit "A"** and the amount of such costs is reasonable and proper;

(ii) it is reasonable, proper, just and right to assess the cost of such Project against the properties specially benefited thereby using the methods determined by the Board, which results in the special assessments set forth on the final assessment roll which is part of the Master Special Assessment Methodology Report dated June 30, 2018, prepared by

DPFG Management & Consulting, LLC (the "**Report**"), a copy which is attached as **Exhibit "A"** to this Resolution;

(iii) it is hereby declared that the Project will constitute a special benefit to all parcels of real property listed on the final assessment roll set forth in the Report and that the benefit, in the case of each such parcel, will be equal to or in excess of the special assessments thereon; and

(iv) it is desirable that the Assessments be paid and collected as herein provided.

SECTION 3. DEFINITIONS. Capitalized words and phrases used herein but not defined herein shall have the meaning given to them in the Report. In addition, the following words and phrases shall have the following meanings:

"Assessable Unit" means a building lot in the product type or lot size as set forth in the Report.

"Assessment" or **"Assessments"** means the special assessments imposed to repay the Bonds which are being issued to finance the construction of the Project as described in the Report.

"Developer" means **Epperson Ranch, LLC**, a Florida limited liability company, and its successors and assigns.

SECTION 4. AUTHORIZATION OF THE PROJECT. The Project described in Resolution 2018-31, as more specifically described by the plans and specifications therefor on file in the registered office of the District, is hereby authorized and approved and the proper officers, employees and 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 constructed following the issuance of Bonds referred to herein.

SECTION 5. ESTIMATED COST OF PROJECT. The total estimated costs of the Project, and the costs to be paid by the Assessments on all specially benefited property is set forth in the Report.

SECTION 6. EQUALIZATION, APPROVAL, CONFIRMATION AND LEVY OF ASSESSMENTS. The Assessments on the benefited parcels, all as specified in the final assessment roll contained within the Report, are hereby equalized, approved, confirmed and levied. Promptly following the adoption of this Resolution, those Assessments 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 the benefited parcels shown on such final assessment roll and interest and penalties thereon, as hereafter provided, shall be and shall remain a legal, valid and binding first lien on such benefited parcels until paid; such lien shall be coequal with the lien of all state, county, district and municipal taxes and special assessments, and superior in dignity to all other liens, titles, and claims.

SECTION 7. FINALIZATION OF ASSESSMENTS. When the Project has been constructed to the satisfaction of the Board, the Board shall adopt a resolution accepting the same and determining the actual costs to the District thereof, as required by Sections 170.08 and 170.09, Florida Statutes. In the event that the actual costs to the District for the Project is less than the amount assessed therefor, the District shall credit to each Assessment for the Project the proportionate difference between the Assessment as hereby made, approved and confirmed and the actual costs of the Project, as finally determined upon completion thereof. In no event, however, shall the final amount of any such Assessment exceed the amount originally assessed hereunder. In making such credits, no discount shall be granted or credit given for any part of the payee's proportionate share of any actual bond financing costs, such as capitalized interest, funded reserves or bond discount included in the estimated cost of the Project. Such credits shall be entered in the Improvement Lien Book. Once the final amount of the Assessments for all of the Project has been determined, the term "**Assessment**" shall mean the sum of the actual costs of the Project benefiting the benefited parcels plus financing costs.

SECTION 8. ALLOCATION OF ASSESSMENTS WITHIN THE BENEFITED PARCELS. Because it is contemplated that the land will be subdivided into lots to be used for the construction of residential units, and that such individual lots will be sold to numerous purchasers, the Board deems it desirable to establish a method for allocating the total Assessment among the various lots that will exist so that the amount so allocated to each lot will constitute an assessment against, and a lien upon, each such lot without further action by the Board.

The Board has been informed by the Developer that each lot of a particular product type as identified in the Report will be of approximately the same size as each other lot of the same product type. While it would be possible to allocate the Assessments among each lot of a particular product type on the basis of the square footage of each such lot, the Board does not believe that the special benefits afforded by the Project to each lot vary to any material degree due to comparatively minor variations in the square footage of each lot. Instead, the Board believes, and hereby finds, that based upon the Developer's present development plans, each lot of the same product type will be benefited equally by the Project, regardless of minor variations in the square footage of the lots.

If the Developer's plans change and the size of the Assessable Units vary to a degree such that it would be inequitable to levy Assessments in equal amounts against each Assessable Unit of the same product type, then the Board may, by a supplemental resolution, reallocate the Assessments against the Assessable Units on a more equitable basis and in doing so the Board may ignore minor variations among lots of substantially equal square footage; provided, however, that before adoption of any resolution the Board shall have obtained and filed with the trustee for the Bonds (the "**Trustee**"): (i) an opinion of counsel acceptable to the District to the effect that the Assessments as reallocated were duly levied in accordance with applicable law, that the Assessments as reallocated, together with the interest and penalties, if any, thereon, will constitute a legal, valid and binding first lien on the Assessable Units as to which such Assessments were reallocated until paid in full, and that such lien is coequal with the lien of all state, county, district and municipal taxes and special assessments, and superior in dignity to all other liens, titles, and claims, whether then existing or thereafter created; and (ii) a certificate from the District's Methodology Consultant together with supporting schedule confirming that

the aggregate cash flow from the reallocated Assessments is not less than the aggregate cash flow from the original Assessments.

If the Board reallocates Assessments as provided in the preceding paragraph, a certified copy of the supplemental resolution approving such reallocation shall be filed with the Trustee within 30 days after its adoption and a revised assessment roll shall be prepared and shall be recorded in the Improvement Lien Book created pursuant hereto.

SECTION 9. PAYMENT OF ASSESSMENTS. At the end of the capitalized interest period referenced in the Report (if any), the Assessments for the Bonds shall be payable in substantially equal annual installments of principal and interest over a period of 30 years, in the principal amounts set forth in the Report, together with interest at the applicable coupon rate of the Bonds, such interest to be calculated on the basis of a 360 day year consisting of 12 months of thirty days each, plus the District's costs of collection and assumed discounts for Assessments paid in November; provided, however, that any owner of land (unless waived in writing) against which an Assessment has been levied may pay the entire principal balance of such Assessment without interest at any time within thirty days after the Project have been completed and the Board has adopted a resolution accepting the Project as provided by section 170.09, Florida Statutes. Further, after the completion and acceptance of the Project, any owner of land against which an Assessment has been levied may pay the principal balance of such Assessment, in whole at any time or in part at any time, if there is also paid an amount equal to the interest that would otherwise be due on such balance to the earlier of the next succeeding November 1 or May 1, which is at least 45 days after the date of payment.

SECTION 10. PAYMENT OF BONDS; REFUNDS FOR OVERPAYMENT. Upon payment of all of the principal and interest on the Bonds secured by the Assessments, the Assessments theretofore securing the Bonds shall no longer be levied by the District. If, for any reason, Assessments are overpaid or excess Assessments are collected, or if, after repayment of the Bonds the Trustee makes payment to the District of excess amounts held by it for payment of the Bonds, such overpayment or excess amount or amounts shall be refunded to the person or entity who paid the Assessment.

SECTION 11. PENALTIES, CHARGES, DISCOUNTS, AND COLLECTION PROCEDURES. The Assessments shall be subject to a penalty at a rate of one percent (1%) per month if not paid when due under the provisions of Florida Statutes, Chapter 170 or the corresponding provisions of subsequent law. However, the District anticipates using the "uniform method for the levy, collection and enforcement of non-ad valorem assessment" as provided by Florida Statutes, Chapter 197 for the collection of the Assessments for the Bonds. Accordingly, the Assessments for the Bonds, shall be subject to all collection provisions to which non-ad valorem assessments must be subject in order to qualify for collection pursuant to Florida Statutes, Chapter 197, as such provisions now exist and as they may exist from time to time hereafter in Chapter 197 or in the corresponding provision of subsequent laws. Without limiting the foregoing, at the present time such collection provisions include provisions relating to discount for early payment, prepayment by installment method, deferred payment, penalty for delinquent payment, and issuance and sale of tax certificates and tax deeds for non-payment. With respect to the Assessments levied against any parcels owned by the Developer, the District may invoice and collect such Assessments directly from the Developer and not pursuant to

Chapter 197. Any Assessments that are directly collected by the District shall be due and payable to the District on April 1 and October 1 of each year.

SECTION 12. CONFIRMATION OF INTENTION TO ISSUE BONDS. The Board hereby confirms its intention to issue the Bonds, to provide funds, pending receipt of the Assessments, to pay all or a portion of the cost of the Project assessed against the specially benefited property.

SECTION 13. 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 14. CONFLICTS. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 15. EFFECTIVE DATE. This resolution shall become effective upon its adoption.

PASSED AND ADOPTED ON THIS 23RD DAY OF AUGUST, 2018.

Attest:

**Epperson Ranch II Community
Development District**

By: _____
Name: _____
Assistant Secretary

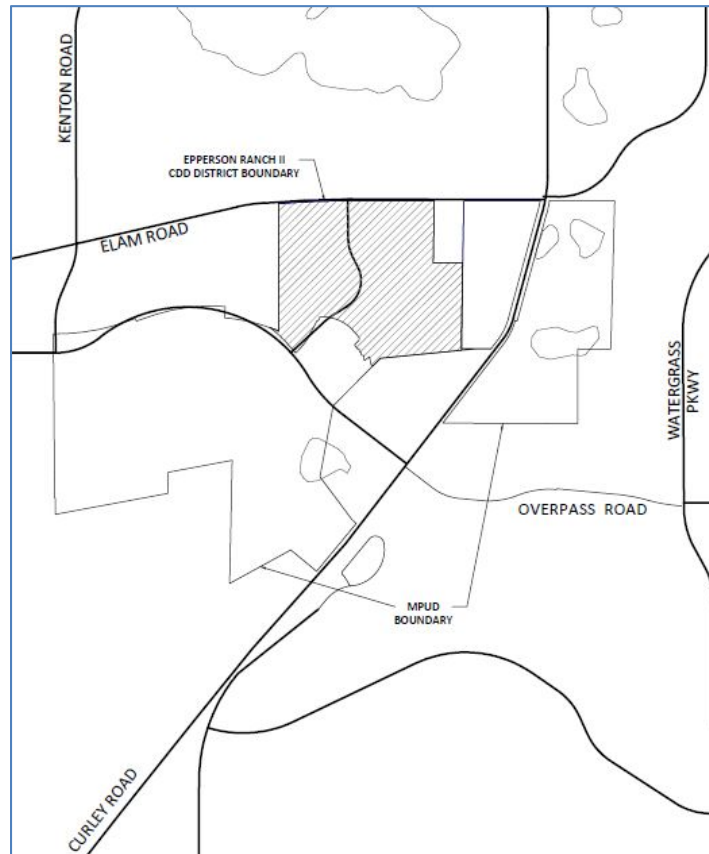
By: _____
Chair/Vice Chair, Board of Supervisors

Exhibit A: Master Special Assessment Methodology Report dated June 30, 2018

EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT

MASTER SPECIAL ASSESSMENT METHODOLOGY REPORT

FOR THE ISSUANCE OF CAPITAL IMPROVEMENT REVENUE BONDS



June 30, 2018

Prepared by



DPFG Management & Consulting LLC
250 International Parkway, Suite 280
Lake Mary, FL 32746
Phone: (321) 263-0132
www.dpfg.com

**EPPERSON RANCH II COMMUNITY DEVELOPMENT DISTRICT
MASTER SPECIAL ASSESSMENT METHODOLOGY REPORT**

TABLE OF CONTENTS

THE DISTRICT.....	1
General.....	1
Purpose.....	1
Methodology Reports.....	1
PROJECT FINANING AND BENEFIT ALLOCATION.....	1
Infrastructure Project	2
Benefits	3
Assessment Allocation.....	3
PROJECT BOND FINANCING PROGRAM.....	4
Assessment Levy and Collection	4
ASSESSMENT ALLOCATION STANDARDS	5
Standard	5
Methodology	5
Special Benefits	6
Rates.....	6
PRELIMINARY ASSESSMENT ROLL AND COLLECTION.....	7
DOCUMENT REVIEW	7
CONCLUSION.....	7
Special Benefit.....	8
Assessment Apportionment	8
Reasonableness of Assessment Apportionment.....	8
Best Interest	8
Appendix 1 - Rate and Method of Apportionment of Special Assessment	9

A. Definitions.....	9
B. Assignment of Land Use Categories and of ERU	10
C. Annual Maximum Special Assessment Requirement	10
D. Special Assessment Rate.....	10
E. Method of Apportionment of the Special Assessment	11
E. Manner of Collection.....	12
Appendix 2 - Estimated Public Improvement Costs and Benefit Allocation.....	13
Appendix 3 - Preliminary Assessment Roll.....	14
Appendix 4 – CDD boundary SKETCH and Legal Description	15
Appendix 5 - Preliminary site plan within the District Boundary	19

LIST OF TABLES

Table 1 - Estimated Project Costs	2
Table 2 – Estimated Maximum Sources and Uses of Funds.....	4
Table 3 - Maximum Annual Debt Service	5
Table 4 - Estimated Special Assessment Requirement (MADS).....	10
Table 5 – Developed Property Assigned ERU, Maximum Debt and MADS Allocation for All Lots	11
Table 6 – Un-Developed Property Assigned ERU, Maximum Debt and MADS Allocation	11
Table 7 – Project Costs and Benefit Allocation	13
Table 8 - Preliminary Assessment Roll.....	14

THE DISTRICT

General

The petition to establish the Epperson Ranch II Community Development District (the “CDD” or “District”) was approved by the Pasco County Board of County Commissioners on January 9, 2018 and the District was subsequently created by Ordinance 2018 – 01. The District encompasses 179.488 acres within the Wesley Chapel area in the southern part of the unincorporated County and is within the Epperson Ranch MPUD.

Purpose

The District is a local unit of special-purpose government established pursuant to, and existing in accordance with, Chapter 190, Florida Statutes (the “Act”). Pursuant to the Act, the District was created for the purpose of delivering certain community development services and facilities within its jurisdiction, including the design, acquisition and/or construction of certain public infrastructure improvements consisting of, but not limited to, roadways, water, sewer and wastewater, reclaimed water and irrigation systems, storm water management, community amenities, landscaping improvements, signage and lighting, electrical power and professional services and fees, as further described in the District Engineer’s Report, prepared by Stantec, dated July 10, 2018 (the “Project”).

Methodology Reports

This report provides a master assessment methodology for analyzing the benefits derived from the Project and determining the fair and equitable allocation of such benefits through the levy of special assessments on property within the District to fund all or portions of the Project. It is designed to conform to the requirements of Chapters 170 and 190, Florida Statutes, with respect to special assessments. The District plans to issue bonds to finance portions of the Project as development progresses. The District will deliver a supplemental assessment methodology report associated with each bond issuance describing the phase of the development and improvements to be funded.

PROJECT FINANCING AND BENEFIT ALLOCATION

To advance development of the land in the District, the District plans to finance the construction of the Project thru the issuance of multiple series of bonds. The bonds will be secured by and payable from the levy of special assessments collected from property that benefits from the public improvements constructed with proceeds from the bond issues. The amount of the special assessment is based on mathematical formulas that consider benefit from the bond funded infrastructure.

Infrastructure Project

The Project contains improvements that benefit all assessable units within the District (the “**Improvements**”). Accordingly, the Special Assessments levied in connection with the Master Improvements will be levied on all planned units in the District. The Project is estimated to cost approximately \$30.15 million. A summary of the estimated costs of the Project, as shown in the Engineer’s Report, is set forth in the following table.

Table 1 - Estimated Project Costs

Improvement Category	Total
Engineering Design, Permitting, Surveying, Testing	\$2,688,010
Consultant /Management Fees	\$1,566,825
Storm Water Management	\$6,124,300
Roads	\$8,757,970
Potable Water	\$1,156,220
Sanitary Sewer	\$1,616,225
Dry Utilities Trenching	\$650,000
Recreational Amenity	\$2,000,000
Landscaping/Irrigation/Hardscape/Recreation	\$1,541,670
Permit Fees and Impact Fees	\$3,049,800
Contingency	\$1,000,000
Total	\$30,151,020

The proposed issuance of multiple series of bonds is anticipated to fund a portion or all of the costs associated with the development of the District which is planned for a total 650 lots. The developer will covenant through a completion agreement to be entered into at the time of closing on each series of bonds to complete the Project to the extent any portions of the same are not funded with the net proceeds of each bond issue.

Benefits

The construction of the Project will advance development of the properties within the District and will thereby create special benefits for those properties, and enhance the value of the property. All properties within the District will generally benefit from the Project, but developed residential lots with structures have an added benefit from the Project, for example, in terms of vehicular access, disposal of plumbing waste thru a system of pipes, flood prevention thru a stormwater collection system, potable water lines, recreational facilities, and other basic public infrastructure benefits for use of the subdivision.

Assessment Allocation

The preliminary land use plan describes the development of the land in one construction phase with final build-out anticipated to include a total of 650 residential dwelling units to be constructed on lots of varying frontage along a street. The methodology herein allocates debt special assessments to such residential properties based upon the benefits derived from the Project and apportioned such benefit to particular lots based on frontage. This report utilizes Project costs as a proxy value for benefit and allocates the special assessments based on front foot, or frontage, as standard measurement of land applied at the frontage, or linear distance, along a street.

Each constructed unit on a lot ranging from forty-one to fifty-foot width will be assigned an equal 1.0 Equivalent Residential Unit (“ERU”) value and ranking; then proportion the amount of the special assessment for each individual platted lot based on respective lot front footage categories. In the event that multi-family units are constructed, it is anticipated that such units would be assigned a different ERU value based on proposed construction plans. This ERU ranking is the basis upon which the benefits to other lot size categories are measured. The advantage to an ERU structured methodology includes the ability to assign identical benefits to generally uniform sized lots or similarly used properties (e.g., all lots ranging in front footage width between forty-one and fifty feet are assigned 1.0 ERU irrespective of home size or phase) or assign different ERUs to reflect different land uses (e.g., residential versus non-residential).

In connection with the Project, as of this date, the developer has informed the District that it plans to construct 650 lots of varying sizes as shown in the table below, which represents a total of 381.60 ERUs.

Table 2 – Proposed Lot Mix and ERU Assignment

Lot Size	Assigned ERU	Lots	Total ERU	% ERU
20' to 30'	0.60	374	224.40	47.6%
31' to 40'	0.80	144	115.20	24.4%
41' to 50'	1.00	132	132.00	28.0%
Total		650	471.60	100.0%

PROJECT BOND FINANCING PROGRAM

For purposes of this master report, the bond principal amount and associated maximum annual debt service assessments (“MADS”) have been sized based on funding all of the Project costs described in the Engineer’s Report and adjusted for allowable bond financing costs including capitalized interest, reserves and costs of issuance. These bond principal amounts represent a maximum bonding amount. The developable properties within the District will constitute the properties on which the Special Assessments are levied to repay the bonds. These properties include those which will be developed into the planned 650 residential units. The following table sets forth an estimated sources and uses of the bonds for the maximum bonding amount to finance all of the Project costs.

Table 3 – Estimated Maximum Sources and Uses of Funds

Sources	Total	Percent of Total
Bond Proceeds - Par	\$45,340,000	<i>100%</i>
Uses		
Acquisition and Construction Account	\$30,151,020	66%
Debt Service Reserve Fund	\$3,745,800	8%
Capitalized Interest	\$9,861,450	22%
Cost of Issuance	\$450,000	1%
Underwriter's Discount	\$1,133,500	3%
<i>rounding</i>	-\$1,770	0%
Total Uses	\$45,340,000	100%

Assessment Levy and Collection

Each fiscal year, the CDD will certify for collection the Special Assessments in connection with the MADS, or Debt Service Requirement (as defined herein), for each bond series. The following table summarizes the estimated MADS requirement for all phases of development.

Table 4 - Maximum Annual Debt Service¹

Phases	Lots	Total ERU	Total MADS	MADS/Lot
All	650	471.6	\$3,745,800	\$5,762.77

Prior to recordation of a subdivision plat map, the special assessments and debt will be allocated to each property, as described by FOLIO or legal description, based on acreage. Upon recordation of a subdivision plat map the lot sizes are determinable, and the Special Assessments will then be levied on the individual lots based on the ERU assigned to each lot.

ASSESSMENT ALLOCATION STANDARDS

Standard

There are two requirements for a valid special assessment that is made pursuant to District legislative authority: (1) the property assessed must derive a direct and special benefit from the improvement or service provided, and (2) the assessment must be fairly and reasonably apportioned among properties that receive the special benefits. Section 170.02, Florida Statutes, states “Special assessments against property deemed to be benefited by local improvements, as provided for in sec. 170.01, shall be assessed upon the property specially benefited by the improvement in proportion to the benefits to be derived therefrom, said special benefits to be determined and prorated according to the foot frontage of the respective properties specially benefited by said improvement, or by such other method as the governing body of the municipality may prescribe.”

The ERU allocation approach is a generally recognized and commonly approved method of proportionally spreading assessments over benefited properties for special assessments levied by community development districts. Although the general public outside the District will benefit from the Project, such benefits are incidental. The facilities in the Project meet the needs of the developed property within the District, as well as provide benefit to all residential property within the District. The property owners within the District are therefore receiving special benefits not received by those outside the boundaries, and direct and cumulative benefits accrue mainly to residents.

Methodology

This benefit and allocation approach is based on the principle that dwelling units on a similar size lot will receive a relatively equal and direct benefit from the Project. The direct benefits from these improvements

¹ Excluding County collection charges and early payment discount.

include increased use, enjoyment and increased property values to all residential properties, and the direct benefits from each public improvement system and function provided by the District. The benefits are quantified and assigned to lots based on construction timing, phasing, and costs.

An assessment methodology based on ERUs provides a way to allocate the benefit that different lot sizes and land use types receive from public improvements in terms of their equivalence to a single-family residential dwelling unit on lots ranging in size between forty-one to fifty-foot-wide lot, which is defined as 1.0 ERU. Under the ERU model, the District allocates special assessments on platted property proportionately based on generally uniform lot size as indicated on the subject recorded plat map; special assessments on undeveloped property (e.g., property without recorded subdivision plat map) are allocated proportionately based on acreage basis. The special assessments are fairly and reasonably allocated based on lot front footage categories and acreage among properties that receive the special benefits; for example, upon plat map recordation, the special assessments per lot front footage are generally uniform for each benefitted lot.

Special Benefits

As described above in the present case, the financing program will enable the District to provide for the construction and/or acquisition of the Project. Such public improvements will provide direct benefit for the utilization of this property, will substantially enhance the use and enjoyment of the benefitted residential properties, and will increase the value and marketability of the benefitted residential properties. These benefits flow proportionately over all benefitted properties. The District will apply the assessment methodology to the financing program relating to the Project. All residential units will proportionally benefit from the construction of the Project.

Rates

A rate and method of apportionment of special assessments is attached as Appendix. The developer may decide to re-adjust product types within the District in order to meet market demand. Changes in product types may or may not trigger a density “true-up” obligation depending on whether or not the revised product mix, consistent with the terms of the assessment allocation methodology, is able to absorb the special assessments that were originally planned to be levied under the existing development plan outlined at the time of the actual bond issuance.

At time of bond issuance, the true up obligation is described in the supplemental assessment methodology report. The supplemental assessment report anticipates a mechanism by which the landowner shall, if required, make certain payments to the District in order to satisfy, in whole or in part, the assessments allocated and the liens imposed pursuant to adopted resolutions, the amount of such payments being equal to the par debt that is not capable of being assigned to the total number of developed units, plus any

applicable interest charges and collection fees as described in the supplemental assessment report (which payments shall collectively be referenced as the “**True-Up Payment**”). The true-up obligation, as described herein and in each supplemental assessment resolution, constitutes a part of the Special Assessments and is enforceable as part of the Special Assessment liens. Additionally, the landowner desires to guarantee the payment of any True-Up Payment required of it and all other owners of land within the District; and the landowner and the District desire to enter into an agreement to confirm landowner’s intentions and obligations to make any and all True-Up Payments related to the assessments.

In the event Undeveloped Property (“**Transferred Parcel**”) is sold to a third party not affiliated with the Developer, the special assessments will be assigned to that Transferred Parcel based on the maximum total number of Lots assigned by the Developer to the Transferred Parcel (subject to any true-up considerations if applicable as determined by the District in its sole discretion). The owner of the Transferred Parcel will be responsible for the total assessments applicable to the Transferred Parcel, regardless of the total number of Lots ultimately actually platted. These total assessments are fixed to the Transferred Parcel at the time of the sale. If the Transferred Parcel is subsequently sub-divided into smaller parcels, the total assessments initially allocated to the Transferred Parcel will be re-allocated to the smaller parcels pursuant to the methodology as described herein (i.e. equal assessment per acre until platting).

The District reserves the right to reallocate the special assessments in the event that the Project is not completed as anticipated or for other circumstances that may legally require such a reallocation, provided however that any such reallocation shall not be construed to relieve any party of contractual or other obligations to the District.

PRELIMINARY ASSESSMENT ROLL AND COLLECTION

A Preliminary Assessment Roll is attached in the Appendix.

DOCUMENT REVIEW

The documents associated with the above referenced financing of the Project, assessment plat, and assessment roll are available for review at the District Offices at 250 International Parkway, Suite 280, Lake Mary Florida (tel. 321.263.0132). Additional information about the District is available at <http://www.eppersonranch2cdd.org>.

CONCLUSION

The acquisition and construction of the Project using bond proceeds will be utilized for common District purposes. These assessments will be levied over all benefited properties on a fair and equitable basis as

described herein. The benefited properties will receive benefits in excess of the allocated assessments. Accordingly, this is an appropriate District project that will significantly benefit the properties and enhance the District.

Special Benefit

The Project will provide special benefits to parcels within the District. The parcels will receive special benefits, because the subject Project delivers interconnected structural improvements that provide an infrastructure system, which supports and adds to the entire development of the District. The Project yield benefits to parcel owners in terms of meeting basic public infrastructure needs and increasing property values.

Assessment Apportionment

The Special Assessments are fairly and equally apportioned over all the benefited properties. The benefits, using Project costs as proxy for benefit, are quantified and assigned to parcels based on lot size categories since larger lot areas consume proportionately greater benefits than smaller lots from the Project. The District assigned an ERU value and ranking to the expected lot sizes on the basis that a lot with frontage that falls within the forty-one to fifty front foot category receives the value of 1.0 ERU.

Reasonableness of Assessment Apportionment

It is reasonable, proper and just to assess the costs of the Project against lands in the District. As a result of the Project, properties in the District receive special benefit and increase in value. Based on the premise that the benefits from the District's Project make the properties useful for residential use, more accessible and valuable, in return it is reasonable for the District to levy the Special Assessments against benefitted lands within the District. The benefits will be equal to or in excess of the Special Assessments thereon when allocated.

Best Interest

The District provides for delivering the Project in a timely, orderly, and efficient manner. It can economically and efficiently provide the amount and quality of services required by the public. The District provides a financing mechanism to (i) fund the Project at a relatively low cost of capital, and (ii) on a timely, "pay for itself" type basis. The exercise by the District of its powers is consistent with applicable with state law. It is in the best interest of the District.

APPENDIX 1 - RATE AND METHOD OF APPORTIONMENT OF SPECIAL ASSESSMENT

The Special Assessments shall be levied on all parcels within the Epperson Ranch II CDD that benefit from the Project and will be collected each fiscal year in an amount determined by the CDD through the application of this rate and method of apportionment as described below. All of the real property within the CDD, unless exempted by law or the provisions hereof, shall be assessed for the purposes, to the extent and in the manner herein provided.

A. Definitions

The terms hereinafter set forth have the following meanings:

“Administrative Expenses” means any actual or reasonably estimated expenses of the CDD to carry out the administration of the CDD related to the determination of the amount of the special assessment, the collection of special assessment, and costs otherwise incurred in order to carry out the authorized purposes of the CDD.

"Appraiser's Parcel" means a Lot or parcel shown in Pasco County appraiser's parcel map, or included or includable in Pasco County's non-ad valorem assessment roll designated by folio or PIN.

“District Debt” means bonds or other debt issued by the CDD, which are secured by the levy of Special Assessments of the CDD.

"Developed Property" means all Taxable Property for which the Pasco County property appraiser designated a property use code for each Lot that indicates developed residential property, as reasonably determined by the CDD, or a Lot which has legal entitlements created by a recorded Plat Map and whose physical characteristics are a fine grade level pad with infrastructure contiguous to each individual lot, asphalt paved roads, and the necessary utilities.

“ERU” means a way to quantify different land use types in terms of their equivalence to a fifty-three foot wide lot, which is defined as 1.0 ERU.

"Fiscal Year" means the period starting October 1 and ending on the following September 30.

"Lot" means an individual residential lot, identified and numbered on a recorded final subdivision map, on which a building permit has been or is permitted to be issued for construction of a residential unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated.

“Property Owner Association Property” means any property within the CDD boundaries that is owned by a property owner association, including any master or sub-association.

"Public Property" means any property within the CDD boundaries that is, at the time of the CDD formation, expected to be used for any public purpose and is owned by or dedicated to the federal government, the State, the County, the District or any other public agency.

"Special Assessments" means the Special Assessments levied pursuant to the provisions of Sections C and D below in each Fiscal Year on each Appraiser's Parcel of Developed Property and Undeveloped Property in the CDD to fund the Special Assessment Requirement.

"Special Assessment Requirement" means that amount determined by the CDD's Board of Supervisors that is required in any Fiscal Year to pay regularly scheduled debt service for the calendar year, which commences in such Fiscal Year, on the outstanding District Debt, less available funds pursuant to the indenture.

"Assessable Property" means all of the Appraiser's Parcels within the boundaries of the CDD that are not exempt from the Special Assessment pursuant to law or as defined below.

"Undeveloped Property" means, for each Fiscal Year, all Assessable Property not classified as Developed Property, such as vacant acreage or similar property use codes as determined by the CDD.

B. Assignment of Land Use Categories and of ERU

Each Fiscal Year using the definitions above, all Assessable Property within each phase of the CDD shall be classified as Developed Property or Undeveloped Property, and shall be subject to Special Assessment pursuant to Sections C and D below.

C. Annual Maximum Special Assessment Requirement

Refer to the Appendix for details on the bond sizing. The estimated maximum annual debt service (MADS), or Special Assessment Requirement, to fund all of the Project costs is presented in the following table.

Table 5 - Estimated Special Assessment Requirement (MADS)

Special Assessment Requirement	Maximum \$ Amount (excl. County charges and early payment discount)
All Bond Series	\$3,745,800

D. Special Assessment Rate

1. Developed Property in All Phases

After recordation of a Plat Map, the special assessments are allocated as illustrated in the following table.

Table 6 – Developed Property Assigned ERU, Maximum Debt and MADS Allocation for All Lots

Lot Size Category	Lots	ERU	Total ERU	% ERU	Par Amt.	Par/Lot	MADS	MADS/Lot
20' to 30'	374	0.60	224.40	47.6%	\$21,573,995	\$57,684	\$1,782,353	\$4,766
31' to 40'	144	0.80	115.20	24.4%	\$11,075,420	\$76,913	\$915,005	\$6,354
41' to 50'	132	1.00	132.00	28.0%	\$12,690,585	\$96,141	\$1,048,443	\$7,943
Total	650		471.60	100.0%	\$45,340,000		\$3,745,800	

2. Undeveloped Property

a) District Debt Allocation

Prior to recordation of a Plat Map, the District Debt is allocated per acre as illustrated in the following table.

Table 7 – Un-Developed Property Assigned ERU, Maximum Debt and MADS Allocation

Property	Total Units	ERU	Total Acreage (Ac)	Par Amt.	Par / Ac	MADS	MADS / Ac
All Phases	650	471.60	179.488	\$45,340,000	\$252,607	\$3,745,800	\$20,869

E. Method of Apportionment of the Special Assessment

Each Fiscal Year, the CDD shall levy the Special Assessments as follows:

First (Developed Property): The Special Assessment shall be levied proportionately on each Appraiser's Parcel of Developed Property in an amount up to 100% of the applicable Special Assessment rate as determined pursuant to Section D.1 for each particular phase, or subdivision.

Second (Undeveloped Property): If additional monies are needed to satisfy the Debt Service Requirement after the first step has been completed, the Special Assessment shall be levied proportionally on each Appraiser's Parcel of Undeveloped Property at up to 100% of the Assigned Special Assessment rate for Undeveloped Property as determined pursuant to Section D.2 for each particular phase.

Third – True Up: If additional monies are needed to satisfy the Debt Service Requirement after the first two steps have been completed as a result of a plat or re-plat of property, the owner of such

property will be obligated to immediately remit to the trustee, for deposit into the redemption account, the total bond principal amount for the difference between the Debt Service Requirement and the special assessment revenue generated after the first two steps have been completed (the “True Up Obligation”). The true up obligation will be described in a separate agreement as part of the bond documents.

Refer to the Appendix for a preliminary assessment roll illustrating the initial levy of the Special Assessments in accordance with the method of apportionment described above.

E. Manner of Collection

The Special Assessments shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes once parcels are platted. The CDD intends to directly collect Special Assessments on unplatted parcels, and, to the extent permitted by the applicable indenture and in the CDD’s discretion, for bulk ownership of platted lots. Note that the Special Assessments securing each bond series may be made payable in no more than 30 yearly installments.

APPENDIX 2 - ESTIMATED PUBLIC IMPROVEMENT COSTS AND BENEFIT ALLOCATION

As described above the total benefits will be, of course, the completed public infrastructure with estimated costs in the amount of \$30.147 million. The following tables allocate the Project costs, which are used as a proxy for benefit. Refer to Engineer's Report for cost details.

Table 8 – Project Costs and Benefit Allocation

Lot Width	Total Units	ERU	Total ERU	% ERU	Total Cost (as proxy for benefit)	Benefit Per Unit
20' to 30'	374	0.60	224.40	47.6%	\$14,346,669	\$38,360
31' to 40'	144	0.80	115.20	24.4%	\$7,365,135	\$51,147
41' to 50'	132	1.00	132.00	28.0%	\$8,439,217	\$63,933
Total	650		471.60	100.0%	\$30,151,020	

APPENDIX 3 - PRELIMINARY ASSESSMENT ROLL

The following table shows the preliminary assessment roll. Refer to the legal description of the District for a complete depiction of the District's boundaries.

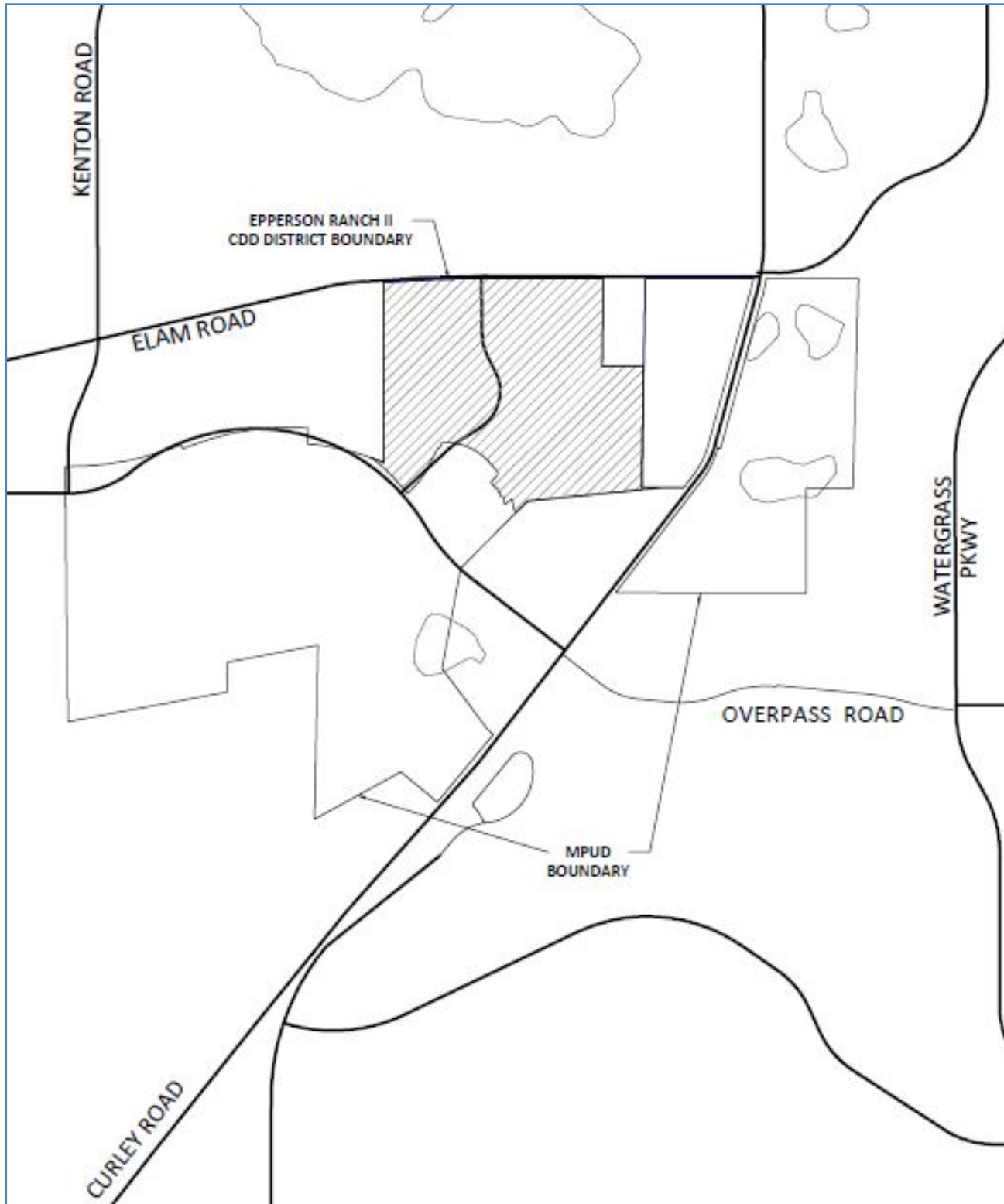
Table 9 - Preliminary Assessment Roll

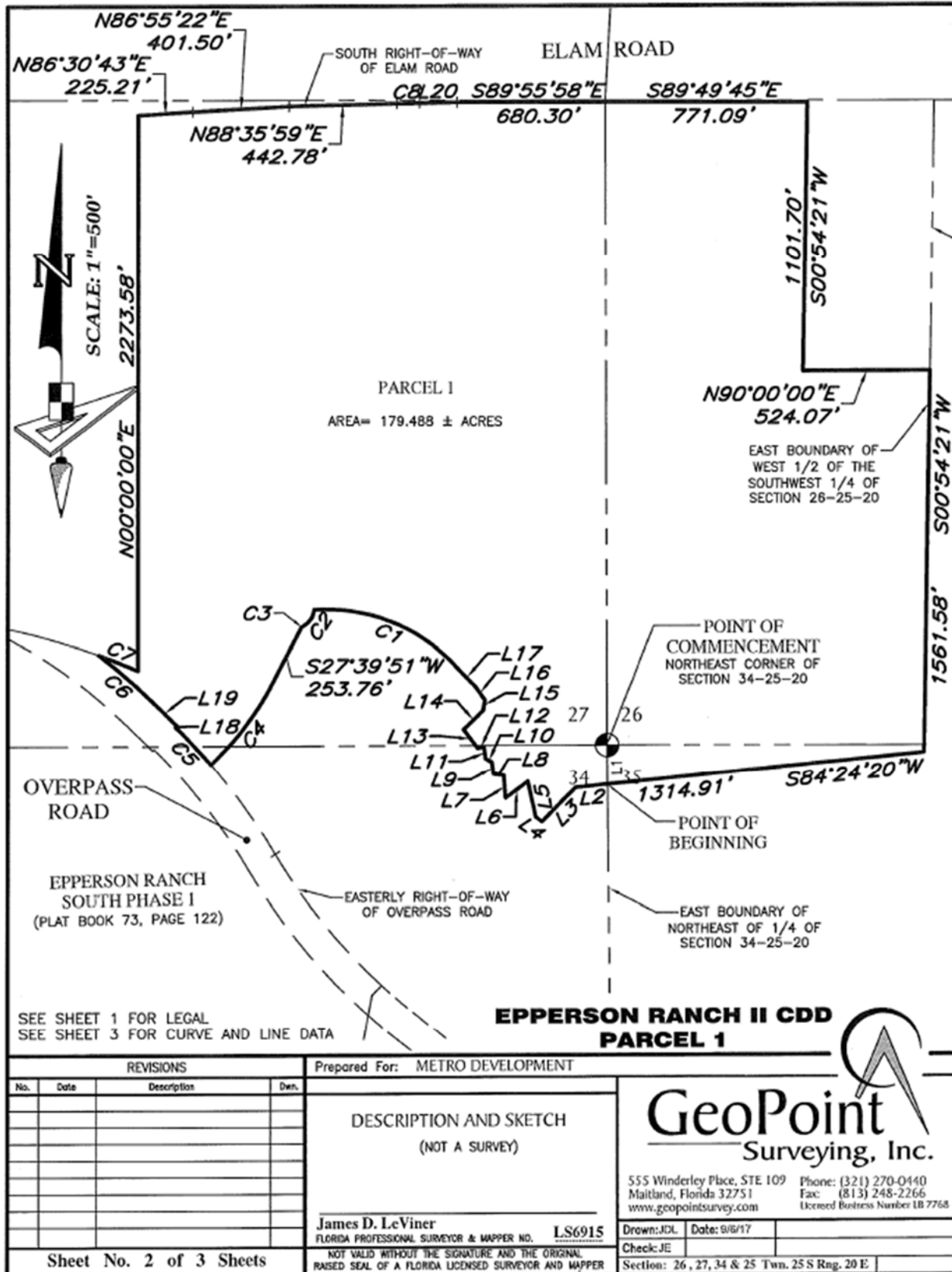
Parcel Area Identification /(b), (e)	Owner /(b)	Acreage (a)	% Ac	Total District Debt /(c)	Total MADS /(d)
Refer to legal description of the District in the Engineer's Report	Epperson Ranch, LLC	179.488	100%	\$45,340,000	\$3,745,800

Footnote:

-
- (a) Estimate based on legal description at time of establishment of the District. Acreage includes lowlands.
- (b) Owner information per County records. There are multiple Parcel IDs associated with the District.
- (c) The Special Assessments will remain levied against Undeveloped Property on an equal acreage basis until the Assessable Property is platted.
- (d) Excluding County collection charges and early payment discounts.

APPENDIX 4 – CDD BOUNDARY SKETCH AND LEGAL DESCRIPTION





CURVE DATA TABLE

NO.	RADIUS	DELTA	ARC	CHORD	BEARING
C1	733.30'	051°53'05"	664.05'	641.59'	N 67°49'27" W
C2	80.00'	059°35'17"	83.20'	79.50'	S 33°49'15" W
C3	25.00'	035°57'02"	15.69'	15.43'	S 45°38'22" W
C4	1210.00'	019°53'36"	420.12'	418.01'	S 37°36'39" W
C5	2564.00'	004°45'37"	213.03'	212.97'	N 43°31'09" W
C6	2358.00'	007°00'34"	288.47'	288.29'	N 49°24'15" W
C7	3083.00'	003°13'00"	173.09'	173.06'	S 68°35'10" E
C8	9950.00'	000°32'31"	94.10'	94.10'	N 88°52'15" E

LINE DATA TABLE

NO.	BEARING	LENGTH
L1	S 00°32'28" E	161.58'
L2	S 84°24'20" W	132.03'
L3	S 44°53'51" W	197.13'
L4	N 54°48'13" W	32.16'
L5	N 12°22'36" W	149.15'
L6	S 54°02'08" W	114.82'
L7	N 04°18'55" W	94.00'
L8	N 82°06'28" W	42.81'
L9	N 09°09'29" W	49.57'
L10	N 60°54'51" W	28.34'

LINE DATA TABLE

NO.	BEARING	LENGTH
L11	N 08°56'59" W	49.36'
L12	S 79°21'47" W	26.74'
L13	N 37°12'21" W	95.85'
L14	N 46°20'59" E	113.39'
L15	N 07°37'38" E	44.49'
L16	N 35°56'30" W	68.32'
L17	N 44°54'49" W	100.40'
L18	N 44°06'03" E	8.00'
L19	N 45°53'58" W	144.84'
L20	N 89°08'30" E	156.93'

SEE SHEET 1 FOR LEGAL
SEE SHEET 2 FOR SKETCH

**EPPERSON RANCH II CDD
PARCEL 1**

REVISIONS				Prepared For: METRO DEVELOPMENT	
No.	Date	Description	Dwn.	<p>DESCRIPTION AND SKETCH (NOT A SURVEY)</p> <p>James D. LeViner FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. LS6915</p> <p>NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER</p>	
Sheet No. 3 of 3 Sheets				<p>GeoPoint Surveying, Inc.</p> <p>555 Winderley Place, STE 109 Phone: (321) 270-0440 Maitland, Florida 32751 Fax: (813) 248-2266 www.geopointsurvey.com Licensed Business Number LB 7768</p> <p>Drawn: JDL Date: 9/8/17 Check: JE Section: 26, 27, 34 & 25 Twn. 25 S Rng. 20 E</p>	

APPENDIX 5 - PRELIMINARY SITE PLAN WITHIN THE DISTRICT BOUNDARY

