

**MINUTES OF MEETING  
TERRA LAGO COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Terra Lago Community Development District held a Regular Meeting on January 13, 2025 at 1:00 p.m., at Indiantown Realty, 16654 S.W. Warfield Boulevard, Indiantown, Florida 34956.

**Present:**

Josh Kellam  
Tom Kenny  
Kevin Powers  
Jason Dugan

Chair  
Vice Chair  
Assistant Secretary  
Assistant Secretary

**Also present:**

Cindy Cerbone  
Andrew Kantarzhi  
Chris Conti (via telephone)  
Ryan Dugan  
Steve Sanford (via telephone)  
Darin Lockwood  
Alexander Lockwood  
Taryn Kryzda  
Pat Nolan  
Adam Carroll (via telephone)  
Sete Zare (via telephone)  
Kendall Bulleit (via telephone)

District Manager  
Wrathell, Hunt and Associates, LLC  
Wrathell, Hunt and Associates, LLC  
District Counsel  
Bond Counsel  
District Engineer  
Meridian Consulting Engineers, LLC  
Village Manager, Village of Indiantown  
Village of Indiantown  
The Garcia Companies  
MBS Capital Markets, LLC  
MBS Capital Markets, LLC

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Kantarzhi called the meeting to order at 1:08 p.m.

Supervisors Kellam, Kenny, Dugan and Kevin Powers were present. Supervisor David Powers was not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

No members of the public spoke.

**THIRD ORDER OF BUSINESS****Presentation of First Supplemental Engineer's Report**

Mr. Darin Lockwood presented the First Supplemental Engineer's Report dated January 13, 2025, which describes the project status and funds needed to complete Phase 1A and the townhome portion of Phase 1B, known as "Assessment Area One".

It was noted that wording changes submitted will be incorporated into the Report but the numbers will not change.

Ms. Cerbone stated the estimated 2025 project costs of \$19,100,900 will be referenced in the Methodology Report. The 398 units are broken out by type.

Further edits to the Report will be made, as necessary.

**FOURTH ORDER OF BUSINESS****Presentation of First Supplemental Special Assessment Methodology Report**

Ms. Cerbone presented the First Supplemental Special Assessment Methodology Report dated January 13, 2025. She reviewed the pertinent information and discussed the Development Program, Capital Improvement Plan (CIP), Financing Program, Assessment Methodology, lienability tests, special and peculiar benefits to the units, True-up Mechanism and the Appendix Tables. She noted the following:

- The Methodology Report is subject to change to reflect wording changes from District Counsel, Bond Counsel, Developer Counsel, Underwriter, etc.
- The Methodology Report utilizes information included in the Supplemental Engineer's Report, including the estimated construction costs, number of units, etc.
- Assessment Area One consists of approximately 245.89 +/- acres.
- Assessment Area One anticipates 398 residential units.
- Although the overall construction costs for the improvements are estimated to be approximately \$19 million, the total par amount of bonds for this bond issuance, including the costs of financing, capitalized interest and debt service reserve, is \$5,630,000 to finance a portion of the 2025 Project costs in the estimated amount of \$4,688,112.32.

- No bond assessments are allocated to any private amenities or governmental property.

Discussion ensued regarding Phases 1A and 1B, known collectively as Assessment Area One; the Assessment Methodology and future bond issuances.

Ms. Cerbone presented the Appendix Tables.

Discussion ensued regarding the bond interest rates.

Ms. Zare stated that the current assumption is that the interest rate on the bonds will be between 5.75% and 5.9%. She will provide a sensitivity analysis for the Board's review. The Capitalized Interest period will run through November 1, 2025 and the land for the 398 units should be fully platted within the next 30 days. She would anticipate the lots will be on the tax roll for 2026.

Landowner paid assessments, Estoppel processes at closing and assessments were discussed.

It was noted that the annual CDD assessments are on the tax bill. While the Methodology Report is subject to additional revisions, the assessment amounts will not change.

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

**Consideration of Resolution 2025-04, Authorizing the Issuance of Not Exceeding \$7,500,000 Terra Lago Community Development District Special Assessment Bonds, Series 2025 (Assessment Area One) (the "2025 Bonds") to Finance Certain Public Infrastructure Within the District for the Benefit of a Designated Assessment Area Referred to as "Assessment Area One"; Determining the Need for a Negotiated Limited Offering of the 2025 Bonds and Providing for a Delegated Award of Such Bonds; Appointing the Underwriter for the Limited Offering of the 2025 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect To The 2025 Bonds; Approving the Use of that Certain Master Trust Indenture Previously Approved by the Board With Respect to the 2025 Bonds; Approving the Form of**

**and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture Governing the 2025 Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing The Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer's Report; Providing for the Registration of the 2025 Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection With the Issuance, Sale and Delivery of the 2025 Bonds; and Providing for Severability, Conflicts and an Effective Date**

Mr. Sanford stated that Resolution 2025-04 authorizes a principal amount of bonds of \$7,500,000, which is in excess of what is stated in the Methodology Report. That does not commit the CDD to issuing that amount of bonds; rather, it provides a certain amount of leeway should the market conditions necessitate issuance of more bonds.

Mr. Sanford presented Resolution 2025-04, also known as the Delegation Resolution, which accomplishes the following:

- Sets certain parameters in connection with the sale of the bonds.
- Eliminates the need for a special meeting by authorizing the Chair or Vice Chair to execute the Bond Purchase Contract.
- Approves documents, including the Bond Purchase Contract, the Preliminary Limited Offering Memorandum, the Continuing Disclosure Agreement and the First Supplemental Trust Indenture.
- Authorizes modifications to the Engineer's Report and the Methodology Report.
- Ensures that the maximum amount of the bonds issued does not exceed \$7,500,000.

- Authorizes the Underwriter's compensation.

Discussion ensued regarding assessments and requirements since platting is imminent.

It was noted that the legal description is needed but the folio numbers will not be needed, as assessments will not be collected until 2026.

**On MOTION by Mr. Kellam and seconded by Mr. Kevin Powers, with all in favor, Resolution 2025-04, Authorizing the Issuance of Not Exceeding \$7,500,000 Terra Lago Community Development District Special Assessment Bonds, Series 2025 (Assessment Area One) (the "2025 Bonds") to Finance Certain Public Infrastructure Within the District for the Benefit of a Designated Assessment Area Referred to as "Assessment Area One"; Determining the Need for a Negotiated Limited Offering of the 2025 Bonds and Providing for a Delegated Award of Such Bonds; Appointing the Underwriter for the Limited Offering of the 2025 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract With Respect To The 2025 Bonds; Approving the Use of that Certain Master Trust Indenture Previously Approved by the Board With Respect to the 2025 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture Governing the 2025 Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing The Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer's Report; Providing for the Registration of the 2025 Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection With the Issuance, Sale and Delivery of the 2025 Bonds; and Providing for Severability, Conflicts and an Effective Date, was adopted.**

Mr. Sanford left the meeting.

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

#### **Consideration of Acceptance of Completed Infrastructure Improvements in 1A & 1B (NTE \$10M)**

Mr. Kantarzhi stated that there is no Tab 6 or documentation included in the agenda.

Referring to Page 5 of the Engineer's Report, the 2025 Project Costs table, Mr. Dugan discussed acquisition of completed Infrastructure Improvements in Phases 1A and 1B.

Mr. Dugan and Ms. Cerbone discussed CDD acquisition of infrastructure, the need for the CDD to acquire infrastructure before it can be conveyed to another entity, and the requirement that improvements be substantially complete and that the CDD pay the lesser of the fair market value or the amount that the Developer paid for the infrastructure.

**On MOTION by Mr. Kellam and seconded by Mr. Kenny, with all in favor, acceptance of the Completed Infrastructure Improvements in Phases 1A and 1B, in a not-to-exceed amount of \$10,000,000, was approved.**

Discussion ensued regarding utilization of bond proceeds, the role of the Trustee, presentation of Requisitions and timeframes for reimbursement.

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

#### **Consideration of Approval of Contract with McNabb Miller for Professional Services for Injection Well Project**

Mr. Kantarzhi and Mr. Dugan presented the McNabb Miller Contract for Professional Services for the Injection Well Project, related to the Request for Qualifications discussed at the last meeting.

**On MOTION by Mr. Kellam and seconded by Mr. Powers, with all in favor, the McNabb Miller Contract for Professional Services for the Injection Well Project, was approved.**

It was noted that the Board authorized the Chair to work through remaining issues with the objecting party. Mr. Dugan stated that a meeting was held, and a communication was sent to the protestor informing them of the final decision and offering to return their protest bond in exchange for a signed waiver. While the final steps remain to be done, due process occurred and the project will not be held up further.

**EIGHTH ORDER OF BUSINESS****Consideration of Approval of Deductive Change Order #1 to Direct Purchase Order with Florida Aquastore, Inc., Regarding GMP-E**

Mr. Dugan presented Deductive Change Order #1 to the Direct Purchase Order with Florida Aquastore, Inc., Regarding GMP-E.

Mr. Kantarzhi stated the new, revised contract amount will be \$11,189,900.

It was noted that the savings were related to the CDD's direct purchase of items and the resulting sales tax savings.

**On MOTION by Mr. Kenny and seconded by Mr. Kevin Powers, with all in favor, Deductive Change Order #1 to the Direct Purchase Order with Florida Aquastore, Inc., Regarding GMP-E, in the deductive amount of \$235,000, was approved.**

**NINTH ORDER OF BUSINESS****Ratification Items:**

Mr. Kantarzhi presented the following:

- A. MJC Land Development, LLC Change Order No. 1 [Wastewater System Improvements]**
- B. Florida Detroit Diesel - Allison Purchase Order #1 Under GMP-G**

**On MOTION by Mr. Kenny and seconded by Mr. Dugan, with all in favor, MJC Land Development, LLC Change Order No. 1 for Wastewater System Improvements and Detroit Diesel - Allison Purchase Order #1 Under GMP-G, were ratified.**

**TENTH ORDER OF BUSINESS****Acceptance of Unaudited Financial Statements as of November 30, 2024**

Mr. Kantarzhi presented the Unaudited Financial Statements as of November 30, 2024.

**On MOTION by Mr. Kevin Powers and seconded by Mr. Dugan, with all in favor, the Unaudited Financial Statements as of November 30, 2024, were accepted.**

**ELEVENTH ORDER OF BUSINESS****Approval of Minutes**

- A. December 9, 2024 Regular Meeting**
- B. December 16, 2024 Continued Regular Meeting**

**On MOTION by Mr. Kellam and seconded by Mr. Kevin Powers, with all in favor, the December 9, 2024 Regular Meeting and the December 16, 2024 Continued Regular Meeting Minutes, as presented, were approved.**

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

Mr. Dugan stated that, when the bonds are priced and final numbers are received, a Supplemental Assessment Resolution will be adopted.

Discussion ensued regarding the marketing and sale of the bonds.

Ms. Cerbone stated that Mr. Sanford's office will coordinate execution of documents related to the bond issue; typically, documents will be signed at a regularly scheduled meeting but documents can be signed remotely between meetings.

**B. District Engineer: Meridian Consulting Engineers, LLC**

Mr. Darrin Lockwood stated that the sewer is mostly installed in Phase 1A and curb work is progressing well. The rock base for paving is being installed and entrance improvements have begun. Great progress should be noted within the coming weeks.

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

Mr. Kantarzhi stated the Fiscal Year 2026 budget will be presented within the next few months; he will work with the District Engineer to assess what will come online in Fiscal Year 2026. Ms. Cerbone noted that the CDD will likely own some infrastructure in the coming year so Staff must get the necessary Agreements in place. Mr. Darrin Lockwood stated that he, Mr. Kantarzhi and Mr. Antoino Shaw have been working together in this regard. Mr. Kantarzhi stated that some safeguards were implemented during planning the Fiscal Year 2025 budget, with regard to items anticipated to come online.



Ms. Cerbone noted the need for vertical access for property insurance. It will include entry monuments, walls and anything the CDD will own, aside from buildings. It will be the Board's decision whether to bind property insurance; most Boards do but some choose not to. It was noted that the pump station will come online during 2025.

- **NEXT MEETING DATE: February 10, 2025 at 1:00 PM**

- **QUORUM CHECK**

The next meeting will be held on February 10, 2025, unless cancelled.

Ms. Zare stated that bond issuance timing is contingent upon receipt of the plat for Phases 1A and 1B. It was noted that plat approval will likely occur on February 13, 2025. Ms. Zare stated that a week to 10 days will be needed to market the bonds. The consensus was that a special meeting can be scheduled, if necessary.

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

There were no Board Members' comments or requests.

**FOURTEENTH ORDER OF BUSINESS****Public Comments**

No members of the public spoke.

**FIFTEENTH ORDER OF BUSINESS****Adjournment**

**On MOTION by Mr. Kenny and seconded by Mr. Kevin Powers, with all in favor, the meeting adjourned at 2:05 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

TERRA LAGO CDD

January 13, 2025



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Secretary/Assistant Secretary



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Chair/Vice Chair