

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

February 25, 2021

BOARD OF SUPERVISORS

PUBLIC HEARING AND

REGULAR MEETING

AGENDA

Stonewater Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 334313
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

February 18, 2021

Board of Supervisors
Stonewater Community Development District

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>

Dear Board Members:

The Board of Supervisors of the Stonewater Community Development District will hold a Public Hearing and a Regular Meeting on February 25, 2021 at 4:00 p.m., at the offices of D R Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments

GENERAL DISTRICT ITEMS

3. Administration of Oath of Office to Newly Elected Supervisor, Gary Barlow (*the following will be also be provided in a separate package*)
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Chapter 190, Florida Statutes
 - D. Financial Disclosure Forms
 - I. Form 1: Statement of Financial Interests
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - III. Form 1F: Final Statement of Financial Interests
 - E. Form 8B: Memorandum of Voting Conflict
4. Public Hearing to Hear Public Comments and Objections to the Adoption of the Rules of Procedure, Pursuant to Sections 120.54 and 190.035, Florida Statutes
 - A. Affidavits of Publication
 - B. Consideration of Resolution 2021-27, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date

5. Consideration of Responses to Request for Proposals (RFP) for Annual Audit Services
 - A. Affidavit of Publication
 - B. RFP Package
 - C. Respondents
 - I. Berger, Toombs, Elam, Gaines & Frank
 - II. Carr, Riggs & Ingram, LLC
 - III. Grau & Associates
 - IV. McDirmit Davis, LLC
 - D. Auditor Evaluation Matrix/Ranking
 - E. Award of Contract
6. Consideration of Response(s) to Request for Qualifications (RFQ) for Engineering Services
 - A. Affidavit of Publication
 - B. RFQ Package
 - C. Respondent
 - Barraco and Associates, Inc.
 - D. Competitive Selection Criteria/Ranking
 - E. Award of Contract
7. Consideration of Resolution 2021-28, Designating a Date, Time, and Location of a Public Hearing Regarding the District's Intent to Use the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section 197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing; and Providing an Effective Date
8. Presentation of Master Engineer's Report, *dated February 25, 2021*
9. Presentation of Master Special Assessment Methodology Report, *dated February 25, 2021*
10. Consideration of Resolution 2021-26, Declaring Special Assessments; Designating the Nature and Location of the Proposed Improvements; Declaring the Total Estimated Cost of the Improvements, the Portion to be Paid by Assessments, and the Manner and Timing in Which the Assessments are to be Paid; Designating the Lands Upon Which the

Assessments Shall be Levied; Providing for an Assessment Plat and a Preliminary Assessment Roll; Addressing the Setting of Public Hearings; Providing for Publication of this Resolution; and Addressing Conflicts, Severability and an Effective Date

- 11. Consideration of Resolution 2021-29, Amending Resolution 2021-18 to Re-Set the Date and Time of the Public Hearing on the Proposed Budget for Fiscal Year 2020/2021; Providing a Severability Clause; and Providing an Effective Date
- 12. Consideration of Acquisition Agreement
- 13. Consideration of Minutes
 - A. January 19, 2021 Landowners' Meeting
 - B. January 19, 2021 Organizational Meeting
- 14. Staff Reports
 - A. District Counsel: *Hopping Green & Sams, P.A.*
 - B. District Engineer: *Barraco & Associates, Inc.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*

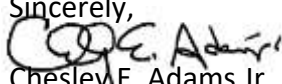
NEXT MEETING DATE: March 25, 2021 at 4:00 PM

○ QUORUM CHECK

J Wayne Everett	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Chris Quarles	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Landon Thomas	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Mark Brumfield	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO
Gary Barlow	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	NO

- 15. Board Members' Comments/Requests
- 16. Public Comments
- 17. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (239) 464-7114.

Sincerely,

 Chesley E. Adams Jr.,
 District Manager

FOR BOARD AND STAFF TO ATTEND BY TELEPHONE
CALL-IN NUMBER: 1-888-354-0094
CONFERENCE ID: 8593810

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

4A

Attn:
STONEWATER COMMUNITY DEVELOPMENT DISTRICT
2300 GLADES ROAD, SUITE 410W
BOCA RATON, FL 33431

STATE OF FLORIDA COUNTY OF LEE:

Before the undersigned authority personally appeared Mitholaj Penstrow who on oath says that he or she is a Legal Assistant of the News-Press, a daily newspaper published at Fort Myers in Lee County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of

NOTICE OF RULE DEVELOPMENT BY THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT In accord with Chapters 120 and 190, Florida Statutes, the Stonewater Community D

In the Twentieth Judicial Circuit Court was published in said newspaper in the issues of:

01/25/2021

Affiant further says that the said News-Press is a paper of general circulation daily in Lee County and published at Fort Myers, in said Lee County, Florida, and that the said newspaper has heretofore been continuously published in said Lee County, Florida each day and has been entered as periodicals matter at the post office in Fort Myers, in said Lee County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has never paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 25th of January 2021, by legal clerk who is personally known to me.

Affiant

Notary State of Wisconsin, County of Brown

5.15.23

My commission expires

of Affidavits 1

This is not an invoice

NOTICE OF RULE DEVELOPMENT BY THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT

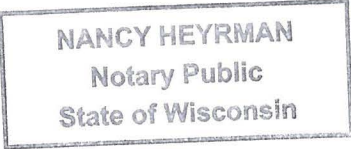
In accord with Chapters 120 and 190, Florida Statutes, the Stonewater Community Development District ("District") hereby gives notice of its intention to develop Rules of Procedure to govern the operations of the District.

The Rules of Procedure will address such areas as the Board of Supervisors, officers and voting, district offices, public information and inspection of records, policies, public meetings, hearings and workshops, rulemaking proceedings and competitive purchase including procedure under the Consultants Competitive Negotiation Act, procedure regarding auditor selection, purchase of insurance, pre-qualification, construction contracts, goods, supplies and materials, maintenance services, contractual services and protests with respect to proceedings, as well as any other area of the general operation of the District.

The purpose and effect of the Rules of Procedure is to provide for efficient and effective District operations and to ensure compliance with recent changes to Florida law. The legal authority for the adoption of the proposed Rules of Procedure includes sections 190.011(5), 190.011(15) and 190.035, Florida Statutes (2019). The specific laws implemented in the Rules of Procedure include, but are not limited to, sections 112.08, 112.3143, 112.31446, 112.3145, 119.07, 119.0701, 189.053, 189.069(2)(a)16, 190.006, 190.007, 190.008, 190.011(3), 190.011(5), 190.011(15), 190.033, 190.035, 218.33, 218.391, 255.05, 255.0518, 255.0525, 255.20, 286.0105, 286.011, 286.0113, 286.0114, 287.017, 287.055 and 287.084, Florida Statutes (2019).

A copy of the proposed Rules of Procedure may be obtained by contacting the District Manager, c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Phone: (877) 276-0889.

District Manager
Stonewater Community
Development District
AD#4566088 1/25/2021



Attn:
STONEWATER COMMUNITY DEVELOPMENT DISTRICT
2300 GLADES ROAD, SUITE 410W
BOCA RATON, FL 33431

STATE OF FLORIDA COUNTY OF LEE:
Before the undersigned authority personally appeared
Nicholas Kinstrom, who on oath says that
he or she is a Legal Assistant of the News-Press, a daily
newspaper published at Fort Myers in Lee County, Florida; that
the attached copy of advertisement, being a Legal Ad in the
matter of


NOTICE OF RULEMAKING REGARDING THE RULES OF
PROCEDURE OF THE STONEWATER COMMUNITY
DEVELOPMENT DISTRICT A public hearing will be conducted b
the Board of Sup

In the Twentieth Judicial Circuit Court was published in said
newspaper in the issues of:


01/26/2021

Affiant further says that the said News-Press is a paper of
general circulation daily in Lee County and published at Fort
Myers, in said Lee County, Florida, and that the said newspaper
has heretofore been continuously published in said Lee County,
Florida each day and has been entered as periodicals matter at
the post office in Fort Myers, in said Lee County, Florida, for a
period of one year next preceding the first publication of the
attached copy of advertisement; and affiant further says that
he or she has never paid nor promised any person, firm or
corporation any discount, rebate, commission or refund for the
purpose of securing this advertisement for publication in the
said newspaper.

Sworn to and Subscribed before me this 26th of January 2021,
by legal clerk who is personally known to me.



Affiant



Notary State of Wisconsin, County of Brown
5.15.23

My commission expires

of Affidavits 1

This is not an invoice

NANCY HEYRMAN
Notary Public
State of Wisconsin

**NOTICE OF RULEMAKING REGARDING
THE RULES OF PROCEDURE OF THE
STONEWATER COMMUNITY
DEVELOPMENT DISTRICT**

A public hearing will be conducted by the Board of Supervisors of the Stonewater Community Development District ("District") on February 25, 2021 at 4:00 p.m., at the offices of D R Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966.

In accord with Chapters 120 and 190, Florida Statutes, the District hereby gives the public notice of its intent to adopt its proposed Rules of Procedure. The purpose and effect of the proposed Rules of Procedure is to provide for efficient and effective District operations and to ensure compliance with recent changes to Florida law. Prior notice of rule development was published in the News Press on January 25, 2021.

The Rules of Procedure may address such areas as the Board of Supervisors, officers and voting, district offices, public information and inspection of records, policies, public meetings, hearings and workshops, rulemaking proceedings and competitive purchase including procedure under the Consultants Competitive Negotiation Act, procedure regarding auditor selection, purchase of insurance, pre-qualification, construction contracts, goods, supplies and materials, maintenance services, contractual services and protests with respect to proceedings, as well as any other area of the general operation of the District.

Specific legal authority for the adoption of the proposed Rules of Procedure includes Sections 190.011(5), 190.011(15) and 190.035, Florida Statutes (2019). The specific laws implemented in the Rules of Procedure include, but are not limited to, Sections 112.08, 112.3143, 112.31446, 112.3145, 119.07, 119.0701, 189.053, 189.069(2)(a)16, 190.006, 190.007, 190.008, 190.011(3), 190.011(5), 190.011(15), 190.033, 190.035, 218.33, 218.391, 255.05, 255.0518, 255.0525, 255.20, 286.0105, 286.011, 286.0113, 286.0114, 287.017, 287.055 and 287.084, Florida Statutes (2019).

A copy of the proposed Rules of Procedure may be obtained by contacting the District Manager's Office at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 or by calling (877) 276-0889 ("District Manager's Office").

Any person who wishes to provide the District with a proposal for a lower cost regulatory alternative as provided by Section 120.541(1), Florida Statutes, must do so in writing within twenty one (21) days after publication of this notice to the District Manager's Office.

This public hearing may be continued to a date, time, and place to be specified on the record at the hearing without additional notice. If anyone chooses to appeal any decision of the Board with respect to any matter considered at a public hearing, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which such appeal is to be based. At the hearing, staff or Supervisors may participate in the public hearing by speaker telephone.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1-800-955-8771 or 1 800-955-8770 for aid in contacting the District Office.

Stonewater Community
Development District
District Manager
AD#4566101 1/26/2021

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

4B

RESOLUTION 2021-27

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

WHEREAS, Stonewater Community Development District (“**District**”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within the City of Cape Coral, Lee County, Florida; and

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

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

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

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

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

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

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

PASSED AND ADOPTED this 25th day of February, 2021.

ATTEST:

**STONEWATER COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Rules of Procedure

EXHIBIT A:
RULES OF PROCEDURE

**RULES OF PROCEDURE
STONEWATER COMMUNITY DEVELOPMENT DISTRICT**

EFFECTIVE AS OF FEBRUARY 25, 2021

TABLE OF CONTENTS

Rule 1.0	General.....	2
Rule 1.1	Board of Supervisors; Officers and Voting.....	3
Rule 1.2	District Offices; Public Information and Inspection of Records; Policies; Service Contract Requirements; Financial Disclosure Coordination.	7
Rule 1.3	Public Meetings, Hearings, and Workshops.	10
Rule 1.4	Internal Controls to Prevent Fraud, Waste and Abuse.....	15
Rule 2.0	Rulemaking Proceedings.	16
Rule 3.0	Competitive Purchase.....	22
Rule 3.1	Procedure Under the Consultants' Competitive Negotiations Act.....	27
Rule 3.2	Procedure Regarding Auditor Selection.	31
Rule 3.3	Purchase of Insurance.....	36
Rule 3.4	Pre-qualification.....	38
Rule 3.5	Construction Contracts, Not Design-Build.....	43
Rule 3.6	Construction Contracts, Design-Build.....	47
Rule 3.7	Payment and Performance Bonds.	52
Rule 3.8	Goods, Supplies, and Materials.	53
Rule 3.9	Maintenance Services.	57
Rule 3.10	Contractual Services.	61
Rule 3.11	Protests with Respect to Proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9.	62
Rule 4.0	Effective Date.	65

Rule 1.0 General.

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

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

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

Rule 1.1 Board of Supervisors; Officers and Voting.

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

contracts on the District's behalf. The Chairperson shall convene and conduct all meetings of the Board. In the event the Chairperson is unable to attend a meeting, the Vice-Chairperson shall convene and conduct the meeting. The Chairperson or Vice-Chairperson may delegate the responsibility of conducting the meeting to the District's manager ("District Manager") or District Counsel, in whole or in part.

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

previously approved by the Board, the Secretary or any Assistant Secretary may execute such document.

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

Secretary prior to participating in any discussion with the Board on the matter. The member shall publicly announce the conflict of interest at the meeting. This announcement shall appear in the minutes.

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

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

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

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: §§ 112.3143, 190.006, 190.007, Fla. Stat.

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

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

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

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

District's local records office during regular business hours. All written public records requests shall be directed to the Secretary who by these rules is appointed as the District's records custodian. Regardless of the form of the request, any Board member or staff member who receives a public records request shall immediately forward or communicate such request to the Secretary for coordination of a prompt response. The Secretary, after consulting with District Counsel as to the applicability of any exceptions under the public records laws, shall be responsible for responding to the public records request. At no time can the District be required to create records or summaries of records, or prepare opinions regarding District policies, in response to a public records request.

- (3) Service Contracts. Any contract for services, regardless of cost, shall include provisions required by law that require the contractor to comply with public records laws. The District Manager shall be responsible for initially enforcing all contract provisions related to a contractor's duty to comply with public records laws.

- (4) Fees; Copies. Copies of public records shall be made available to the requesting person at a charge of \$0.15 per page for one-sided copies and \$0.20 per page for two-sided copies if not more than 8 ½ by 14 inches. For copies of public records in excess of the sizes listed in this section and for outside duplication services, the charge shall be equal to the actual cost of reproduction. Certified copies of public records shall be made available at a charge of one dollar (\$1.00) per page. If the nature or volume of records requested requires extensive use of information technology resources or extensive clerical or supervisory assistance, the District may charge, in addition to the duplication charge, a special service charge that is based on the cost the District incurs to produce the records requested. This charge may include, but is not limited to, the cost of information technology resource, employee labor, and fees charged to the District by consultants employed in fulfilling the request. In cases where the special service charge is based in whole or in part on the costs incurred by the District due to employee labor, consultant fees, or other forms of labor, those portions of the charge shall be calculated based on the lowest labor cost of the individual(s) who is/are qualified to perform the labor, taking into account the nature or volume of the public records to be inspected or copied. The charge may include the labor costs of supervisory and/or clerical staff whose assistance is required to complete the records request, in accordance with Florida law. For purposes of this Rule, the word "extensive" shall mean that it will take more than 15 minutes to locate, review for confidential information, copy and re-file the requested material. In cases where extensive personnel time is determined by the District to be necessary to safeguard original records being inspected, the special service charge provided for in this section shall apply. If the total fees, including but not limited to special service charges, are anticipated to exceed twenty-five dollars (\$25.00), then, prior to commencing work on the request, the District will inform the person

making the public records request of the estimated cost, with the understanding that the final cost may vary from that estimate. If the person making the public records request decides to proceed with the request, payment of the estimated cost is required in advance. Should the person fail to pay the estimate, the District is under no duty to produce the requested records. After the request has been fulfilled, additional payments or credits may be due. The District is under no duty to produce records in response to future records requests if the person making the request owes the District for past unpaid duplication charges, special service charges, or other required payments or credits.

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

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

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

Rule 1.3 Public Meetings, Hearings, and Workshops.

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

made including the testimony and evidence upon which the appeal is to be based.”

- (f) The following or substantially similar language: “The meeting [or hearing or workshop] may be continued in progress without additional notice to a time, date, and location stated on the record.”

- (2) Mistake. In the event that a meeting is held under the incorrect assumption that notice required by law and these Rules has been given, the Board at its next properly noticed meeting shall cure such defect by considering the agenda items from the prior meeting individually and anew.

- (3) Agenda. The District Manager, under the guidance of District Counsel and the Chairperson or Vice-Chairperson, shall prepare an agenda of the meeting/hearing/workshop. The agenda and any meeting materials available in an electronic format, excluding any confidential and any confidential and exempt information, shall be available to the public at least seven days before the meeting/hearing/workshop, except in an emergency. Meeting materials shall be defined as, and limited to, the agenda, meeting minutes, resolutions, and agreements of the District that District staff deems necessary for Board approval. Inclusion of additional materials for Board consideration other than those defined herein as “meeting materials” shall not convert such materials into “meeting materials.” For good cause, the agenda may be changed after it is first made available for distribution, and additional materials may be added or provided under separate cover at the meeting. The requirement of good cause shall be liberally construed to allow the District to efficiently conduct business and to avoid the expenses associated with special meetings.

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

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

Supervisor's requests and comments
Public comment
Adjournment

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

- (9) Public Hearings. Notice of required public hearings shall contain the information required by applicable Florida law and by these Rules applicable to meeting notices and shall be mailed and published as required by Florida law. The District Manager shall ensure that all such notices, whether mailed or published, contain the information required by Florida law and these Rules and are mailed and published as required by Florida law. Public hearings may be held during Board meetings when the agenda includes such public hearing.
- (10) Participation by Teleconference/Videoconference. District staff may participate in Board meetings by teleconference or videoconference. Board members may also participate in Board meetings by teleconference or videoconference if in the good judgment of the Board extraordinary circumstances exist; provided however, at least three Board members must be physically present at the meeting location to establish a quorum. Such extraordinary circumstances shall be presumed when a Board member participates by teleconference or videoconference, unless a majority of the Board members physically present determines that extraordinary circumstances do not exist.
- (11) Board Authorization. The District has not adopted Robert's Rules of Order. For each agenda item, there shall be discussion permitted among the Board members during the meeting. Unless such procedure is waived by the Board, approval or disapproval of resolutions and other proposed Board actions shall be in the form of a motion by one Board member, a second by another Board member, and an affirmative vote by the majority of the Board members present. Any Board member, including the Chairperson, can make or second a motion.
- (12) Continuances. Any meeting or public hearing of the Board may be continued without re-notice or re-advertising provided that:
- (a) The Board identifies on the record at the original meeting a reasonable need for a continuance;
 - (b) The continuance is to a specified date, time, and location publicly announced at the original meeting; and
 - (c) The public notice for the original meeting states that the meeting may be continued to a date and time and states that the date, time, and location of any continuance shall be publicly announced at the original meeting and posted at the District Office immediately following the original meeting.
- (13) Attorney-Client Sessions. An Attorney-Client Session is permitted when the District's attorneys deem it necessary to meet in private with the Board to discuss pending litigation to which the District is a party before a court or administrative

agency or as may be authorized by law. The District's attorney must request such session at a public meeting. Prior to holding the Attorney-Client Session, the District must give reasonable public notice of the time and date of the session and the names of the persons anticipated to attend the session. The session must commence at an open meeting in which the Chairperson or Vice-Chairperson announces the commencement of the session, the estimated length of the session, and the names of the persons who will be attending the session. The discussion during the session is confined to settlement negotiations or strategy related to litigation expenses or as may be authorized by law. Only the Board, the District's attorneys (including outside counsel), the District Manager, and the court reporter may attend an Attorney-Client Session. During the session, no votes may be taken and no final decisions concerning settlement can be made. Upon the conclusion of the session, the public meeting is reopened, and the Chairperson or Vice-Chairperson must announce that the session has concluded. The session must be transcribed by a court-reporter and the transcript of the session filed with the District Secretary within a reasonable time after the session. The transcript shall not be available for public inspection until after the conclusion of the litigation.

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

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

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

Rule 1.4 Internal Controls to Prevent Fraud, Waste and Abuse

(1) Internal Controls. The District shall establish and maintain internal controls designed to:

- (a) Prevent and detect “fraud,” “waste” and “abuse” as those terms are defined in section 11.45(1), Florida Statutes; and
- (b) Promote and encourage compliance with applicable laws, rules contracts, grant agreements, and best practices; and
- (c) Support economical and efficient operations; and
- (d) Ensure reliability of financial records and reports; and
- (e) Safeguard assets.

(2) Adoption. The internal controls to prevent fraud, waste and abuse shall be adopted and amended by the District in the same manner as District policies.

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

Law Implemented: § 218.33(3), Fla. Stat.

Rule 2.0 Rulemaking Proceedings.

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

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

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

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

Florida Statutes, may be published in a newspaper of general circulation in the county in which the District is located.

(10) Rulemaking Record. In all rulemaking proceedings, the District shall compile and maintain a rulemaking record. The record shall include, if applicable:

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

(11) Petitions to Challenge Existing Rules.

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

- (e) Hearings held under this section shall be de novo in nature. The petitioner has a burden of proving by a preponderance of the evidence that the existing rule is an invalid exercise of District authority as to the objections raised. The hearing officer may:
 - (i) Administer oaths and affirmations;
 - (ii) Rule upon offers of proof and receive relevant evidence;
 - (iii) Regulate the course of the hearing, including any pre-hearing matters;
 - (iv) Enter orders; and
 - (v) Make or receive offers of settlement, stipulation, and adjustment.
 - (f) The petitioner and the District shall be adverse parties. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (12) Variations and Waivers. A “variance” means a decision by the District to grant a modification to all or part of the literal requirements of a rule to a person who is subject to the rule. A “waiver” means a decision by the District not to apply all or part of a rule to a person who is subject to the rule. Variations and waivers from District rules may be granted subject to the following:
- (a) Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person, and when application of the rule would create a substantial hardship or would violate principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.
 - (b) A person who is subject to regulation by a District Rule may file a petition with the District, requesting a variance or waiver from the District’s Rule. Each petition shall specify:
 - (i) The rule from which a variance or waiver is requested;
 - (ii) The type of action requested;

- (iii) The specific facts that would justify a waiver or variance for the petitioner; and
 - (iv) The reason why the variance or the waiver requested would serve the purposes of the underlying statute.
 - (c) The District shall review the petition and may request only that information needed to clarify the petition or to answer new questions raised by or directly related to the petition. If the petitioner asserts that any request for additional information is not authorized by law or by Rule of the District, the District shall proceed, at the petitioner's written request, to process the petition.
 - (d) The Board shall grant or deny a petition for variance or waiver and shall announce such disposition at a publicly held meeting of the Board, within ninety (90) days after receipt of the original petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. The District's statement granting or denying the petition shall contain a statement of the relevant facts and reasons supporting the District's action.
- (13) Rates, Fees, Rentals and Other Charges. All rates, fees, rentals, or other charges shall be subject to rulemaking proceedings. Policies adopted by the District which do not consist of rates, fees, rentals or other charges may be, but are not required to be, implemented through rulemaking proceedings.

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

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

Rule 3.0 Competitive Purchase.

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

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

hurricanes, accidents, or any circumstances or cause beyond the control of the Board in the normal conduct of its business), where the Board finds that the delay incident to competitive purchase would be detrimental to the interests of the District. This includes, but is not limited to, instances where the time to competitively award the project will jeopardize the funding for the project, will materially increase the cost of the project, or will create an undue hardship on the public health, safety, or welfare.

- (i) "Invitation to Bid" is a written solicitation for sealed bids with the title, date, and hour of the public bid opening designated specifically and defining the commodity or service involved. It includes printed instructions prescribing conditions for bidding, qualification, evaluation criteria, and provides for a manual signature of an authorized representative. It may include one or more bid alternates.
- (j) "Invitation to Negotiate" means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or services.
- (k) "Negotiate" means to conduct legitimate, arm's length discussions and conferences to reach an agreement on a term or price.
- (l) "Professional Services" means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of Florida, or those services performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper, in connection with the firm's or individual's professional employment or practice.
- (m) "Proposal (or Reply or Response) Most Advantageous to the District" means, as determined in the sole discretion of the Board, the proposal, reply, or response that is:
 - (i) Submitted by a person or firm capable and qualified in all respects to perform fully the contract requirements, who has the integrity and reliability to assure good faith performance;
 - (ii) The most responsive to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation as determined by the Board; and
 - (iii) For a cost to the District deemed by the Board to be reasonable.

- (n) “Purchase” means acquisition by sale, rent, lease, lease/purchase, or installment sale. It does not include transfer, sale, or exchange of goods, supplies, or materials between the District and any federal, state, regional or local governmental entity or political subdivision of the State of Florida.
- (o) “Request for Proposals” or “RFP” is a written solicitation for sealed proposals with the title, date, and hour of the public opening designated and requiring the manual signature of an authorized representative. It may provide general information, applicable laws and rules, statement of work, functional or general specifications, qualifications, proposal instructions, work detail analysis, and evaluation criteria as necessary.
- (p) “Responsive and Responsible Bidder” means an entity or individual that has submitted a bid that conforms in all material respects to the Invitation to Bid and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. “Responsive and Responsible Vendor” means an entity or individual that has submitted a proposal, reply, or response that conforms in all material respects to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an entity or individual is a Responsive and Responsible Bidder (or Vendor), the District may consider, in addition to factors described in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the following:
 - (i) The ability and adequacy of the professional personnel employed by the entity/individual;
 - (ii) The past performance of the entity/individual for the District and in other professional employment;
 - (iii) The willingness of the entity/individual to meet time and budget requirements;
 - (iv) The geographic location of the entity’s/individual’s headquarters or office in relation to the project;
 - (v) The recent, current, and projected workloads of the entity/individual;
 - (vi) The volume of work previously awarded to the entity/individual;

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

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: §§ 190.033, 255.20, 287.055, Fla. Stat.

Rule 3.1 Procedure Under the Consultants' Competitive Negotiations Act.

- (1) Scope. The following procedures are adopted for the selection of firms or individuals to provide Professional Services exceeding the thresholds herein described, for the negotiation of such contracts, and to provide for protest of actions of the Board under this Rule. As used in this Rule, "Project" means that fixed capital outlay study or planning activity when basic construction cost is estimated by the District to exceed the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FIVE, or for a planning study activity when the fee for Professional Services is estimated by the District to exceed the threshold amount provided in Section 287.017 for CATEGORY TWO, as such categories may be amended or adjusted from time to time.

- (2) Qualifying Procedures. In order to be eligible to provide Professional Services to the District, a consultant must, at the time of receipt of the firm's qualification submittal:
 - (a) Hold all required applicable state professional licenses in good standing;
 - (b) Hold all required applicable federal licenses in good standing, if any;
 - (c) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the consultant is a corporation; and
 - (d) Meet any qualification requirements set forth in the District's Request for Qualifications.

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

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

such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process. The Board has the right to reject any and all qualifications, and such reservation shall be included in the published notice. Consultants not receiving a contract award shall not be entitled to recover from the District any costs of qualification package preparation or submittal.

(4) Competitive Selection.

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

with a recommendation that competitive negotiations be instituted with the selected firms in order of preference listed.

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

(5) Competitive Negotiation.

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

selected by the District, in order of their competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.

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

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

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

Rule 3.2 Procedure Regarding Auditor Selection.

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

(1) Definitions.

(a) "Auditing Services" means those services within the scope of the practice of a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

(b) "Committee" means the auditor selection committee appointed by the Board as described in section (2) of this Rule.

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

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

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

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

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

(b) Evaluation Criteria. The factors established for the evaluation of Auditing Services by the Committee shall include, but are not limited to:

- (i) Ability of personnel;
- (ii) Experience;
- (iii) Ability to furnish the required services; and
- (iv) Such other factors as may be determined by the Committee to be applicable to its particular requirements.

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

(4) Public Announcement. After identifying the factors to be used in evaluating the proposals for Auditing Services as set forth in section (3) of this Rule, the Committee shall publicly announce the opportunity to provide Auditing Services. Such public announcement shall include a brief description of the audit and how interested firms can apply for consideration and obtain the RFP. The notice shall appear in at least one (1) newspaper of general circulation in the District and the

county in which the District is located. The public announcement shall allow for at least seven (7) days for the submission of proposals.

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

- (b) Where compensation was selected as a factor used in evaluating the proposals, the Board shall select the highest-ranked qualified firm or document in its public records the reason for not selecting the highest-ranked qualified firm.
 - (c) In negotiations with firms under this Rule, the Board may allow the District Manager, District Counsel, or other designee to conduct negotiations on its behalf.
 - (d) Notwithstanding the foregoing, the Board may reject any or all proposals. The Board shall not consider any proposal, or enter into any contract for Auditing Services, unless the proposed agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39 of the Florida Statutes, and the needs of the District.
- (8) Contract. Any agreement reached under this Rule shall be evidenced by a written contract, which may take the form of an engagement letter signed and executed by both parties. The written contract shall include all provisions and conditions of the procurement of such services and shall include, at a minimum, the following:
- (a) A provision specifying the services to be provided and fees or other compensation for such services;
 - (b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract;
 - (c) A provision setting forth deadlines for the auditor to submit a preliminary draft audit report to the District for review and to submit a final audit report no later than June 30 of the fiscal year that follows the fiscal year for which the audit is being conducted;
 - (d) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. The maximum contract period including renewals shall be five (5) years. A renewal may be done without the use of the auditor selection procedures provided in this Rule but must be in writing.
 - (e) Provisions required by law that require the auditor to comply with public records laws.
- (9) Notice of Award. Once a negotiated agreement with a firm or individual is reached, or the Board authorizes the execution of an agreement with a firm where compensation was a factor in the evaluation of proposals, notice of the intent to

award, including the rejection of some or all proposals, shall be provided in writing to all proposers by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests regarding the award of contracts under this Rule shall be as provided for in Rule 3.11. No proposer shall be entitled to recover any costs of proposal preparation or submittal from the District.

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

Law Implemented: §§ 119.0701, 218.33, 218.391, Fla. Stat.

Rule 3.3 Purchase of Insurance.

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

offices in relation to the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase insurance shall be awarded to that company whose response to the Invitation to Bid best meets the overall needs of the District, its officers, employees, and/or dependents.

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

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

Law Implemented: § 112.08, Fla. Stat.

Rule 3.4 Pre-qualification

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

pre-qualified will be eligible to submit bids, proposals, replies or responses in response to the applicable Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

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

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

- (g) Qualifications shall be presented to the Board, or a committee appointed by the Board, for evaluation in accordance with the Request for Qualifications and this Rule. Minor variations in the qualifications may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature.
- (h) All vendors determined by the District to meet the pre-qualification requirements shall be pre-qualified. To assure full understanding of the responsiveness to the requirements contained in a Request for Qualifications, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion and revision of qualifications. For construction services, any contractor pre-qualified and considered eligible by the Department of Transportation to bid to perform the type of work the project entails shall be presumed to be qualified to perform the project.

(i) The Board shall have the right to reject all qualifications if there are not enough to be competitive or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of qualification preparation or submittal from the District.

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

(3) Suspension, Revocation, or Denial of Qualification

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

- i. One of the circumstances specified under Section 337.16(2), Fla. Stat., has occurred.
- ii. Affiliated contractors submitted more than one proposal for the same work. In this event the pre-qualified status of all of the affiliated bidders will be revoked, suspended, or denied. All bids of affiliated bidders will be rejected.
- iii. The vendor made or submitted false, deceptive, or fraudulent statements, certifications, or materials in any claim for payment or any information required by any District contract.
- iv. The vendor or its affiliate defaulted on any contract or a contract surety assumed control of financial responsibility for any contract of the vendor.

- v. The vendor's qualification to bid is suspended, revoked, or denied by any other public or semi-public entity, or the vendor has been the subject of a civil enforcement proceeding or settlement involving a public or semi-public entity.
- vi. The vendor failed to comply with contract or warranty requirements or failed to follow District direction in the performance of a contract.
- vii. The vendor failed to timely furnish all contract documents required by the contract specifications, special provisions, or by any state or federal statutes or regulations. If the vendor fails to furnish any of the subject contract documents by the expiration of the period of suspension, revocation, or denial set forth above, the vendor's pre-qualified status shall remain suspended, revoked, or denied until the documents are furnished.
- viii. The vendor failed to notify the District within 10 days of the vendor, or any of its affiliates, being declared in default or otherwise not completing work on a contract or being suspended from qualification to bid or denied qualification to bid by any other public or semi-public agency.
- ix. The vendor did not pay its subcontractors or suppliers in a timely manner or in compliance with contract documents.
- x. The vendor has demonstrated instances of poor or unsatisfactory performance, deficient management resulting in project delay, poor quality workmanship, a history of payment of liquidated damages, untimely completion of projects, uncooperative attitude, contract litigation, inflated claims or defaults.
- xi. An affiliate of the vendor has previously been determined by the District to be non-responsible, and the specified period of suspension, revocation, denial, or non-responsibility remains in effect.
- xii. The vendor or affiliate(s) has been convicted of a contract crime.
 - 1. The term "contract crime" means any violation of state or federal antitrust laws with respect to a public contract or any violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract.
 - 2. The term "convicted" or "conviction" means a finding of guilt or a conviction of a contract crime, with or without an

adjudication of guilt, in any federal or state trial court of record as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

- (b) A denial, suspension, or revocation shall prohibit the vendor from being a subcontractor on District work during the period of denial, suspension, or revocation, except when a prime contractor's bid has used prices of a subcontractor who becomes disqualified after the bid, but before the request for authorization to sublet is presented.
- (c) The District shall inform the vendor in writing of its intent to deny, suspend, or revoke its pre-qualified status and inform the vendor of its right to a hearing, the procedure which must be followed, and the applicable time limits. If a hearing is requested within 10 days after the receipt of the notice of intent, the hearing shall be held within 30 days after receipt by the District of the request for the hearing. The decision shall be issued within 15 days after the hearing.
- (d) Such suspension or revocation shall not affect the vendor's obligations under any preexisting contract.
- (e) In the case of contract crimes, the vendor's pre-qualified status under this Rule shall be revoked indefinitely. For all violations of Rule 3.4(3)(a) other than for the vendor's conviction for contract crimes, the revocation, denial, or suspension of a vendor's pre-qualified status under this Rule shall be for a specific period of time based on the seriousness of the deficiency.

Examples of factors affecting the seriousness of a deficiency are:

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

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: §§ 190.033, 255.0525, 255.20, Fla. Stat.

Rule 3.5 Construction Contracts, Not Design-Build.

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

accordance with this Rule and shall not be a basis for a protest of any contract award.

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

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

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

- (f) Bids, proposals, replies, and responses, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative

is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and these Rules. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.

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

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

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

- (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

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

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

Rule 3.6 Construction Contracts, Design-Build.

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

(ii) Competitive Proposal-Based Selection. If the competitive proposal selection process is utilized, the Board, in consultation with the Design Criteria Professional, shall establish the criteria, standards and procedures for the evaluation of Design-Build Proposals based on price, technical, and design aspects of the project, weighted for the project. After a Design Criteria Package and the standards and procedures for evaluation of proposals have been developed, competitive proposals from qualified firms shall be solicited pursuant to the design criteria by the following procedure:

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

- d. Meet any special pre-qualification requirements set forth in the Request for Proposals and Design Criteria Package.

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

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

4. The proposals, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. In consultation with the Design Criteria Professional, the Board shall evaluate the proposals received based on evaluation criteria and procedures established prior to the solicitation of proposals, including but not limited to qualifications, availability, and past work of the firms and the partners and members thereof. The Board shall then select no fewer than three (3) Design-Build Firms as the most qualified.
5. The Board shall have the right to reject all proposals if [the proposals are too high](#), or rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of proposal preparation or submittal from the District.
6. If less than three (3) Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no Responsive

Proposals are received, the District may proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the design-build services without further competitive selection processes.

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

8. The Board shall negotiate a contract with the firm ranking the highest based on the evaluation standards and shall establish a price which the Board determines is fair, competitive and reasonable. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the second most qualified firm, based on the ranking by the evaluation standards. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the third most qualified firm. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the third most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. Should the Board be unable to negotiate a satisfactory contract with any of the selected firms, the Board shall select additional firms in order of their rankings based on the evaluation standards and continue negotiations until an agreement is reached or the list of firms is exhausted.

9. After the Board contracts with a firm, the firm shall bring to the Board for approval, detailed working drawings of the project.
 10. The Design Criteria Professional shall evaluate the compliance of the detailed working drawings and project construction with the Design Criteria Package and shall provide the Board with a report of the same.
- (3) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
 - (4) Emergency Purchase. The Board may, in case of public emergency, declare an emergency and immediately proceed with negotiations with the best qualified Design-Build Firm available at the time. The fact that an Emergency Purchase has occurred shall be noted in the minutes of the next Board meeting.
 - (5) Exceptions. This Rule is inapplicable when:
 - (a) The project is undertaken as repair or maintenance of an existing public facility;
 - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
 - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contractor; or
 - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

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

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

Rule 3.7 Payment and Performance Bonds.

- (1) Scope. This Rule shall apply to contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work and shall be construed in addition to terms prescribed by any other Rule that may also apply to such contracts.

- (2) Required Bond. Upon entering into a contract for any of the services described in section (1) of this Rule in excess of \$200,000, the Board should require that the contractor, before commencing the work, execute and record a payment and performance bond in an amount equal to the contract price. Notwithstanding the terms of the contract or any other law, the District may not make payment to the contractor until the contractor has provided to the District a certified copy of the recorded bond.

- (3) Discretionary Bond. At the discretion of the Board, upon entering into a contract for any of the services described in section (1) of this Rule for an amount not exceeding \$200,000, the contractor may be exempted from executing a payment and performance bond.

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

Law Implemented: § 255.05, Fla. Stat.

Rule 3.8 Goods, Supplies, and Materials.

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

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

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

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

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

Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which does not grant a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference of five (5) percent. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which grants a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference equal to the preference granted by such foreign state.

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

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

- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase goods, supplies, or materials, or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the goods, supplies, and materials without further competitive selection processes.
- (3) Goods, Supplies, and Materials included in a Construction Contract Awarded Pursuant to Rule 3.5 or 3.6. There may be occasions where the District has undergone the competitive purchase of construction services which contract may include the provision of goods, supplies, or materials. In that instance, the District may approve a change order to the contract and directly purchase the goods, supplies, and materials. Such purchase of goods, supplies, and materials deducted from a competitively purchased construction contract shall be exempt from this Rule.
- (4) Exemption. Goods, supplies, and materials that are only available from a single source are exempt from this Rule. Goods, supplies, and materials provided by governmental agencies are exempt from this Rule. A contract for goods, supplies, or materials is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process. This Rule shall not apply to the purchase of goods, supplies or materials that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules.
- (5) Renewal. Contracts for the purchase of goods, supplies, and/or materials subject to this Rule may be renewed for a maximum period of five (5) years.
- (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

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

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

Rule 3.9 Maintenance Services.

- (1) Scope. All contracts for maintenance of any District facility or project shall be set under the terms of this Rule if the cost exceeds the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR. A contract involving goods, supplies, and materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.

- (2) Procedure. When a purchase of maintenance services is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.

 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.

 - (d) If the District has pre-qualified suppliers of maintenance services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, and responses.

 - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold all required applicable state professional licenses in good standing;

 - (ii) Hold all required applicable federal licenses in good standing, if any;

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

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

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and these Rules. Minor variations in the bids, proposals, replies, and responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid submitted in response to an Invitation to Bid by a Responsive and Responsible Bidder shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate or Competitive Solicitation the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, or responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the

purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No Vendor shall be entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.

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

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

Rule 3.10 Contractual Services.

- (1) Exemption from Competitive Purchase. Pursuant to Section 190.033(3) of the Florida Statutes, Contractual Services shall not be subject to competitive purchasing requirements. If an agreement is predominantly for Contractual Services, but also includes maintenance services or the purchase of goods and services, the contract shall not be subject to competitive purchasing requirements. Regardless of whether an advertisement or solicitation for Contractual Services is identified as an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, no rights or remedies under these Rules, including but not limited to protest rights, are conferred on persons, firms, or vendors proposing to provide Contractual Services to the District.

- (2) Contracts; Public Records. In accordance with Florida law, each contract for Contractual Services shall include provisions required by law that require the contractor to comply with public records laws.

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

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

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

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

(1) Filing.

- (a) With respect to a protest regarding qualifications, specifications, documentation, or other requirements contained in a Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation issued by the District, the notice of protest shall be filed in writing within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after the first advertisement of the Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's intended decision. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.

- (b) Except for those situations covered by subsection (1)(a) of this Rule, any firm or person who is affected adversely by a District's ranking or intended award under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9 and desires to contest the District's ranking or intended award, shall file with the District a written notice of protest within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after receipt of the notice of the District's ranking or intended award. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's ranking or intended award. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.

- (c) If the requirement for the posting of a protest bond and the amount of the protest bond, which may be expressed by a percentage of the contract to

be awarded or a set amount, is disclosed in the District's competitive solicitation documents for a particular purchase under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9, any person who files a notice of protest must post the protest bond. The amount of the protest bond shall be determined by District staff after consultation with the Board and within the limits, if any, imposed by Florida law. In the event the protest is successful, the protest bond shall be refunded to the protestor. In the event the protest is unsuccessful, the protest bond shall be applied towards the District's costs, expenses, and attorney's fees associated with hearing and defending the protest. In the event the protest is settled by mutual agreement of the parties, the protest bond shall be distributed as agreed to by the District and protestor.

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

- (c) Regulate the course of the hearing, including any pre-hearing matters;
- (d) Enter orders; and
- (e) Make or receive offers of settlement, stipulation, and adjustment.

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

- (5) Intervenors. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (6) Rejection of all Qualifications, Bids, Proposals, Replies and Responses after Receipt of Notice of Protest. If the Board determines there was a violation of law, defect, or an irregularity in the competitive solicitation process, the Bids, Proposals, Replies, and Responses are too high, or if the Board determines it is otherwise in the District's best interest, the Board may reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew. If the Board decides to reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew, any pending protests shall automatically terminate.
- (7) Settlement. Nothing herein shall preclude the settlement of any protest under this Rule at any time.

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

Rule 4.0 Effective Date.

These Rules shall be effective February 25, 2021, except that no election of officers required by these Rules shall be required until after the next regular election for the Board.

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

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

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5A

Attn:
STONEWATER COMMUNITY DEVELOPMENT DISTRICT
2300 GLADES ROAD, SUITE 410W
BOCA RATON, FL 33431

STATE OF FLORIDA COUNTY OF LEE:

Before the undersigned authority personally appeared Nicholas Lewiston, who on oath says that he or she is a Legal Assistant of the News-Press, a daily newspaper published at Fort Myers in Lee County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of

STONEWATER COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES
The Stonewater Community Development District hereby requests propos

In the Twentieth Judicial Circuit Court was published in said newspaper in the issues of:

02/04/2021

Affiant further says that the said News-Press is a paper of general circulation daily in Lee County and published at Fort Myers, in said Lee County, Florida, and that the said newspaper has heretofore been continuously published in said Lee County, Florida each day and has been entered as periodicals matter at the post office in Fort Myers, in said Lee County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has never paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and Subscribed before me this 4th of February 2021, by legal clerk who is personally known to me.

Affiant

Nancy Heyrman
Notary State of Wisconsin, County of Brown
2.5.21

My commission expires

of Affidavits 1

This is not an invoice

NANCY HEYRMAN
Notary Public
State of Wisconsin

STONEWATER COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES

The Stonewater Community Development District hereby requests proposals for annual financial auditing services. The proposal must provide for the auditing of the District's financial records for the fiscal year ending September 30, 2021, with an option for four (4) additional optional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, Florida Statutes, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in the City of Cape Coral, Florida. The final contract will require that, among other things, the audit for the fiscal year ending September 30, 2021, be completed no later than June 30, 2022.

The auditing entity submitting a proposal must be duly licensed under Chapter 473, Florida Statutes, and be qualified to conduct audits in accordance with "Government Auditing Standards," as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida Law and particularly Section 218.39, Florida Statutes, and the rules of the Florida Auditor General.

Proposal packages, which include evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide one (1) unbound copy and one electronic copy of their proposal to Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 ("District Manager") telephone (877) 276-0889, in an envelope marked on the outside "Auditing Services, Stonewater Community Development District." Proposals must be received by 12:00 p.m., on February 12, 2021, at the office of the District Manager. Please direct all questions regarding this Notice to the District Manager.

District Manager
AD#4586436 2/4/2021

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5B

**STONEWATER COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES**

The Stonewater Community Development District hereby requests proposals for annual financial auditing services. The proposal must provide for the auditing of the District's financial records for the fiscal year ending September 30, 2021, with an option for four (4) additional optional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, *Florida Statutes*, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in the City of Cape Coral, Florida. The final contract will require that, among other things, the audit for the fiscal year ending September 30, 2021, be completed no later than June 30, 2022.

The auditing entity submitting a proposal must be duly licensed under Chapter 473, *Florida Statutes*, and be qualified to conduct audits in accordance with "Government Auditing Standards," as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida Law and particularly Section 218.39, *Florida Statutes*, and the rules of the Florida Auditor General.

Proposal packages, which include evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide one (1) unbound copy and one electronic copy of their proposal to Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 ("**District Manager**") telephone (877) 276-0889, in an envelope marked on the outside "Auditing Services, Stonewater Community Development District." Proposals must be received by 12:00 p.m., on February 12, 2021, at the office of the District Manager. Please direct all questions regarding this Notice to the District Manager.

Craig Wrathell
District Manager

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

REQUEST FOR PROPOSALS

District Auditing Services for Fiscal Year 2021

City of Cape Coral, Florida

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than February 12, 2021 at 12:00 p.m. at the offices of District Manager, located at Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, telephone (877) 276-0889. Proposals will be publicly opened at that time.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Submit one (1) unbound copy and one electronic copy of the Proposal Documents, and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services – Stonewater Community Development District" on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions ("**Proposal Documents**").

SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of the District's limited waiver of liability contained in Section 768.28, *Florida Statutes*, or any other statute or law.

SECTION 12. MISCELLANEOUS. All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List the position or title of all personnel to perform work on the District audit. Include resumes for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including resumes with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal, plus the lump sum cost of four (4) annual renewals.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) calendar hours (excluding Saturday, Sunday, and state holidays) after the receipt of the Proposal Documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturday, Sunday, and state holidays) after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to the aforesaid Proposal Documents.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

**STONEWATER COMMUNITY DEVELOPMENT DISTRICT
AUDITOR SELECTION
EVALUATION CRITERIA**

1. Ability of Personnel. (20 Points)

(E.g., geographic location of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load; proposed staffing levels, etc.)

2. Proposer's Experience. (20 Points)

(E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other or current Community Development District(s) in other contracts; character, integrity, reputation of Proposer, etc.)

3. Understanding of Scope of Work. (20 Points)

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

4. Ability to Furnish the Required Services. (20 Points)

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.

5. Price. (20 Points)***

Points will be awarded based upon the lowest total proposal for rendering the services and the reasonableness of the proposal.

Total (100 Points)

***Alternatively, the Board may choose to evaluate firms without considering price, in which case the remaining categories would be assigned 25 points each.

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

501

**STONEWATER
COMMUNITY DEVELOPMENT DISTRICT
PROPOSAL FOR AUDIT SERVICES**

PROPOSED BY:

Berger, Toombs, Elam, Gaines & Frank
CERTIFIED PUBLIC ACCOUNTANTS, PL

600 Citrus Avenue, Suite 200
Fort Pierce, Florida 34950

(772) 461-6120

CONTACT PERSON:

J. W. Gaines, CPA, Director

DATE OF PROPOSAL:

February 12, 2021

TABLE OF CONTENTS

<u>DESCRIPTION OF SECTION</u>	<u>PAGE</u>
A. Letter of Transmittal	1-2
B. Profile of the Proposer	
Description and History of Audit Firm	3
Professional Staff Resources	4-5
Ability to Furnish the Required Services	5
Arbitrage Rebate Services	6
A. Governmental Auditing Experience	7-16
B. Fee Schedule	17
C. Scope of Work to be Performed	17
D. Resumes	18-33
E. Peer Review Letter	34
Instructions to Proposers	35-36
Evaluation Criteria	37



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

February 12, 2021

Stonewater Community Development District
Wrathell, Hunt & Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, FL 33431

Dear District Manager:

Thank you very much for the opportunity to present our professional credentials to provide audit services for Stonewater Community Development District.

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has assembled a team of governmental and nonprofit specialists second to none to serve our clients. Our firm has the necessary qualifications and experience to serve as the independent auditors for Stonewater Community Development District. We will provide you with top quality, responsive service.

Experience

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a recognized leader in providing services to governmental and nonprofit agencies throughout Florida. We have been the independent auditors for a number of local governmental agencies and through our experience in performing their audits, we have been able to increase our audit efficiency and; therefore, reduce costs. We have continually passed this cost savings on to our clients and will continue to do so in the future. As a result of our experience and expertise, we have developed an effective and efficient audit approach designed to meet or exceed the performance specifications in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the standards for financial and compliance audits. We will conduct the audit in accordance with auditing standards generally accepted in the United States of America; "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Single Audit Act, Subpart F of Title 2 US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, with minimal disruption to your operations. Our firm has frequent technical updates to keep our personnel informed and up-to-date on all changes that are occurring within the industry.

Fort Pierce / Stuart

- 1 -

Member AICPA

Member AICPA Division for CPA Firms
Private Companies practice Section

Member FICPA

Stonewater Community Development District
February 12, 2021.

Our firm is a member of the Government Audit Quality Center, an organization dedicated to improving government audit quality. We also utilize the audit program software of a nationally recognized CPA firm to assure us that we are up to date with all auditing standards and to assist us maintain maximum audit efficiencies.

To facilitate your evaluation of our qualifications and experience, we have arranged this proposal to include a resume of our firm, including our available staff, our extensive prior governmental and nonprofit auditing experience and clients to be contacted.

You need a firm that will provide an efficient, cost-effective, high-quality audit within critical time constraints. You need a firm with the prerequisite governmental and nonprofit experience to perform your audit according to stringent legal and regulatory requirements, a firm that understands the complex nature of community development districts and their unique compliance requirements. You need a firm with recognized governmental and nonprofit specialists within the finance and governmental communities. And, certainly, you need a firm that will provide you with valuable feedback to enhance your current and future operations. Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is that firm. J. W. Gaines is the person authorized to make representations for the firm.

Thank you again for the opportunity to submit this proposal to Stonewater Community Development District.

Very truly yours,

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

PROFILE OF THE PROPOSER

Description and History of Audit Firm

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL is a Treasure Coast public accounting firm, which qualifies as a small business firm, as established by the Small Business Administration (13 CFR 121.38), with offices in Fort Pierce and Stuart. We are a member of the Florida Institute of Certified Public Accountants and the American Institute of Certified Public Accountants. The firm was formed from the merger of Edwards, Berger, Harris & Company (originated in 1972) and McAlpin, Curtis & Associates (originated in 1949). J. W. Gaines and Associates (originated in 1979) merged with the firm in 2004. Our tremendous growth rate experienced over the last 71 years is directly attributable to the firm's unrelenting dedication to providing the highest quality, responsive professional services attainable to its clients.

We are a member of the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA) to assure we meet the highest standards. Membership in this practice section requires that our firm meet more stringent standards than standard AICPA membership. These rigorous requirements include the requirement of a triennial peer review of our firm's auditing and accounting practice and annual Continuing Professional Education (CPE) for all accounting staff (whether CPA or non-CPA). For standard AICPA membership, only a quality review is required and only CPAs must meet CPE requirements.

We are also a member of the Government Audit Quality Center ("the Center") of the American Institute of Certified Public Accountants to assure the quality of our government audits. Membership in the Center, which is voluntary, requires our firm to comply with additional standards to promote the quality of government audits.

We have been extensively involved in serving local government entities with professional accounting, auditing and consulting services throughout the entire 71 year history of our firm. Our substantial experience over the years makes us uniquely qualified to provide accounting, auditing, and consulting services to these clients. We are a recognized leader in providing services to governmental and nonprofit agencies on the Treasure Coast and in Central and South Florida, with extensive experience in auditing community development districts and water control districts. We were the independent auditors of the City of Fort Pierce for over 37 years and currently, we are the independent auditors for St. Lucie County since 2002, and for 38 of the 42 years that the county has been audited by CPA firms. Additionally, we have performed audits of the City of Stuart, the City of Vero Beach, Indian River County and Martin County. We also presently audit over 75 Community Development Districts throughout Florida.

Our firm was founded on the belief that we are better able to respond to our clients needs through education, experience, independence, quality control, and personal service. Our firm's commitment to quality is reflected in our endeavor of professional excellence via continuing education, the use of the latest computer technology, professional membership in PCPS and peer review.

We believe our approach to audit engagements, intelligence and innovation teamed with sound professional judgment enables us to explore new concepts while remaining sensitive to the fundamental need for practical solutions. We take pride in giving you the assurance that the personal assistance you receive comes from years of advanced training, technical experience and financial acumen.

Professional Staff Resources

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has a total of 32 professional and administrative staff (including 14 professional staff with extensive experience servicing government entities). The work will be performed out of our Fort Pierce office with a proposed staff of one senior accountant and one or two staff accountants supervised by an audit manager and audit partner. With the exception of the directors of the firm's offices, the professional staff is not specifically assigned to any of our individual offices. The professional and administrative staff resources available to you through Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL are as follows:

	<u>Total</u>
Partners/Directors (CPA's)	5
Principals (CPA)	1
Managers (CPA)	1
Senior/Supervisor Accountants (2 CPA's)	3
Staff Accountants (1 CPA)	9
Computer Specialist	1
Paraprofessional	8
Administrative	<u>4</u>
Total – all personnel	32

Following is a brief description of each employee classification:

Staff Accountant – Staff accountants work directly under the constant supervision of the auditor-in-charge and, are responsible for the various testing of documents, account analysis and any other duties as his/her supervisor believes appropriate. Minimum qualification for a staff accountant is graduation from an accredited university or college with a degree in accounting or equivalent.

Senior Accountant – A senior accountant must possess all the qualifications of the staff accountant, in addition to being able to draft the necessary reports and financial statements, and supervise other staff accountants when necessary.

Managers – A manager must possess the qualifications of the senior accountant, plus be able to work without extensive supervision from the auditor-in-charge. The manager should be able to draft audit reports from start to finish and to supervise the audit team, if necessary.

Principal – A principal is a partner/director in training. He has been a manager for several years and possesses the technical skills to act as the auditor-in-charge. A principal has no financial interest in the firm.

Partner/Director – The director has extensive governmental auditing experience and acts as the auditor-in-charge. Directors have a financial interest in the firm.

Professional Staff Resources (Continued)

Independence – Independence of the public accounting firm, with respect to the audit client, is the foundation from which the public gains its trust in the opinion issued by the public accounting firm at the end of the audit process. This independence must be in appearance as well as in fact. The public must perceive that the accounting firm is independent of the audit entity to ensure that nothing would compromise the opinion issued by the public accounting firm. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is independent of Stonewater Community Development District, including its elected officials and related parties, at the date of this proposal, as defined by the following rules, regulations, and standards:

AuSection 220 – Statements on Auditing Standards issued by the American Institute of Certified Public Accountants;

ET Sections 101 and 102 – Code of Professional Conduct of the American Institute of Certified Public Accountants;

Chapter 21A-1, Florida Administrative Code;

Section 473.315, Florida Statutes; and,

Government Auditing Standards, issued by the Comptroller General of the United States.

On an annual basis, all members of the firm are required to confirm, in writing, that they have no personal or financial relationships or holding that would impair their independence with regard to the firm's clients.

Independence is a hallmark of our profession. We encourage our staff to use professional judgment in situations where our independence could be impaired or the perception of a conflict of interest might exist. In the governmental sector, public perception is as important as professional standards. Therefore, the utmost care must be exercised by independent auditors in the performance of their duties.

Ability to Furnish the Required Services

As previously noted in the Profile of the Proposer section of this document, our firm has been in existence for over 69 years. We have provided audit services to some clients for over 30 years continually. Our firm is insured against physical loss through commercial insurance and we also carry liability insurance. The majority of our audit documentation is stored electronically, both on our office network and on each employee laptop or computer assigned to each specific job. Our office computer network is backed up on tape, so in the event of a total equipment loss, we can restore all data as soon as replacement equipment is acquired. In addition, our field laptop computers carry the same data and can be used in the event of emergency with virtually no delay in completing the required services.

ADDITIONAL SERVICES PROVIDED

Arbitrage Rebate Services

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL also provides arbitrage rebate compliance and related services to governmental issuers. The Tax Reform Act of 1986 requires issuers of most tax-exempt obligations to pay (i.e., “rebate”) to the United States government any arbitrage profits. Arbitrage profits are earnings on the investment of bond proceeds and certain other monies in excess of what would have been earned had such monies been invested at a yield equal to the yield on the bonds.

Federal tax law requires that interim rebate calculations and payments are due at the end of every fifth bond year. Final payment is required upon redemption of the bonds. More frequent calculations may be deemed advisable by an issuer’s auditor, trustee or bond counsel or to assure that accurate and current records are available. These more frequent requirements are usually contained in the Arbitrage or Rebate Certificate with respect to the bonds.

Our firm performs a comprehensive rebate analysis and includes the following:

- Verifying that the issue is subject to rebate;
- Calculating the bond yield;
- Identifying, and separately accounting for, all “Gross Proceeds” (as that term is defined in the Code) of the bond issue, including those requiring analysis due to “transferred proceeds” and/or “commingled funds” circumstances;
- Determining what general and/or elective options are available to Gross proceeds of the issue;
- Calculating the issue’s excess investment earning (rebate liability), if any;
- Delivering appropriate documentation to support all calculations;
- Providing an executive summary identifying the methodology employed, major assumptions, conclusions, and any other recommendations for changes in recordkeeping and investment policies;
- Assisting as necessary in the event of an Internal Revenue Service inquiry; and,
- Consulting with issue staff, as necessary, regarding arbitrage related matters.

GOVERNMENTAL AUDITING EXPERIENCE

Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL has been practicing public accounting in Florida for 69 years. Our success over the years has been the result of a strong commitment to providing personalized quality service to our clients.

The current members of our firm have performed audits of over 900 community development districts, and over 1,800 audits of municipalities, counties and other governmental entities such as the City of Fort Pierce and St. Lucie County.

Our firm provides a variety of accounting, auditing, tax litigation support, and consulting services. Some of the professional accounting, auditing and management consulting services that are provided by our firm are listed below:

- Performance of annual financial and compliance audits, including Single Audits of state and federal financial assistance programs, under the provisions of the Single Audit Act, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), with minimal disruptions to your operations;
- Performance of special compliance audits to ascertain compliance with the applicable local, state and federal laws and regulations;
- Issuance of comfort letters and consent letters in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews;
- Calculation of estimated and actual federal arbitrage rebates;
- Assistance in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting;
- Preparation of indirect cost allocation systems in accordance with Federal and State regulatory requirements;
- Providing human resource and employee benefit consulting;
- Performance of automation feasibility studies and disaster recovery plans;
- Performance feasibility studies concerning major fixed asset acquisitions and utility plant expansion plans (including electric, water, pollution control, and sanitation utilities); and
- Assistance in litigation, including testimony in civil and criminal court.
- Assist clients who utilize QuickBooks software with their software needs. Our Certified QuickBooks Advisor has undergone extensive training through QuickBooks and has passed several exams to attain this Certification.

Continuing Professional Education

All members of the governmental audit staff of our firm, and audit team members assigned to this engagement, are in compliance with the Continuing Professional Education (CPE) requirements set forth in Government Auditing Standards issued by the Comptroller General of the United States. In addition, our firm is in compliance with the applicable provisions of the Florida Statutes that require CPA's to have met certain CPE requirements prior to proposing on governmental audit engagements.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

The audit team has extensive experience in performing governmental audits and is exposed to intensive and continuing concentration on these types of audits. Due to the total number of governmental audits our team performs, each member of our governmental staff must understand and be able to perform several types of governmental audits. It is our objective to provide each professional employee fifty hours or more of comprehensive continuing professional education each year. This is accomplished through attending seminars throughout Florida and is reinforced through in-house training.

Our firm has made a steadfast commitment to professional education. Our active attendance and participation in continuing professional education is a major part of our objective to obtain the most recent knowledge on issues which are of importance to our clients. We are growing on the reputation for work that our firm is providing today.

Quality Control Program

Quality control requires continuing commitment to professional excellence. **Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants, PL** is formally dedicated to that commitment.

To ensure maintaining the standards of working excellence required by our firm, we joined the Private Companies Practice Section (PCPS) of the American Institute of Certified Public Accountants (AICPA). To be a participating member firm of this practice section, a firm must obtain an independent Peer Review of its quality control policies and procedures to ascertain the firm's compliance with existing auditing standards on the applicable engagements.

The scope of the Peer Review is comprehensive in that it specifically reviews the following quality control policies and procedures of the participating firm:

- Professional, economic, and administrative independence;
- Assignment of professional personnel to engagements;
- Consultation on technical matters;
- Supervision of engagement personnel;
- Hiring and employment of personnel;
- Professional development;
- Advancement;
- Acceptance and continuation of clients; and,
- Inspection and review system.

We believe that our commitment to the program is rewarding not only to our firm, but primarily to our clients.

The external independent Peer Review of the elements of our quality control policies and procedures performed by an independent certified public accountant, approved by the PCPS of the AICPA, provides you with the assurance that we continue to conform to standards of the profession in the conduct of our accounting and auditing practice.

GOVERNMENTAL AUDITING EXPERIENCE (CONTINUED)

Our firm is also a member of Governmental Audit Quality Center (GAQC), a voluntary membership center for CPA firms that perform governmental audits. This center promotes the quality of governmental audits.

Our firm has completed successive Peer Reviews. These reviews included a representative sample of our firm's local governmental auditing engagements. As a result of these reviews, our firm obtained an unqualified opinion on our quality control program and work procedures. On page 31 is a copy of our most recent Peer Review report. It should be noted that we received a pass rating.

Our firm has never had any disciplinary actions by state regulatory bodies or professional organizations.

As our firm performs approximately one hundred fifty audits each year that are reviewed by federal, state or local entities, we are constantly dealing with questions from these entities about our audits. We are pleased to say that any questions that have been raised were minor issues and were easily resolved without re-issuing any reports.

Certificate of Achievement for Excellence in Financial Reporting (CAFR)

We are proud and honored to have been involved with the City of Fort Pierce and the Fort Pierce Utilities Authority when they received their first Certificates of Achievement for Excellence in Financial Reporting for the fiscal years ended September 30, 1988 and 1994, respectively. We were also instrumental in the City of Stuart receiving the award, in our first year of performing their audit, for the year ended September 30, 1999.

We also assisted St. Lucie County, Florida for the year ended September 30, 2003, in preparing their first Comprehensive Annual Financial Report, and St. Lucie County has received their Certificate of Achievement for Excellence in Financial Reporting every year since.

As continued commitment to insuring that we are providing the highest level of experience, we have had at least one employee of our firm serve on the GFOA – Special Review Committee since the mid-1980s. This committee is made up of selective Certified Public Accountants throughout the United States who have demonstrated their high level of knowledge and expertise in governmental accounting. Each committee member attends a special review meeting at the Annual GFOA Conference. At this meeting, the committee reports on the Certificate of Achievement Program's most recent results, future goals, and common reporting deficiencies.

We feel that our previous experience in assisting the City of Fort Pierce, the Fort Pierce Utilities Authority and St. Lucie County obtain their first CAFRs, and the City of Stuart in continuing to receive a CAFR and our firm's continued involvement with the GFOA, and the CAFR review committee make us a valued asset for any client in the field of governmental financial reporting.

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

References

Terracina Community Development
District
Jeff Walker, Special District Services
(561) 630-4922

Gateway Community Development
District
Stephen Bloom, Severn Trent Management
(954) 753-5841

The Reserve Community Development District

Darrin Mossing, Governmental Management
Services LLC
(407) 841-5524

Port of the Islands Community Development
District
Cal Teague, Premier District Management

(239) 690-7100 ext 101

In addition to the above, we have the following additional governmental audit experience:

Community Development Districts

Aberdeen Community Development
District

Beacon Lakes Community
Development District

Alta Lakes Community Development
District

Beaumont Community Development
District

Amelia Concourse Community
Development District

Bella Collina Community Development
District

Amelia Walk Community
Development District

Bonnet Creek Community
Development District

Aqua One Community Development
District

Buckeye Park Community
Development District

Arborwood Community Development
District

Candler Hills East Community
Development District

Arlington Ridge Community
Development District

Cedar Hammock Community
Development District

Bartram Springs Community
Development District

Central Lake Community
Development District

Baytree Community Development
District

Channing Park Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Cheval West Community Development District	Evergreen Community Development District
Coconut Cay Community Development District	Forest Brooke Community Development District
Colonial Country Club Community Development District	Gateway Services Community Development District
Connerton West Community Development District	Gramercy Farms Community Development District
Copperstone Community Development District	Greenway Improvement District
Creekside @ Twin Creeks Community Development District	Greyhawk Landing Community Development District
Deer Run Community Development District	Griffin Lakes Community Development District
Dowden West Community Development District	Habitat Community Development District
DP1 Community Development District	Harbor Bay Community Development District
Eagle Point Community Development District	Harbourage at Braden River Community Development District
East Nassau Stewardship District	Harmony Community Development District
Eastlake Oaks Community Development District	Harmony West Community Development District
Easton Park Community Development District	Harrison Ranch Community Development District
Estancia @ Wiregrass Community Development District	Hawkstone Community Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Heritage Harbor Community Development District	Madeira Community Development District
Heritage Isles Community Development District	Marhsall Creek Community Development District
Heritage Lake Park Community Development District	Meadow Pointe IV Community Development District
Heritage Landing Community Development District	Meadow View at Twin Creek Community Development District
Heritage Palms Community Development District	Mediterra North Community Development District
Heron Isles Community Development District	Midtown Miami Community Development District
Heron Isles Community Development District	Mira Lago West Community Development District
Highland Meadows II Community Development District	Montecito Community Development District
Julington Creek Community Development District	Narcoossee Community Development District
Laguna Lakes Community Development District	Naturewalk Community Development District
Lake Bernadette Community Development District	New Port Tampa Bay Community Development District
Lakeside Plantation Community Development District	Overoaks Community Development District
Landings at Miami Community Development District	Panther Trace II Community Development District
Legends Bay Community Development District	Paseo Community Development District
Lexington Oaks Community Development District	Pine Ridge Plantation Community Development District
Live Oak No. 2 Community Development District	Piney Z Community Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Poinciana Community Development District	Sampson Creek Community Development District
Poinciana West Community Development District	San Simeon Community Development District
Port of the Islands Community Development District	Six Mile Creek Community Development District
Portofino Isles Community Development District	South Village Community Development District
Quarry Community Development District	Southern Hills Plantation I Community Development District
Renaissance Commons Community Development District	Southern Hills Plantation III Community Development District
Reserve Community Development District	South Fork Community Development District
Reserve #2 Community Development District	St. John's Forest Community Development District
River Glen Community Development District	Stoneybrook South Community Development District
River Hall Community Development District	Stoneybrook South at ChampionsGate Community Development District
River Place on the St. Lucie Community Development District	Stoneybrook West Community Development District
Rivers Edge Community Development District	Tern Bay Community Development District
Riverwood Community Development District	Terracina Community Development District
Riverwood Estates Community Development District	Tison's Landing Community Development District
Rolling Hills Community Development District	TPOST Community Development District
Rolling Oaks Community Development District	

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Triple Creek Community
Development District

Vizcaya in Kendall
Development District

TSR Community Development
District

Waterset North Community
Development District

Turnbull Creek Community
Development District

Westside Community Development
District

Twin Creeks North Community
Development District

WildBlue Community Development
District

Urban Orlando Community
Development District

Willow Creek Community
Development District

Verano #2 Community
Development District

Willow Hammock Community
Development District

Viera East Community
Development District

Winston Trails Community
Development District

VillaMar Community
Development District

Zephyr Ridge Community
Development District

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Other Governmental Organizations

City of Westlake	Office of the Medical Examiner, District 19
Florida Inland Navigation District	Rupert J. Smith Law Library of St. Lucie County
Fort Pierce Farms Water Control District	St. Lucie Education Foundation
Indian River Regional Crime Laboratory, District 19, Florida	Seminole Improvement District
Viera Stewardship District	Troup Indiantown Water Control District

Current or Recent Single Audits.

St. Lucie County, Florida Early Learning Coalition, Inc. Treasure Coast Food Bank, Inc.	Gateway Services Community Development District
---	--

Members of our audit team have acquired extensive experience from performing or participating in over 2,100 audits of governments, independent special taxing districts, school boards, and other agencies that receive public money and utilize fund accounting.

Much of our firm's auditing experience is with compliance auditing, which is required for publicly financed agencies. In this type of audit, we do a financial examination and also confirm compliance with various statutory and regulatory guidelines.

Following is a summary of our other experience, including Auditor General experience, as it pertains to other governmental and fund accounting audits.

Counties

(Includes elected constitutional officers, utilities and dependent taxing districts)

Indian River
Martin
Okeechobee
Palm Beach

Municipalities

City of Port St. Lucie
City of Vero Beach
Town of Orchid

GOVERNMENTAL AUDIT EXPERIENCE (CONTINUED)

Special Districts

Bannon Lakes Community Development District
Boggy Creek Community Development District
Capron Trail Community Development District
Celebration Pointe Community Development District
Coquina Water Control District
Diamond Hill Community Development District
Dovera Community Development District
Durbin Crossing Community Development District
Golden Lakes Community Development District
Lakewood Ranch Community Development District
Martin Soil and Water Conservation District
Meadow Pointe III Community Development District
Myrtle Creek Community Development District
St. Lucie County – Fort Pierce Fire District
The Crossings at Fleming Island
St. Lucie West Services District
Indian River County Mosquito Control District
St. John's Water Control District
Westchase and Westchase East Community Development Districts
Pier Park Community Development District
Verandahs Community Development District
Magnolia Park Community Development District

Schools and Colleges

Federal Student Aid Programs – Indian River Community College
Indian River Community College
Okeechobee County District School Board
St. Lucie County District School Board

State and County Agencies

Central Florida Foreign-Trade Zone, Inc. (a nonprofit organization affiliated with the St. Lucie County Board of County Commissioners)
Florida School for Boys at Okeechobee
Indian River Community College Crime Laboratory
Indian River Correctional Institution

FEE SCHEDULE

We propose the fee for our audit services described below to be \$3,075 for the year ended September 30, 2021, and \$3,350 for the years ended September 30, 2022 and 2023. The fee is contingent upon the financial records and accounting systems of Stonewater Community Development District being "audit ready" and the financial activity for the District is not materially increased. If we discover that additional preparation work or subsidiary schedules are needed, we will consult with your authorized representative. We can assist with this additional work at our standard rates should you desire.

SCOPE OF WORK TO BE PERFORMED

If selected as the District's auditors, we will perform a financial and compliance audit in accordance with Section 11.45, Florida Statutes, in order to express an opinion on an annual basis on the financial statements of Stonewater Community Development District as of September 30, 2021, 2022, and 2023. The audits will be performed to the extent necessary to express an opinion on the fairness in all material respects with which the financial statements present the financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles and to determine whether, for selected transactions, operations are properly conducted in accordance with legal and regulatory requirements. Reportable conditions that are also material weaknesses shall be identified as such in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Other (non-reportable) conditions discovered during the course of the audit will be reported in a separate letter to management, which will be referred to in the Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

Our audit will be performed in accordance with standards for financial and compliance audits contained in *Government Auditing Standards*, as well as in compliance with rules and regulations of audits of special districts as set forth by the State Auditor General in Chapter 10.550, Local Governmental Entity Audits, and other relevant federal, state and county orders, statutes, ordinances, charter, resolutions, bond covenants, Administrative Code and procedures, or rules and regulations which may pertain to the work required in the engagement.

The primary purpose of our audit will be to express an opinion on the financial statements discussed above. It should be noted that such audits are subject to the inherent risk that errors or irregularities may not be detected. However, if conditions are discovered which lead to the belief that material errors, defalcations or other irregularities may exist or if other circumstances are encountered that require extended services, we will promptly notify the appropriate individual.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP

Director – 41 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Affiliate member Government Finance Officers Association
- ◆ Past President, Vice President-Campaign Chairman, Vice President and Board Member of United Way of St. Lucie County, 1989 - 1994
- ◆ Past President, President Elect, Secretary and Treasurer of the Treasure Coast Chapter of the Florida Institute of Certified Public Accountants, 1988 - 1991
- ◆ Past President of Ft. Pierce Kiwanis Club, 1994 - 95, Member/Board Member since 1982
- ◆ Past President, Vice President and Treasurer of St. Lucie County Chapter of the American Cancer Society, 1980 -1986
- ◆ Member of the St. Lucie County Chamber of Commerce, Member Board of Directors, Treasurer, September 2002 - 2006, Chairman Elect 2007, Chairman 2008, Past Chairman 2009
- ◆ Member Lawnwood Regional Medical Center Board of Trustees, 2000 – Present, Chairman 2013 - Present
- ◆ Member of St. Lucie County Citizens Budget Committee, 2001 – 2002
- ◆ Member of Ft. Pierce Citizens Budget Advisory Committee, 2010 – 2011
- ◆ Member of Ft. Pierce Civil Service Appeals Board, 2013 - Present

Professional Experience

- ◆ Miles Grant Development/Country Club – Stuart, Florida, July 1975 – October 1976
- ◆ State Auditor General's Office – Public Accounts Auditor – November 1976 through September 1979
- ◆ Director - Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for numerous government and nonprofit audits.
- ◆ Over 30 years experience in all phases of public accounting and auditing experience, with a concentration in financial and compliance audits. Mr. Gaines has been involved in all phases of the audits listed on the preceding pages.

Commitment to Quality Service

Personnel Qualifications and Experience

J. W. Gaines, CPA, CITP (Continued)

Director

Continuing Professional Education

- ◆ Has participated in numerous continuing professional education courses provided by nationally recognized sponsors over the last two years to keep abreast of the latest developments in accounting and auditing such as:
 - Governmental Accounting Report and Audit Update
 - Analytical Procedures, FICPA
 - Annual Update for Accountants and Auditors
 - Single Audit Sampling and Other Considerations

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP

Accounting and Audit Principal – 18 years

Accounting and Audit Manager – 4 years

Staff Accountant – 11 years

Education

- ◆ University of Central Florida, B.A. – Accounting
- ◆ Barry University – Master of Professional Accountancy

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy
- ◆ Certified Information Technology Professional (CITP) – American Institute of Certified Public Accountants
- ◆ Certified Not-For-Profit Core Concepts 2018

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Associate Member, Florida Government Finance Office Associates
- ◆ Assistant Coach – St. Lucie County Youth Football Organization (1994 – 2005)
- ◆ Assistant Coach – Greater Port St. Lucie Football League, Inc. (2006 – 2010)
- ◆ Board Member – Greater Port St. Lucie Football League, Inc. (2011 – 2017)
- ◆ Treasurer, AIDS Research and Treatment Center of the Treasure Coast, Inc. (2000 – 2003)
- ◆ Board Member/Treasurer, North Treasure Coast Chapter, American Red Cross (2004 – 2010)
- ◆ Member/Board Member of Port St. Lucie Kiwanis (1994 – 2001)
- ◆ President (2014/15) of Sunrise Kiwanis of Fort Pierce (2004 – 2017)
- ◆ St. Lucie District School Board Superintendent Search Committee (2013 – present)
- ◆ Board Member – Phrozen Pharoos (2019-2021)

Professional Experience

- ◆ Twenty-eight years public accounting experience with an emphasis on nonprofit and governmental organizations.
- ◆ Audit Manager in-charge on a variety of audit and review engagements within several industries, including the following government and nonprofit organizations:
 - St. Lucie County, Florida
 - 19th Circuit Office of Medical Examiner
 - Troup Indiantown Water Control District
 - Exchange Club Center for the Prevention of Child Abuse, Inc.
 - Healthy Kids of St. Lucie County
 - Mustard Seed Ministries of Ft. Pierce, Inc.
 - Reaching Our Community Kids, Inc.
 - Reaching Our Community Kids - South
 - St. Lucie County Education Foundation, Inc.
 - Treasure Coast Food Bank, Inc.
 - North Springs Improvement District
- ◆ Four years of service in the United States Air Force in computer operations, with a top secret (SCI/SBI) security clearance.

Commitment to Quality Service

Personnel Qualifications and Experience

David S. McGuire, CPA, CITP (Continued)

Accounting and Audit Principal

Continuing Professional Education

- ◆ Mr. McGuire has attended numerous continuing professional education courses and seminars taught by nationally recognized sponsors in the accounting auditing and single audit compliance areas. He has attended courses over the last two years in those areas as follows:

Not-for-Profit Auditing Financial Results and Compliance Requirements

Update: Government Accounting Reporting and Auditing

Annual Update for Accountants and Auditors

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA

Accounting and Audit Manager – 30 years

Education

- ◆ Stetson University, B.B.A. – Accounting

Registrations

- ◆ Certified Public Accountant – State of Florida, State Board of Accountancy

Professional Affiliations/Community Service

- ◆ Member of the American and Florida Institutes of Certified Public Accountants
- ◆ Former Member of Florida Institute of Certified Public Accountants Committee on State and Local Government
- ◆ Affiliate Member Government Finance Officers Association (GFOA) for over 10 years
- ◆ Affiliate Member Florida Government Finance Officers Association (FGFOA) for over 10 years
- ◆ Technical Review – 1997 FICPA Course on State and Local Governments in Florida
- ◆ Board of Directors – Kiwanis of Ft. Pierce, Treasurer – 1994-1999; Vice President – 1999-2001

Professional Experience

- ◆ Twenty-seven years public accounting experience with an emphasis on governmental and nonprofit organizations.
- ◆ State Auditor General's Office – West Palm Beach, Staff Auditor, June 1985 to September 1985
- ◆ Accounting and Audit Manager of Berger, Toombs, Elam, Gaines & Frank, Certified Public Accountants PL, responsible for audit and accounting services including governmental and not-for-profit audits.
- ◆ Over 20 years of public accounting and governmental experience, specializing in governmental and nonprofit organizations with concentration in special districts, including Community Development Districts which provide services including water and sewer utilities. Governmental and non-profit entities served include the following:

Counties:

St. Lucie County

Municipalities:

City of Fort Pierce

City of Stuart

Commitment to Quality Service

Personnel Qualifications and Experience

David F. Haughton, CPA (Continued)

Accounting and Audit Manager

Professional Experience (Continued)

Special Districts:

Bluewaters Community Development District
Country Club of Mount Dora Community Development District
Fiddler's Creek Community Development District #1 and #2
Indigo Community Development District
North Springs Improvement District
Renaissance Commons Community Development District
St. Lucie West Services District
Stoneybrook Community Development District
Summerville Community Development District
Terracina Community Development District
Thousand Oaks Community Development District
Tree Island Estates Community Development District
Valencia Acres Community Development District

Non-Profits:

The Dunbar Center, Inc.
Hibiscus Children's Foundation, Inc.
Hope Rural School, Inc.
Maritime and Yachting Museum of Florida, Inc.
Tykes and Teens, Inc.
United Way of Martin County, Inc.
Workforce Development Board of the Treasure Coast, Inc.

- ◆ While with the Auditor General's Office he was on the staff for the state audits of the Martin County School District and Okeechobee County School District.
- ◆ During 1997 he performed a technical review of the Florida Institute of Certified Public Accountants state CPE course on Audits of State and Local Governments in Florida. His comments were well received by the author and were utilized in future updates to the course.

Continuing Professional Education

- ◆ During the past several years, he has participated in numerous professional development training programs sponsored by the AICPA and FICPA, including state conferences on special districts and governmental auditing in Florida. He averages in excess of 100 hours bi-annually of advanced training which exceeds the 80 hours required in accordance with the continuing professional education requirements of the Florida State Board of accountancy and the AICPA Private Companies Practice Section. He has over 75 hours of governmental CPE credit within the past two years.

Commitment to Quality Service

Personnel Qualifications and Experience

Matthew Gonano, CPA

Senior Staff Accountant – 10 years

Education

- ◆ University of North Florida, B.B.A. – Accounting
- ◆ University of Alicante, Spain – International Business
- ◆ Florida Atlantic University – Masters of Accounting

Professional Affiliations/Community Service

- ◆ American Institute of Certified Public Accountants
- ◆ Florida Institute of Certified Public Accountants

Professional Experience

- ◆ Senior Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.
- ◆ Performed audits of nonprofit and governmental organizations in accordance with Governmental Accounting Auditing Standards (GAAS)
- ◆ Performed Single Audits of nonprofit organizations in accordance with OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

Continuing Professional Education

- ◆ Mr. Gonano has participated in numerous continuing professional education courses.

Commitment to Quality Service

Personnel Qualifications and Experience

Paul Daly

Staff Accountant – 9 years

Education

- ◆ Florida Atlantic University, B.S. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Working to attain the requirements to take the Certified Public Accounting (CPA) exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Melissa Marlin

Senior Staff Accountant – 7 years

Education

- ◆ Indian River State College, A.A. – Accounting
- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mrs. Marlin participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mrs. Marlin is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Bryan Snyder

Staff Accountant – 5 years

Education

- ◆ Florida Atlantic University, B.B.A. – Accounting

Professional Experience

- ◆ Accountant beginning his professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.
- ◆ Mr. Snyder is gaining experience auditing governmental & nonprofit entities.

Continuing Professional Education

- ◆ Mr. Snyder participates in numerous continuing education courses and plans on working to acquire his CPA certificate.
- ◆ Mr. Snyder is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Maritza Stonebraker

Staff Accountant – 4 years

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant beginning her professional auditing career with Berger, Toombs, Elam, Gaines, & Frank.

Continuing Professional Education

- ◆ Mrs. Stonebraker participates in numerous continuing education courses and plans on acquiring her CPA.
- ◆ Mrs. Stonebraker is currently studying to pass the CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Jonathan Herman, CPA

Senior Staff Accountant – 7 years

Education

- ◆ University of Central Florida, B.S. – Accounting
- ◆ Florida Atlantic University, MACC

Professional Experience

- ◆ Accounting graduate with five years experience with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Herman participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience

Sean Stanton, CPA

Staff Accountant – 4 years

Education

- ◆ University of South Florida, B.S. – Accounting
- ◆ Florida Atlantic University, M.B.A. – Accounting

Professional Experience

- ◆ Staff accountant with Berger, Toombs, Elam, Gaines, & Frank auditing governmental and non-profit entities.

Continuing Professional Education

- ◆ Mr. Stanton participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.

Commitment to Quality Service

Personnel Qualifications and Experience
--

Taylor Nuccio

Staff Accountant – 3 years

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Ms. Nuccio participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Ms. Nuccio is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience
--

Kirk Vasser

Staff Accountant – 1 year

Education

- ◆ Indian River State College, B.S.A. – Accounting

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Mr. Vasser participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Mr. Vasser is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.

Commitment to Quality Service

Personnel Qualifications and Experience

Madison Ballash

Staff Accountant – 1 year

Education

- ◆ Indian River State College, B.S.A. – Accounting (May 2020)

Professional Experience

- ◆ Staff Accountant with Berger, Toombs, Elam, Gaines, & Frank providing professional services to nonprofit and governmental entities.

Continuing Professional Education

- ◆ Ms. Ballash participates in numerous continuing professional education courses provided by nationally recognized sponsors to keep abreast of the latest developments.
- ◆ Ms. Ballash is currently working towards completing an additional 30 hours of education to qualify to sit for CPA exam.



Judson B. Baggett 6815 Dairy Road
MBA, CPA, CVA, Partner Zephyrhills, FL 33542
Marci Reutimann (813) 788-2155
CPA, Partner (813) 782-8606

Report on the Firm's System of Quality Control

To the Partners
Berger, Toombs, Elam, Gaines & Frank, CPAs, PL
and the Peer Review Committee of the Florida Institute of Certified Public Accountants

October 30, 2019

We have reviewed the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, (the firm), in effect for the year ended May 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control, and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, in effect for the year ended May 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berger, Toombs, Elam, Gaines & Frank, CPAs, PL has received a peer review rating of *pass*.

Baggett, Reutimann & Associates, CPAs PA
BAGGETT, REUTIMANN & ASSOCIATES, CPAs, PA
Signed Electronically by Judson B. Baggett, Reutimann & Associates, CPAs, PA, (N. 1863) email: jsb@baggettcpa.com

Member American Institute of Certified Public Accountants (AICPA) and Florida Institute of Certified Public Accountants (FICPA)
National Association of Certified Valuation Analysts (NACVA)

**STONEWATER COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS**

District Auditing Services for Fiscal Year 2021
City of Cape Coral, Florida

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than February 12, 2021 at 12:00 p.m., at the offices of District Manager, located at Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, telephone (877) 276-0889. Proposals will be publicly opened at that time.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Submit one (1) unbound copy and one electronic copy of the Proposal Documents, and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services – Stonewater Community Development District" on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions ("Proposal Documents").

SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of the District's limited waiver of liability contained in Section 768.28, Florida Statutes, or any other statute or law.

SECTION 12. MISCELLANEOUS. All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List the position or title of all personnel to perform work on the District audit. Include resumes for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including resumes with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal, plus the lump sum cost of four (4) annual renewals.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) calendar hours (excluding Saturday, Sunday, and state holidays) after the receipt of the Proposal Documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturday, Sunday, and state holidays) after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to the aforesaid Proposal Documents.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

**STONEWATER COMMUNITY DEVELOPMENT DISTRICT
AUDITOR SELECTION
EVALUATION CRITERIA**

1. Ability of Personnel. (20 Points)

(E.g., geographic location of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load; proposed staffing levels, etc.)

2. Proposer's Experience. (20 Points)

(E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other or current Community Development District(s) in other contracts; character, integrity, reputation of Proposer, etc.)

3. Understanding of Scope of Work. (20 Points)

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

4. Ability to Furnish the Required Services. (20 Points)

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.

5. Price. (20 Points)***

Points will be awarded based upon the lowest total proposal for rendering the services and the reasonableness of the proposal.

Total (100 Points)

***Alternatively, the Board may choose to evaluate firms without considering price, in which case the remaining categories would be assigned 25 points each.

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5C11

Professional Services Proposal for Stonewater Community Development District

February 12, 2021

Proposer

Carr, Riggs & Ingram CPAs and Advisors
500 Grand Blvd., Suite 210
Miramar Beach, FL 32550
Phone: 850.837.3141
Fax: 850.654.4619

Submitted by

Stephen C. Riggs, IV
Engagement Partner
SCRiggs@CRlcpa.com



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRlcpa.com

Dear Stonewater Community Development District:

Carr, Riggs & Ingram, LLC (CRI) appreciates the opportunity to propose on auditing services to Stonewater Community Development District. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. We pride ourselves on getting to know our clients and illuminating solutions by providing innovative ideas to move them from compliance to providing them a competitive advantage.

Investment in You. We believe in developing long-term, mutually beneficial relationships and quickly demonstrating value with a fee structure and service solutions that provide immediate and continued savings. Our investment starts on “Day 1” as your assigned team begins with our proven, streamlined process that minimizes your time and disruption during the service provider change and continues throughout the relationship.

Dedicated Team. CRI’s team consists of more than 1,900 professionals, which allows us to tailor your service team by aligning their industry, service, and specialty skills with your needs. Our dedicated teams deliver the highest level of business acumen and knowledge to your organization; our commitment to consistent staffing allows you to maximize savings and remain focused on your needs.

Equilibrium. CRI delivers big firm expertise with small firm service. Of approximately 45,000 public accounting firms in the United States, CRI currently ranks in the top 25. Additionally, as a part of PrimeGlobal, an association of independent accounting firms, we have access to international resources as – and when – needed. Leveraging these resources while maintaining local decision-making authority means that simplified solutions are only a phone call away. And we believe that’s the best of both worlds for our clients.

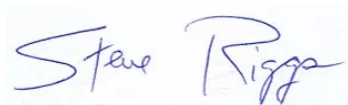
Active Partner Participation. Collectively, our partners deliver expertise derived from more than 7,500 years of business experience. With this level of talent, we thoughtfully choose a partner that aligns with your business’ needs and industry. Our hands-on, working partners “show up” to convey our genuine commitment to your success. They strive to earn trusted advisor roles by digging in, proactively learning your business, and producing long-term value for you.

Simplified Solutions. While our 500+ cumulative partner certifications is an impressive statistic, success is measured by translating complex concepts into client solutions. While accounting is the language of business, we’re here to decipher the jargon and help you make educated decisions. CRInnovate embraces agility and invention.

The CRI vSTAR™ process, our initiative delivering a virtual audit, is designed to provide you with maximized efficiencies, reduced workload, and an improved experience.

We welcome the opportunity to demonstrate to you the same teamwork, expertise, innovation, and responsiveness that have made us one of the fastest growing public accounting firms in the United States. Again, we appreciate your consideration.

Sincerely,



Stephen C. Riggs, IV
Engagement Partner
Carr, Riggs & Ingram, LLC

TABLE OF CONTENTS



YOUR NEEDS

UNDERSTANDING & MEETING YOUR NEEDS	4
------------------------------------	---

YOUR SERVICES & FEES

YOUR SERVICES & FEES	5
----------------------	---

YOUR CHOICE: CRI

FIRM PROFILE	6
--------------	---

GOVERNMENT CREDENTIALS	7
------------------------	---

RELEVANT EXPERIENCE	8
---------------------	---

YOUR SOLUTION TEAM	9
--------------------	---

DELIVERING QUALITY TO YOU	15
---------------------------	----

WORKING TOGETHER: OVERVIEW

SHARING CRI'S VALUES WITH YOU	16
-------------------------------	----

TRANSITIONING YOU	17
-------------------	----

CRI'S GLOBAL RESOURCES	18
------------------------	----

JOIN OUR CONVERSATION	19
-----------------------	----

WORKING TOGETHER: DETAILS

CRI AUDIT FRAMEWORK	20
---------------------	----

CRI AUDIT APPROACH	22
--------------------	----

APPENDIX

APPENDIX A - RFP DOCUMENTS	24
----------------------------	----

UNDERSTANDING & MEETING YOUR NEEDS



From the RFP or during our recent visit with your team, we understood your team to express the following needs, requests, and/or issues. We've detailed our proposed solutions below and are happy to discuss other related projects as they arise and upon request.

	NEEDS & ISSUES	SOLUTIONS & SERVICES
Technical	The District is required to have independent audits performed on its financial statements.	Perform external audit services in accordance with auditing standards generally accepted in the United States of America (GAAS), in order to express an opinion on the Stonewater Community Development District's financial statements.
Relational	The District's Board of Supervisors and management expect open and continuous communication with their CPA firm in order to avoid surprise findings at the end of the audit.	Communicate contemporaneously and directly with management regarding the results of our procedures. Anticipate and respond to concerns of management and/or the Audit Committee (if/when formed).

YOUR SERVICES & FEES



We value creating mutually rewarding, long-term relationships with our clients. Our goal is to provide high quality, responsive service that yields returns far greater than your investment in our professional fees. Please find below our proposal of fees to provide the requested services for the upcoming fiscal years.

SERVICE	CRI FEES 2021	CRI FEES 2022	CRI FEES 2023	CRI FEES 2024	CRI FEES 2025
Perform external audit services in accordance with auditing standards generally accepted in the United States of America (GAAS)	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000

**Actual out-of-pocket expenses will be billed separately and are not included in the fee.*

The above fee quote is based in part on the fact that the District has not yet issued bonds or other debt instruments to finance capital asset acquisition and construction. In the event the District issues such debt instruments or upon construction of major infrastructure additions, the audit fee will increase by an amount of \$2,500 per year.

If Stonewater Community Development District requests additional services outside of this proposal, professional fee hourly rates are as follows, but may be negotiated depending on the project request:

CLASSIFICATION	HOURLY RATE
Partner	\$400
Manager	\$300
Senior	\$190
Staff	\$140
IT Specialist	\$250
Fraud Specialist	\$250

Our professional fees are based on the key assumptions that Stonewater Community Development District will:

- Ensure that the predecessor's work papers will be made available for timely review.
- Make available documents and work papers for review at Stonewater Community Development District's headquarters location, although we may choose to review at alternate locations.
- Prepare certain schedules and analyses and provide supporting documents as requested.
- Assist us in obtaining an understanding of the accounting systems of Stonewater Community Development District.
- Not experience a significant change in business operations or financial reporting standards.



FOUNDED IN 1997 • **10 STATES**  • **25+ MARKETS**

 **1900+**
PROFESSIONALS

 **300+**
PARTNERS

 **TOP 25 CPA FIRM**
(as ranked by Accounting Today)

100,000+
CLIENTS

 **in all
50 states**


**20+ YEARS
OF CONSISTENT GROWTH
SINCE FORMATION**

CRI FIRM VALUES:
CLIENT SERVICE.
RESPECT.
INTEGRITY.



SERVICES

- Accounting & Auditing
- Advisory
- Business Support & Transactions
- Business Tax
- Employee Benefit Plans
- Governance, Risk & Assurance
- Individual Tax & Planning
- IT Audits & Assurance

INDUSTRY EXPERTISE

- Captive Insurance
- Construction
- Financial Institutions
- Governments
- Healthcare
- Institutional Real Estate
- Insurance
- Manufacturing & Distribution
- Nonprofits

CRI FAMILY OF COMPANIES

-  Auditwerx
-  CRI Advanced Analytics
-  CRI Capital Advisors
-  CRI Solutions Group
-  CRI TPA Services
-  Level Four Advisory Services
-  Paywerx
-  Preferred Legacy Trust



CRI'S GOVERNMENTAL EXPERTISE



Audit and Consulting Services for

500+ governmental entities with annual revenues totaling **\$24 Billion**



220+ single audits performed annually

Consulting and other agreed upon procedures engagements for **150** government entities



Single Audit Resource Center's Award for Excellence in Knowledge, Value, and Overall Client Satisfaction



Member of AICPA's Government Audit Quality Center



Governmental Partner Designations

Including: CPA, CGFM, CITP, CFE, CMA, CISA, CGEIT, CTGA, CFF, CGMA, and CGAP

CLIENTS WITH ANNUAL REVENUES UP TO:



90+ School Districts
\$1.1 Billion



100+ Municipalities
\$1.8 Billion



60+ Agencies/Authorities
\$3 Billion

RELEVANT EXPERIENCE



CRI delivers a depth of resources that ensures our understanding of your challenges and innovative solutions for overcoming them. Our team's combined experience is derived from providing audit, tax, consulting, and accounting outsourcing services. We parlay this vast experience and derived best practices into proven solutions that benefit you. Below we share specific, relevant client references; we encourage you to consult with them.

RELATIONSHIP	TIMELINE	SERVICE DESCRIPTION	RELEVANT POINTS TO CONSIDER
Rizzetta & Company Shawn Wildermuth 3434 Colwell Avenue Suite 200 Tampa, FL 33614 813.933.5571	2006 – Present	Annual Financial Statement Audits of Multiple CDDs	<ul style="list-style-type: none"> • Client service experience • Responsiveness to client needs • Long-term relationship • CDD management co.
GMS, LLC Dave DeNagy 14785 Old St. Augustine Road Suite 4 Jacksonville, FL 32258 904.288.9130	2006 – Present	Annual Financial Statement Audits of Multiple CDDs	<ul style="list-style-type: none"> • Client service experience • Responsiveness to client needs • Long-term relationship • CDD management co.
Wrathell, Hunt & Associates, LLC Jeffrey Pinder 2300 Glades Road Suite 410W Boca Raton, FL 33431 561.571.0010	2006 – Present	Annual Financial Statement Audits of Multiple CDDs	<ul style="list-style-type: none"> • Client service experience • Responsiveness to client needs • Long-term relationship • CDD management co.
PFM Group Consulting, LLC Jennifer Glasgow 12051 Corporate Blvd. Orlando, FL 32817 407.382.3256	2007 – Present	Annual Financial Statement Audits of Multiple CDDs	<ul style="list-style-type: none"> • Client service experience • Responsiveness to client needs • Long-term relationship • CDD management co.



Stephen Riggs, IV

Engagement Partner

SCRiggs@CRlcpa.com
850.337.3548 | Direct



Representative Clients

- Community Development Districts
- Condominium and Homeowner Associations
- County and Local Governments
- Non-Profit Organizations
- Privately-held corporations

Experience

Stephen has over 17 years accounting and audit experience, including three years with the international public accounting firm, Ernst & Young, LLP. His experience includes numerous clients in industries including governmental, not-for-profit, healthcare, SEC and privately held corporations.

Stephen is licensed to practice as a certified public accountant in Florida. He is a member of the State and local Governmental section of the Florida Institute of Certified Public Accountants and exceeds all continuing professional education requirements related to Government Auditing Standards.

He is currently a partner on engagements for many special districts in the State of Florida, including community development districts, fire districts and school districts. In addition to his public accounting experience, Stephen has served on the Board of Directors for a Community Development District and a non-profit organization.

Education, Licenses & Certifications

- Masters of Accountancy, University of West Florida
- BA, Economics, University of Florida
- Certified Public Accountant

Professional Affiliations

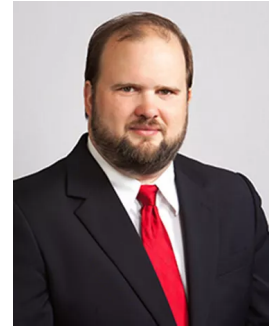
- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Past President, Emerald Coast Chapter of Florida Institute of Certified Public Accountants (FICPA)



Jonathan Hartness

Concurring Partner

JHartness@CRlcpa.com
850.337.3569 | Direct



Representative Clients

- Community Development Districts
- Condominium and Homeowner Associations

Experience

Jonathan has over 12 years of auditing and accounting experience with CRI. He is responsible for audits, reviews and compilations of local governmental entities, condominium and homeowner associations, and non-public companies.

Jonathan is licensed to practice as a Certified Public Accountant in Florida. He is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. He exceeds all continuing professional education requirements related to *Government Auditing Standards*.

Jonathan currently supervises engagements for many governmental entities in the State of Florida including community development districts. He is active in our firm's governmental industry line as well as our condominium and homeowner association practice. Jonathan is an integral part of our community development district practice.

Education, Licenses & Certifications

- MAcc, Accounting, University of West Florida
- Certified Public Accountant
- Community Association Manager (CAM), Licensed in Florida

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)



K. Alan Jowers

Consulting Partner

AJowers@CRLcpa.com
850.337.3213 | Direct



Representative Clients

- Santa Rosa County District School Board
- Okaloosa Gas District
- Santa Rosa Island Authority
- Pasco County
- Okaloosa County District School Board
- Pinellas County School District
- Celebration Community Development District
- Hammock Bay Community Development District
- Amelia National Community Development District

Experience

Alan has over 25 years of experience in public accounting primarily with financial statement assurance engagements. His practice includes local governmental entities, condominium and homeowner associations, non-profit organizations, and nonpublic companies. He currently has direct engagement responsibility for a significant number of audits throughout the state of Florida. Alan is licensed to practice as a certified public accountant in Florida and Georgia. He is a member of the Board of Directors of the Florida Institute of Certified Public Accountants (FICPA), has been an active member of the FICPA's State and Local Governmental Committee, and is a past chair of its Common Interest Realty Association Committee. He is also active in the Panhandle Chapter of the Florida Governmental Finance Officers Association (FGFOA) and is a former member of the FGFOA's statewide Technical Resource Committee.

Education, Licenses & Certifications

- Masters of Accountancy, University of Alabama
- BS, Accounting, Florida State University
- Certified Public Accountant

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA) - member of the Board of Governors
- Governmental Finance Officers Association (GFOA)
- Florida Governmental Finance Officers Association (FGFOA)



Grace Hartness

Senior Manager

GHartness@CRLcpa.com

850.337.3243 | Direct



Representative Clients

- Community Development Districts
- Condominium and Homeowner Associations
- Utility Services
- School Districts
- County and Local Governments
- Non-Profit Organizations

Experience

Grace has over 12 years accounting and audit experience with CRI. She has worked on several major construction companies, government entities, community development districts, condominium and homeowner associations and non-profit organizations. In addition, she has been involved in special audit projects for the Miami-Dade Airport Authority. Grace is licensed to practice as a certified public accountant in Florida and exceeds all continuing professional education requirements related to Government Auditing Standards. In addition, Grace fluently speaks several languages including French and Arabic. Grace currently supervises engagements for many special districts in the State of Florida including community development districts and school districts. She is active in our firm's condominium and homeowner association practice. Grace started with CRI in August 2006, upon completion of her master's degree, and was promoted to manager in 2011.

Education, Licenses & Certifications

- MAcc, Accounting, University of West Florida
- Certified Public Accountant
- Community Association Manager (CAM), Licensed in Florida

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Accounting & Financial Women's Alliance (AFWA)



Chad Branson

Senior Manager

CBranson@CRlcpa.com
850.337.3226 | Direct



Representative Service Areas

- Local Governments including Water and Sewer Organizations and Fire Districts
- School Districts including Foundations
- Nonprofit Organizations

Representative Clients (including previous clients)

- School Districts - Pinellas County, Okaloosa County, Pasco County, Santa Rosa County
- Florida Office of Early Learning Coalition
- Florida Department of Elder Affairs
- Fire Districts -Destin, Ocean City, North Bay
- Utilities - Regional Utilities, Midway Water Systems, Inc., Emerald Coast Utilities Authority
- Escambia County

Experience

Chad Branson has over 17 years of experience in public accounting, with practice concentrations in auditing governmental, nonprofit and for profit entities. Chad has accumulated experience throughout his career in Federal and Florida Single Audit Acts compliance monitoring and auditing. During his career he has supervised and managed audit engagements for a wide variety of governmental and nonprofit organization clients. In addition, he has performed internal audit work, information technology general controls testing, forensic investigations, and risk assessments for governmental entities.

Chad has been with Carr, Riggs and Ingram, LLC since 2005.

Education, Licenses & Certifications

- Bachelor and Master of Accountancy – University of Mississippi, Oxford MS
- Certified Public Accountant (CPA) – Licensed in Florida and Mississippi
- Community Association Manager (CAM) – Florida
- Certified Information Technology Professional – AICPA

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Emerald Coast Chapter (FICPA) Board
- Florida Governmental Finance Officers Association (FGFOA)



Lauren Villarreal

Supervising Senior

LVillarreal@CRlcpa.com

850.337.3223 | Direct



Representative Service Areas

- Community Development Districts
- Condominium and Homeowner Associations
- Employee Benefit Plans
- County and Local Governments
- Non-Profit Organizations

Experience

Lauren has four years auditing and accounting experience in the Destin office of CRI. She is an audit supervising senior with primary responsibility for fieldwork and reporting on audits of clients in a variety of industries including local governmental and non-profit entities as well as employee benefit plans and commercial businesses. She is currently the in-charge auditor for over a dozen community development districts with several CDD management companies in the State of Florida.

Lauren is licensed to practice as a Certified Public Accountant in Florida. She is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. She exceeds all continuing professional education requirements related to *Government Auditing Standards*.

Lauren currently supervises engagements for many governmental entities in the State of Florida including community development districts and other special governments. She is active in our firm's governmental industry line as well as the condominium and homeowner association practice. In addition, Lauren has accumulated experience in Federal and Florida Single Audit Acts compliance monitoring and auditing. Lauren has performed several single audits of federal grants under OMB Circular A-133.

Education, Licenses & Certifications

- BS, Accounting, Florida State University
- BS, Business Administration, Florida State University
- Certified Public Accountant
- Community Association Manager (CAM), Licensed in Florida

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)



AUDIT METHODOLOGY

Our audit, tax, consulting, and client accounting services documentation is maintained electronically. Compliance with our methodology is regularly reviewed and evaluated as part of our internal quality program, which is further discussed in this section under **INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS**. Comprehensive policies and procedures governing all of our practices and addressing professional and regulatory standards and implementation issues are constantly updated for new professional developments and emerging issues. See the table of contents to identify the relevant audit approach and methodology detailed description section.

ENGAGEMENT QUALITY REVIEW PARTNER (CONCURRING PARTNER)

Audit engagements are assigned engagement quality review (EQR) partner, as appropriate. This role is one of the most important elements of our quality assurance process, as it provides for a timely, independent review of key accounting and auditing issues. The EQR partner also reviews the financial statements and related supporting documentation—including the disclosures—to evaluate their fair presentation under accounting principles generally accepted in the United States of America (GAAP).

INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS

Experienced partners and professional staff of our firm conduct quality control reviews of our audits. Our partners' work is reviewed annually, and the inspection process includes periodic testing of the effectiveness of our quality controls and a continuous improvement program. This risk-based annual inspection is intended to mimic the triennial peer review described in the following paragraph and are performed on completed engagements. In addition to this inspection, we perform in-process, "pre-issuance" reviews of partners' work that are chosen for using a risk-based selection process; these reviews are performed by our corporate quality control team. The combination of the in-process and completed engagements is part of our continuous improvement processes.

Peer reviews are performed every three years by another independent public accounting firm. The most recent review of our firm was performed in 2019 by Brown Edwards, whose report was the most favorable possible "Pass".

In addition, we are registered with the PCAOB and our 2018 PCAOB inspection report was also the most favorable possible—no audit deficiencies or quality control defects identified. The 2018 PCAOB report can be viewed at <https://pcaobus.org/Inspections/Reports/Documents/104-2019-029-Carr-Riggs-Ingram-LLC.pdf>.

SHARING CRI'S VALUES WITH YOU



We are proud of our hands-on, service-centric, and results-oriented approach. Combining that approach with quality controls and superior talent allows us to help you achieve your goals and strengthen your management systems and processes. This approach is further emphasized through our three core values which guide our team's behavior and function as the foundation for interactions with our clients and each other.



CLIENT SERVICE

Defining our brand by meeting or exceeding the highest expectations of our clients

RESPECT

Building productive, long-term relationships with each other that are based on mutual respect, trust, and sharing

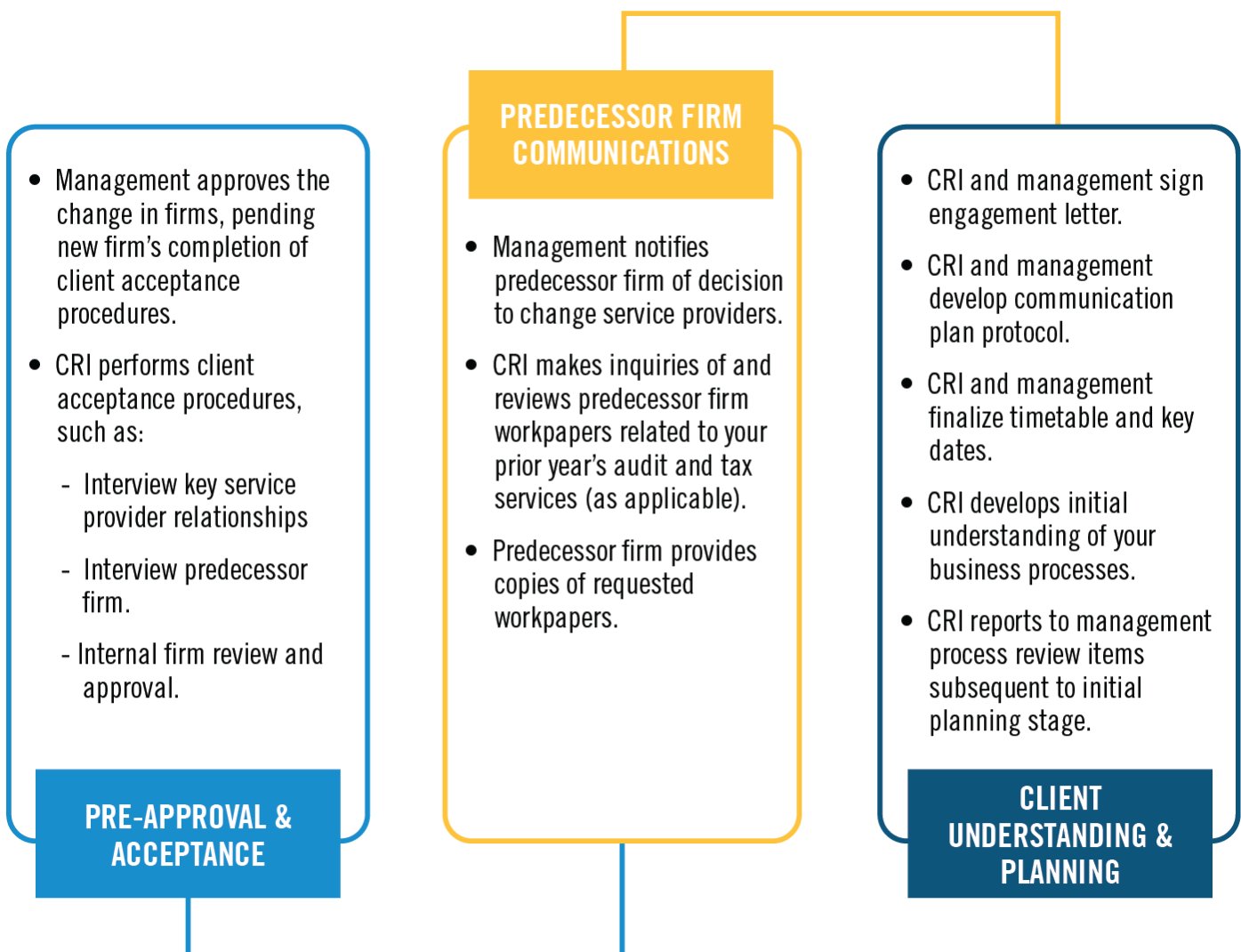
INTEGRITY

Living with sincerity, transparency, and honesty

When choosing to change firms, the time involved in working with new accounting professionals is often a concern. CRI's well-defined efficient, seamless transition process is designed to:

- Provide you with value from the very first encounter,
- Avoid interruption of service,
- Minimize disruption and investment of management's time,
- Raise the standard of service, and
- Establish ongoing channels of communication with Stonewater Community Development District's management.

The transition plan is comprised of the following key activities and can occur within approximately two weeks, depending on the availability of the parties involved:





Many businesses are expanding and/or evaluating their global reach, and they require assistance in order to comprehensively consider the various financial implications of growing in international markets. In addition to CRI's internal resources, we deliver the expertise and support of some of the world's most highly regarded accounting firms through shared alliance as members of PrimeGlobal.

WHO IS PRIMEGLOBAL?



HOW OUR PRIMEGLOBAL MEMBERS CAN BENEFIT YOU

We supplement our in-depth, industry knowledge and specialized services through our collaborations with other PrimeGlobal firms to help you evaluate your options globally. CRI's goal is to provide you with the information you need to make well-informed, smart business decisions.

4 KEY BENEFITS TO CRI CLIENTS FROM OUR PRIMEGLOBAL MEMBERSHIP

- 1 SOLUTIONS**
 that are worldwide and world-class.
- 2 ACCESSIBILITY**
 to knowledge and resources of statutory, regulatory, and compliance requirements throughout the world.
- 3 DECISION MAKING**
 with the support of local connections and cultural understanding throughout regions of the world.
- 4 SINGLE POINT OF CONTACT**
 CRI's team serves as your contact for each engagement, and we project manage across the entire team - including other PrimeGlobal firms and specialists.



We know that some information that makes perfect sense to a CPA may not be as clear to our clients. Therefore, we produce original content in the form of articles, videos, white papers, webinars, and more to provide timely, down-to-earth translations of complex subjects. We publish this original content on CRlcpa.com and across all our many social channels.

FOLLOW CRI ON SOCIAL MEDIA @CRICPA



SUBSCRIBE TO THE CRI E-NEWSLETTER

CRICPA.COM/NEWSLETTER-SIGNUP



IT FIGURES: THE CRI PODCAST

Created to provide insight into the latest developments and regulations in the accounting and finance space, It Figures is an accounting and advisory focused podcast for business and organization leaders, entrepreneurs, and anyone who is looking to go beyond the status quo.

Listen on Apple Podcasts, Spotify, iHeart Radio, and more.

itfigurespodcast.com



CRI's CEO ACTION FOR DIVERSITY AND INCLUSION

Carr, Riggs & Ingram is committed to fostering an inclusive and diverse place for all employees to work in and engage. When our managing partner and chairman, Bill Carr, signed the CEO Action for Diversity & Inclusion™ pledge, he made a public commitment to building a productive, diverse, and inclusive workplace. [Learn more about CRI's commitment to Diversity and Inclusion.](#)

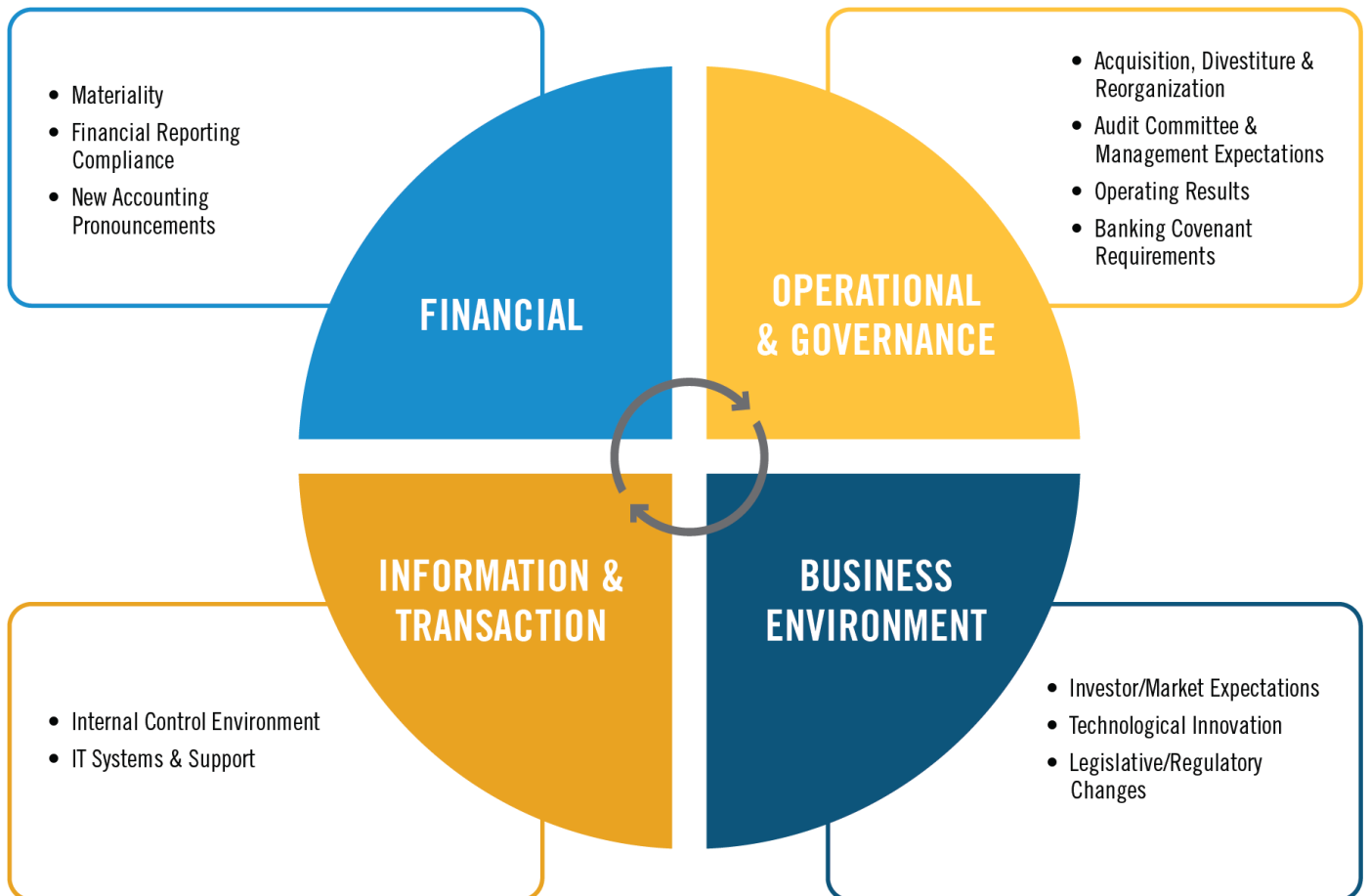


Our proposed services require a coordinated effort between us and Stonewater Community Development District’s team. Planning and continual communication are essential to developing the appropriate procedures, working collaboratively to resolve any identified issues, and meeting your timelines.

CRI’s audit approach occurs within a framework of our client’s business and industry; therefore, we assess risk by:

- Understanding management’s perspectives and goals, and
- Considering business conditions and threats that could prevent management from achieving its business objectives.

We assess risks in the following areas:





Our ultimate intent is to drill down from these broad risks to specific financial reporting risks. We understand both these risks and management's processes and procedures for mitigating them (i.e. internal controls) in order to develop our procedures to carry out our audit responsibilities.

Although our audits are conducted through a structured, risk-based model, we focus on understanding the client's needs, requirements, and expectations. We work collaboratively with management and the Audit Committee (or similar function) to develop a communication and work plan to continuously improve client service, by doing so we help in moving your team from simple compliance to providing you with a competitive advantage.

In planning, we concentrate on "key risks," (items with a greater risk of a material misstatement, a material weakness in internal controls, or other matters resulting in the issuance of an inappropriate audit report). We focus on "material" items (i.e. those items that would be important to the user of your financial statements). When evaluating materiality of identified misstatements, certain quantitative and qualitative factors must be considered—which may include:

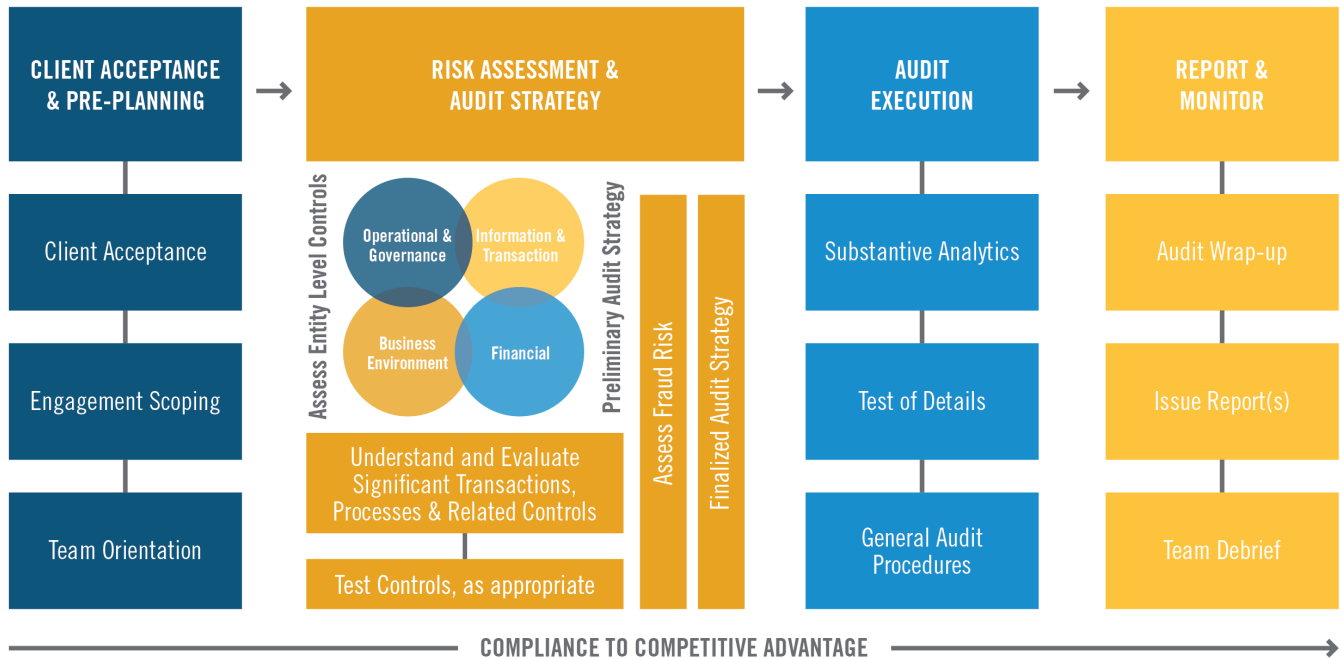
- Impact on operating trends (revenue/income, expenses, net income, etc).
- Nature of the misstatement (i.e., did the misstatement result from an unlawful transaction?).
- Impact on liquidity, capital/surplus, earnings capacity, etc.
- Impact to loan covenants and contractual and regulatory requirements.

Consistent communication is a key to completion of the audit. By ensuring constant involvement, we are in a better position to respond to your issues timely and efficiently. Therefore, we plan to meet with your management to:

- Set-up the audit by reviewing the mapping of Stonewater Community Development District's financial information (financial statements and notes) to significant processes and IT systems to ensure that all significant account balances, transactions, procedures, and systems are tested as deemed necessary.
- Discuss ongoing changes—specifically new accounting pronouncements and key business transactions in their early stages, enabling us to agree on the resolution of various complex business issues on a timely basis.



Our audit approach is a four stage approach, as depicted in the summary below. Our client acceptance and risk assessment procedures occur during detailed conversations and observations with your team. The results of those procedures allow us to tailor an audit program to your specific risks and needs. We then execute the audit, report the results, and evaluate continuous improvement opportunities for ongoing service and benefit to you.





STAGE 1: CLIENT ACCEPTANCE & PRE-PLANNING

- Perform client acceptance procedures.
- Collaborate with management to agree to expectations and scope.
- Assign appropriate staff based on client needs and assessed risk.

STAGE 2: RISK ASSESSMENT & AUDIT STRATEGY

- Interview client personnel and others to understand client-specific objectives and risks.
- Assess following aspects of the organization for their impact on the audit plan:
 - environmental and other external risks,
 - management's fraud and IT risk assessment models,
 - entity level controls including:
 - control environment
 - risk assessment,
 - information and communication,
 - and monitoring controls.
 - IT General Computer (ITGC) controls, such as
 - IT Environment
 - Developing and Delivering IT, and
 - Operating and Monitoring IT.
- Determine materiality.
- Develop and document our understanding of and/or reliance on:
 - linkage of financial statements to:
 - significant transactions,
 - processes,
 - IT systems, and
 - related controls,
 - existence of/reliance on SOC entities and their reports,
 - internal audit, and
 - specialists (e.g. valuation, pension costs, etc.).
- If elected, test controls including ITGC, through a mix of:
 - inquiry,
 - observation
 - examination, and
 - re-performance.
- Perform preliminary analytical procedures.
- Finalize risk assessments and develop a final audit strategy.

STAGE 3: AUDIT EXECUTION

- Where possible to test as efficiently as possible:
 - develop detailed analytical procedures to use as substantive tests (benefit = reducing tests of details):
Examples include:
 - ratio analysis,
 - regression analysis,
 - trend analysis,
 - predictive tests, or
 - reasonableness test,
 - utilize Computer-Assisted Audit Techniques (CAATs) (benefit = automation of testing for more coverage and less disruption to the client), and
 - perform targeted testing (also known as "coverage" testing) to test large portions of account balances (benefit = more coverage with smaller selections).
- Perform tests of details, including sampling.
- Perform general audit procedures such as tests related to:
 - commitments and contingencies,
 - legal letters,
 - management representations,
 - reviews of Board minutes,
 - related party transactions,
 - debt covenants, and
 - going concern.
- Perform other tests for compliance such as Yellow Book or Single Audit tests.

STAGE 4: REPORT & MONITOR

- Continually monitor throughout the audit - providing feedback as agreed during scoping.
- Conclude the audit (i.e. issue opinions and reports).
- Develop and present:
 - reports,
 - required communications,
 - management letter comments, and
 - other audit-related deliverables.
- Perform debriefings to identify opportunities for improvement with our:
 - engagement team, and/or
 - client's team.

APPENDIX A - RFP DOCUMENTS



STONEWATER COMMUNITY DEVELOPMENT DISTRICT REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES

The Stonewater Community Development District hereby requests proposals for annual financial auditing services. The proposal must provide for the auditing of the District's financial records for the fiscal year ending September 30, 2021, with an option for four (4) additional optional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, *Florida Statutes*, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in the City of Cape Coral, Florida. The final contract will require that, among other things, the audit for the fiscal year ending September 30, 2021, be completed no later than June 30, 2022.

The auditing entity submitting a proposal must be duly licensed under Chapter 473, *Florida Statutes*, and be qualified to conduct audits in accordance with "Government Auditing Standards," as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida Law and particularly Section 218.39, *Florida Statutes*, and the rules of the Florida Auditor General.

Proposal packages, which include evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide one (1) unbound copy and one electronic copy of their proposal to Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 ("**District Manager**") telephone (877) 276-0889, in an envelope marked on the outside "Auditing Services, Stonewater Community Development District." Proposals must be received by 12:00 p.m., on February 12, 2021, at the office of the District Manager. Please direct all questions regarding this Notice to the District Manager.

Craig Wrathell
District Manager

APPENDIX A - RFP DOCUMENTS



STONEWATER COMMUNITY DEVELOPMENT DISTRICT

REQUEST FOR PROPOSALS

District Auditing Services for Fiscal Year 2021

City of Cape Coral, Florida

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than February 12, 2021 at 12:00 p.m., at the offices of District Manager, located at Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, telephone (877) 276-0889. Proposals will be publicly opened at that time.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Submit one (1) unbound copy and one electronic copy of the Proposal Documents, and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title "Auditing Services – Stonewater Community Development District" on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions ("Proposal Documents").

APPENDIX A - RFP DOCUMENTS



SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of the District's limited waiver of liability contained in Section 768.28, *Florida Statutes*, or any other statute or law.

SECTION 12. MISCELLANEOUS. All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List the position or title of all personnel to perform work on the District audit. Include resumes for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including resumes with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal, plus the lump sum cost of four (4) annual renewals.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) calendar hours (excluding Saturday, Sunday, and state holidays) after the receipt of the Proposal Documents. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturday, Sunday, and state holidays) after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to the aforesaid Proposal Documents.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

APPENDIX A - RFP DOCUMENTS



STONEWATER COMMUNITY DEVELOPMENT DISTRICT AUDITOR SELECTION EVALUATION CRITERIA

1. Ability of Personnel. (20 Points)

(E.g., geographic location of the firm's headquarters or permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load; proposed staffing levels, etc.)

2. Proposer's Experience. (20 Points)

(E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other or current Community Development District(s) in other contracts; character, integrity, reputation of Proposer, etc.)

3. Understanding of Scope of Work. (20 Points)

Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.

4. Ability to Furnish the Required Services. (20 Points)

Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.

5. Price. (20 Points)***

Points will be awarded based upon the lowest total proposal for rendering the services and the reasonableness of the proposal.

Total (100 Points)

***Alternatively, the Board may choose to evaluate firms without considering price, in which case the remaining categories would be assigned 25 points each.

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5CIII



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Proposal to Provide Financial Auditing Services:

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

Proposal Due: February 12, 2021
12:00PM

Submitted to:

Stonewater
Community Development District
c/o District Manager
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

Submitted by:

Antonio J. Grau, Partner
Grau & Associates
951 Yamato Road, Suite 280
Boca Raton, Florida 33431

Tel (561) 994-9299
(800) 229-4728

Fax (561) 994-5823

tgrau@graucpa.com

www.graucpa.com



Table of Contents

	PAGE
EXECUTIVE SUMMARY / TRANSMITTAL LETTER	1
FIRM QUALIFICATIONS.....	3
FIRM & STAFF EXPERIENCE.....	6
REFERENCES.....	11
SPECIFIC AUDIT APPROACH.....	13
COST OF SERVICES	17
SUPPLEMENTAL INFORMATION	19



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

February 12, 2021

Stonewater Community Development District
c/o District Manager
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

Re: Request for Proposal for Professional Auditing Services for the fiscal year ended September 30, 2021, with an option for four (4) additional annual renewals.

Grau & Associates (Grau) welcomes the opportunity to respond to the Stonewater Community Development District's (the "District") Request for Proposal (RFP), and we look forward to working with you on your audit. We are an energetic and robust team of knowledgeable professionals and are a recognized leader of providing services to Community Development Districts. As one of Florida's few firms to primarily focus on government, we are especially equipped to provide you an effective and efficient audit.

Special district audits are at the core of our practice: **we have a total of 360 clients, 329 or 91% of which are special districts.** We know the specifics of the professional services and work products needed to meet your RFP requirements like no other firm. With this level of experience, we are able to increase efficiency, to provide immediate and continued savings, and to minimize disturbances to client operations.

Why Grau & Associates:

Knowledgeable Audit Team

Grau is proud that the personnel we assign to your audit are some of the most seasoned auditors in the field. Our staff performs governmental engagements year round. When not working on your audit, your team is refining their audit approach for next year's audit. Our engagement partners have decades of experience and take a hands-on approach to our assignments, which all ensures a smoother process for you.

Servicing your Individual Needs

Our clients enjoy personalized service designed to satisfy their unique needs and requirements. First, we ensure that the transition to a new firm is as smooth and seamless as possible. Throughout the process of our audit, you will find that we welcome working with you to resolve any issues as swiftly and easily as possible. In addition, due to Grau's very low turnover rate for our industry, you also won't have to worry about retraining your auditors from year to year.

Developing Relationships

We strive to foster mutually beneficial relationships with our clients. We stay in touch year round, updating, collaborating and assisting you in implementing new legislation, rules and standards that affect your organization. We are also available as a sounding board and assist with technical questions.

Maintaining an Impeccable Reputation

We have never been involved in any litigation, proceeding or received any disciplinary action. Additionally, we have never been charged with, or convicted of, a public entity crime of any sort. We are financially stable and have never been involved in any bankruptcy proceedings.

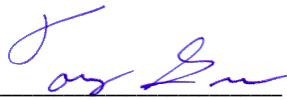
Complying With Standards

Our audit will follow the Auditing Standards of the AICPA, Generally Accepted Government Auditing Standards, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida, and any other applicable federal, state and local regulations. We will deliver our reports in accordance with your requirements.

This proposal is a firm and irrevocable offer for 90 days. We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a proposal for the same items. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and was prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. Grau has no existing or potential conflicts, and anticipates no conflicts during the engagement. Our Federal I.D. number is 20-2067322.

We would be happy to answer any questions or to provide any additional information. We are genuinely excited about the prospect of serving you and establishing a long-term relationship. Please do not hesitate to call or email either of our Partners, Antonio J. Grau, CPA (tgrau@graucpa.com) or Racquel McIntosh, CPA (rmcintosh@graucpa.com) at 561.994.9299. We thank you for considering our firm's qualifications and experience.

Very truly yours,
Grau & Associates



Antonio J. Grau

Firm Qualifications



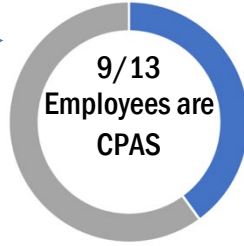
Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Grau's Focus and Experience

Our Team



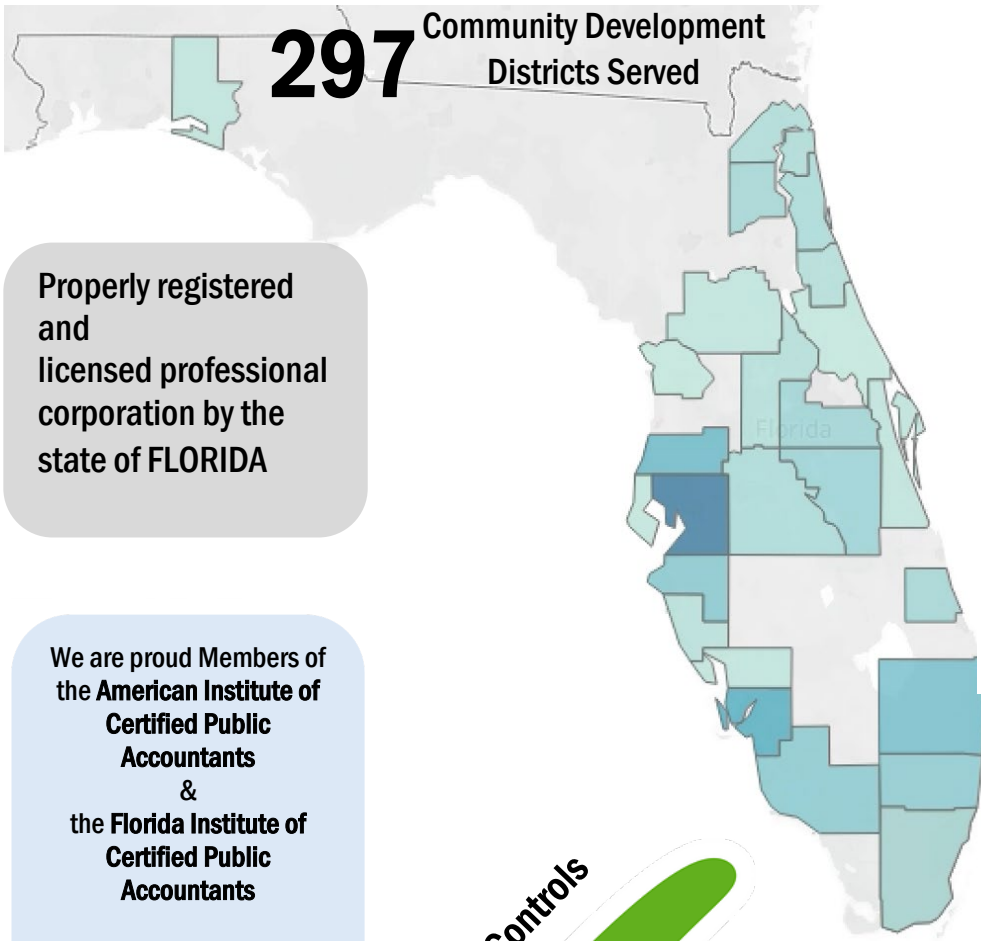
2 Partners
11 Professional Staff
2 Administrative Professionals



2005

Year founded

Services Provided



Properly registered and licensed professional corporation by the state of FLORIDA

We are proud Members of the American Institute of Certified Public Accountants & the Florida Institute of Certified Public Accountants

Quality Controls

- ⇒ External quality review program: consistently receives a pass
- ⇒ Internal: ongoing monitoring to maintain quality



AICPA | FICPA | GFOA | FASD | FGFOA

See next page for report and certificate



FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



Peer Review
Program

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

February 20, 2020

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on February 20, 2020, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,
FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee
paul@ficpa.org
800-342-3197 ext. 251

Florida Institute of CPAs

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 571202

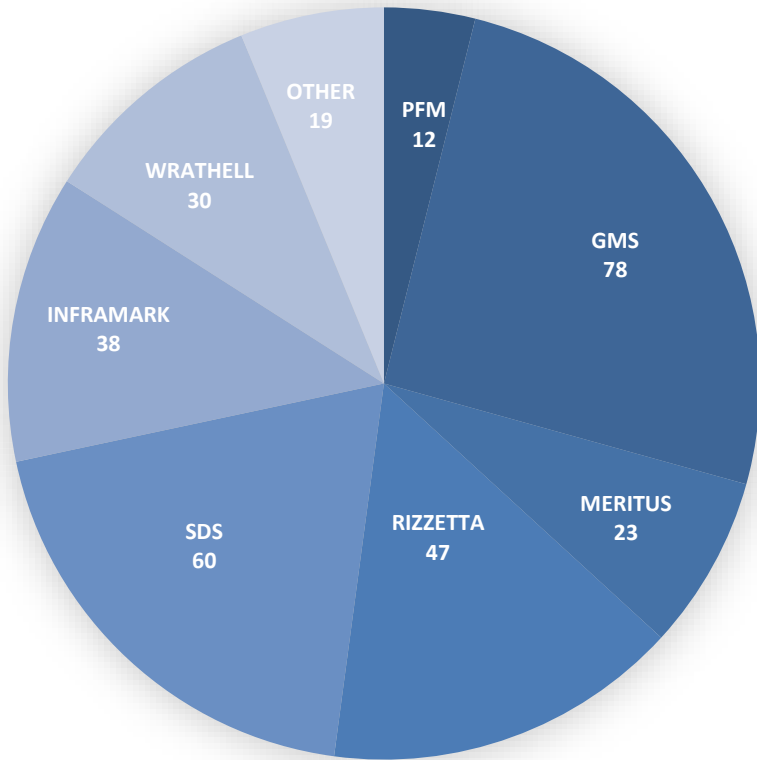
3800 Esplanade Way, Suite 210 | Tallahassee, FL 32311 | 800.342.3197, in Florida | 850.224.2727 | Fax: 850.222.8190 | www.ficpa.org

Firm & Staff Experience



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

GRAU AND ASSOCIATES COMMUNITY DEVELOPMENT DISTRICT EXPERIENCE BY MANAGEMENT COMPANY



Profile Briefs:

Antonio J GRAU, CPA (Partner)

Years Performing Audits: 30+
CPE (last 2 years): Government Accounting, Auditing: 24 hours; Accounting, Auditing and Other: 58 hours
Professional Memberships: AICPA, FICPA, FGFOA, GFOA

Racquel McIntosh, CPA (Partner)

Years Performing Audits: 14+
CPE (last 2 years): Government Accounting, Auditing: 38 hours; Accounting, Auditing and Other: 56 hours
Professional Memberships: AICPA, FICPA, FGFOA, FASD

“Here at Grau & Associates, staying up to date with the current technological landscape is one of our top priorities. Not only does it provide a more positive experience for our clients, but it also allows us to perform a more effective and efficient audit. With the every changing technology available and utilized by our clients, we are constantly innovating our audit process.”

Tony Grau

“Quality audits and exceptional client service are at the heart of every decision we make. Our clients trust us to deliver a quality audit, adhering to high standards and assisting them with improvements for their organization.”

Racquel McIntosh

YOUR ENGAGEMENT TEAM

Grau's client-specific engagement team is meticulously organized in order to meet the unique needs of each client. Constant communication within our solution team allows for continuity of staff and audit team.

Grau contracts with an outside group of IT management consultants to assist with matters including, but not limited to; network and database security, internet security and vulnerability testing.

An advisory consultant will be available as a sounding board to advise in those areas where problems are encountered.



The assigned personnel will work closely with the partner and the District to ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy. Responsibilities will include planning the audit; communicating with the client and the partners the progress of the audit; and determining that financial statements and all reports issued by the firm are accurate, complete and are prepared in accordance with professional standards and firm policy.

The Engagement Partner will participate extensively during the various stages of the engagement and has direct responsibility for engagement policy, direction, supervision, quality control, security, confidentiality of information of the engagement and communication with client personnel. The engagement partner will also be involved directing the development of the overall audit approach and plan; performing an overriding review of work papers and ascertain client satisfaction.



Antonio 'Tony' J. Grau, CPA
Partner

Contact: tgrau@graucpa.com | (561) 939-6672

Experience

For over 30 years, Tony has been providing audit, accounting and consulting services to the firm's governmental, non-profit, employee benefit, overhead and arbitrage clients. He provides guidance to clients regarding complex accounting issues, internal controls and operations.

As a member of the Government Finance Officers Association Special Review Committee, Tony participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting. Tony was also the review team leader for the Quality Review of the Office of Management Audits of School Board of Miami-Dade County. Tony received the AICPA advanced level certificate for governmental single audits.

Education

University of South Florida (1983)
Bachelor of Arts
Business Administration

Clients Served (partial list)

(>300) Various Special Districts, including:

- | | |
|--|--|
| Bayside Improvement Community Development District | St. Lucie West Services District |
| Dunes Community Development District | Ave Maria Stewardship Community District |
| Fishhawk Community Development District (I,II,IV) | Rivers Edge II Community Development District |
| Grand Bay at Doral Community Development District | Bartram Park Community Development District |
| Heritage Harbor North Community Development District | Bay Laurel Center Community Development District |
| Boca Raton Airport Authority | |
| Greater Naples Fire Rescue District | |
| Key Largo Wastewater Treatment District | |
| Lake Worth Drainage District | |
| South Indian River Water Control | |

Professional Associations/Memberships

American Institute of Certified Public Accountants Florida Government Finance Officers Association
Florida Institute of Certified Public Accountants Government Finance Officers Association Member
City of Boca Raton Financial Advisory Board Member

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	24
Accounting, Auditing and Other	58
Total Hours	<u>82</u> (includes of 4 hours of Ethics CPE)



Racquel C. McIntosh, CPA
Partner

Contact : rmcintosh@graucpa.com | (561) 939-666

Experience

Racquel has been providing government audit, accounting and advisory services to our clients for over 14 years. She serves as the firm’s quality control partner; in this capacity she closely monitors engagement quality ensuring standards are followed and maintained throughout the audit.

Racquel develops in-house training seminars on current government auditing, accounting, and legislative topics and also provides seminars for various government organizations. In addition, she assists clients with implementing new accounting software, legislation, and standards.

Education

- Florida Atlantic University (2004)
Master of Accounting
- Florida Atlantic University (2003)
Bachelor of Arts:
Finance, Accounting

Clients Served (partial list)

(>300) Various Special Districts, including:

- Carlton Lakes Community Development District
- Golden Lakes Community Development District
- Rivercrest Community Development District
- South Fork III Community Development District
- TPOST Community Development District

- Westchase Community Development District
- Monterra Community Development District
- Palm Coast Park Community Development District
- Long Leaf Community Development District
- Watergrass Community Development District

- East Central Regional Wastewater Treatment Facilities
- Indian Trail Improvement District
- Pinellas Park Water Management District
- Ranger Drainage District
- South Trail Fire Protection and Rescue Service District

Professional Associations/ Memberships

- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- FICPA State & Local Government Committee
- FGFOA Palm Beach Chapter

Professional Education (over the last two years)

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	38
Accounting, Auditing and Other	56
Total Hours	<u>94</u> (includes of 4 hours of Ethics CPE)

References



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

We have included three references of government engagements that require compliance with laws and regulations, follow fund accounting, and have financing requirements, which we believe are similar to the District.

Dunes Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 1998
Client Contact	Darrin Mossing, Finance Director 475 W. Town Place, Suite 114 St. Augustine, Florida 32092 904-940-5850

Two Creeks Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2007
Client Contact	William Rizzetta, President 3434 Colwell Avenue, Suite 200 Tampa, Florida 33614 813-933-5571

Journey's End Community Development District

Scope of Work	Financial audit
Engagement Partner	Antonio J. Grau
Dates	Annually since 2004
Client Contact	Todd Wodraska, Vice President 2501 A Burns Road Palm Beach Gardens, Florida 33410 561-630-4922

Specific Audit Approach



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

AUDIT APPROACH

Grau's Understanding of Work Product / Scope of Services:

We recognize the District is an important entity and we are confident our firm is eminently qualified to meet the challenges of this engagement and deliver quality audit services. ***You would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which not only meet the requirements set forth in the RFP but will exceed those expectations.*** Grau & Associates fully understands the scope of professional services and work products requested. Our audit will follow the Auditing Standards of the AICPA, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, and the Rules of the Auditor General of the State of Florida and any other applicable Federal, State or Local regulations. **We will deliver our reports in accordance with your requirements.**

Proposed segmentation of the engagement

Our approach to the audit engagement is a risk-based approach which integrates the best of traditional auditing techniques and a total systems concept to enable the team to conduct a more efficient and effective audit. The audit will be conducted in three phases, which are as follows:



Phase I - Preliminary Planning

A thorough understanding of your organization, service objectives and operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- » Review the regulatory, statutory and compliance requirements. This will include a review of applicable federal and state statutes, resolutions, bond documents, contracts, and other agreements;
- » Read minutes of meetings;
- » Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems;
- » Obtain an understanding of fraud detection and prevention systems;
- » Obtain and document an understanding of internal control, including knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation;
- » Assess risk and determine what controls we are to rely upon and what tests we are going to perform and perform test of controls;
- » Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives;
- » Discuss and resolve any accounting, auditing and reporting matters which have been identified.

Phase II – Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to the following:

- » Apply analytical procedures to further assist in the determination of the nature, timing, and extent of auditing procedures used to obtain evidential matter for specific account balances or classes of transactions;
- » Perform tests of account balances and transactions through sampling, vouching, confirmation and other analytical procedures; and
- » Perform tests of compliance.

Phase III - Completion and Delivery

In this phase of the audit, we will complete the tasks related to year-end balances and financial reporting. All reports will be reviewed with management before issuance, and the partners will be available to meet and discuss our report and address any questions. Tasks to be performed in Phase III include, but are not limited to the following:

- » Perform final analytical procedures;
- » Review information and make inquiries for subsequent events; and
- » Meeting with Management to discuss preparation of draft financial statements and any potential findings or recommendations.

You should expect more from your accounting firm than a signature in your annual financial report. Our concept of truly responsive professional service emphasizes taking an active interest in the issues of concern to our clients and serving as an effective resource in dealing with those issues. In following this approach, we not only audit financial information with hindsight but also consider the foresight you apply in managing operations.

Application of this approach in developing our management letter is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. We will prepare the management letter at the completion of our final procedures.

In preparing this management letter, we will initially review any draft comments or recommendations with management. In addition, we will take necessary steps to ensure that matters are communicated to those charged with governance.

In addition to communicating any recommendations, we will also communicate the following, if any:

- » Significant audit adjustments;
- » Significant deficiencies or material weaknesses;
- » Disagreements with management; and
- » Difficulties encountered in performing the audit.

Our findings will contain a statement of condition describing the situation and the area that needs strengthening, what should be corrected and why. Our suggestions will withstand the basic tests of corrective action:

Is the recommendation cost effective?

Is the recommendation the simplest to effectuate in order to correct a problem?

Is the recommendation at the heart of the problem and not just correcting a symptomatic matter?

Is the corrective action taking into account why the deficiency occurred?

To assure full agreement with facts and circumstances, we will fully discuss each item with Management prior to the final exit conference. This policy means there will be no “surprises” in the management letter and fosters a professional, cooperative atmosphere.

Communications

We emphasize a continuous, year-round dialogue between the District and our management team. We regularly communicate through personal telephone calls and electronic mail throughout the audit and on a regular basis.

Our clients have the ability to transmit information to us on our secure client portal with the ability to assign different staff with separate log on and viewing capability. This further facilitates efficiency as all assigned users receive electronic mail notification as soon as new information has been posted into the portal.

Cost of Services



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Our proposed all-inclusive fees for the financial audit for the fiscal years ended September 30, 2021-2025 are as follows:

Year Ended September 30,	Fee
2021	\$2,800
2022	\$2,900
2023	\$3,000
2024	\$3,100
2025	<u>\$3,200</u>
TOTAL (2021-2025)	<u>\$15,000</u>

The above fees are based on the assumption that the District maintains its current level of operations. Should conditions change or Bonds are issued the fees would be adjusted accordingly upon approval from all parties concerned.

Supplemental Information



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

PARTIAL LIST OF CLIENTS

SPECIAL DISTRICTS	Governmental Audit	Single Audit	Utility Audit	Current Client	Year End
Boca Raton Airport Authority	✓	✓		✓	9/30
Captain's Key Dependent District	✓			✓	9/30
Central Broward Water Control District	✓			✓	9/30
Collier Mosquito Control District	✓			✓	9/30
Coquina Water Control District	✓			✓	9/30
East Central Regional Wastewater Treatment Facility	✓		✓		9/30
Florida Green Finance Authority	✓				9/30
Greater Boca Raton Beach and Park District	✓			✓	9/30
Greater Naples Fire Control and Rescue District	✓	✓		✓	9/30
Green Corridor P.A.C.E. District	✓			✓	9/30
Hobe-St. Lucie Conservancy District	✓			✓	9/30
Indian River Mosquito Control District	✓				9/30
Indian Trail Improvement District	✓			✓	9/30
Key Largo Waste Water Treatment District	✓	✓	✓	✓	9/30
Lake Padgett Estates Independent District	✓			✓	9/30
Lake Worth Drainage District	✓			✓	9/30
Loxahatchee Groves Water Control District	✓				9/30
Old Plantation Control District	✓			✓	9/30
Pal Mar Water Control District	✓			✓	9/30
Pinellas Park Water Management District	✓			✓	9/30
Pine Tree Water Control District (Broward)	✓			✓	9/30
Pinetree Water Control District (Wellington)	✓				9/30
Ranger Drainage District	✓	✓		✓	9/30
Renaissance Improvement District	✓			✓	9/30
San Carlos Park Fire Protection and Rescue Service District	✓			✓	9/30
Sanibel Fire and Rescue District	✓			✓	9/30
South Central Regional Wastewater Treatment and Disposal Board	✓			✓	9/30
South-Dade Venture Development District	✓			✓	9/30
South Indian River Water Control District	✓	✓		✓	9/30
South Trail Fire Protection & Rescue District	✓			✓	9/30
Spring Lake Improvement District	✓			✓	9/30
St. Lucie West Services District	✓		✓	✓	9/30
Sunshine Water Control District	✓			✓	9/30
West Villages Improvement District	✓			✓	9/30
Various Community Development Districts (297)	✓			✓	9/30
TOTAL	332	5	3	327	

ADDITIONAL SERVICES

CONSULTING / MANAGEMENT ADVISORY SERVICES

Grau & Associates also provide a broad range of other management consulting services. Our expertise has been consistently utilized by Governmental and Non-Profit entities throughout Florida. Examples of engagements performed are as follows:

- Accounting systems
- Development of budgets
- Organizational structures
- Financing alternatives
- IT Auditing
- Fixed asset records
- Cost reimbursement
- Indirect cost allocation
- Grant administration and compliance

ARBITRAGE

The federal government has imposed complex rules to restrict the use of tax-exempt financing. Their principal purpose is to eliminate any significant arbitrage incentives in a tax-exempt issue. We have determined the applicability of these requirements and performed the rebate calculations for more than 150 bond issues, including both fixed and variable rate bonds.

73

Current
Arbitrage
Calculations

We look forward to providing Stonewater Community Development District with our resources and experience to accomplish not only those minimum requirements set forth in your Request for Proposal, but to exceed those expectations!

**For even more information on Grau & Associates
please visit us on www.graucpa.com.**

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5 CIV

Proposal to Provide Auditing Services
Stonewater Community Development
District

For the Fiscal Year Ending
September 30, 2021
With the Option for 4 Additional Annual Renewals

Submitted by:



934 North Magnolia Avenue
Suite 100
Orlando, Florida 32803
(407) 843-5406

CONTACT: Tamara Campbell, C.P.A.

tcampbell@mcdermittdavis.com
www.mcdermittdavis.com

Proposal for Audit Services to
Stonewater Community Development District
Table of Contents

	<u>Page</u>
Letter of Interest	1
Company Background	3
Peer Review Letter	8
Audit Personnel Experience	9
References	12
Service Approach	14
Cost Proposal	16

Letter of Interest



February 12, 2021

Craig Wrathell, District Manager
Stonewater Community Development District
2300 Glades Road, Suite 410W
Boca Raton, FL 33431

Thank you for the opportunity to submit our qualifications and experience to serve as independent auditors of *Stonewater Community Development District*. The accompanying proposal will provide you detailed information regarding the scope of services to be provided, as well as a profile of the firm, the individuals who will serve you, our qualifications and experience, and representative clients, including specific references.

It is our understanding that we will provide the following services:

1. Financial audit of the basic financial statements of *Stonewater Community Development District* for the fiscal year ending September 30, 2021, with the option for 4 additional annual renewals.
2. We will commit to maintain staff required to conclude the audits within the time constraints indicated in the RFP.
3. The audit will be performed in accordance with generally accepted auditing standards, *Governmental Auditing Standards* and the Rules of the Auditor General of the State of Florida.
4. The audit for the fiscal year ending September 30, 2021 will be completed no later than June 30, 2022.

We believe we are the best-qualified firm to perform the engagement for the following reasons:

- We presently audit **over fifty Community Development Districts**, fourteen municipalities and one special water district and have an excellent working knowledge of generally accepted accounting principles related to governmental entities.
- We assist in the preparation of the financial statements for most of these governmental entities.
- We have assisted nine municipalities in receiving the GFOA "Certificate of Achievement for Excellence in Financial Reporting". Most of these municipalities have been receiving the "Certificate of Achievement" between ten and twenty years. Tamara Campbell is active as a national review team member of the GFOA's "Certificate of Achievement for Excellence in Financial Reporting" program. As a review team member, Ms. Campbell reviews and evaluates financial reports submitted by cities and counties to determine whether the financial reports meet the stringent requirements to receive the GFOA'S prestigious award. Participating as a review team member, Ms. Campbell has demonstrated her expertise in governmental accounting and auditing.
- We have strong information technology ability and will input the District's general ledger balances into our ProSystem fx Engagement software and perform a virtually "paperless" audit. The District's Financial Statements are linked to the general ledger; therefore, the likelihood of errors on the financial statements is reduced.
- We have recent and continuous experience and have devoted a great deal of our continuing education to the governmental auditing and accounting field. Our firm meets the independence and education requirements of the Government Auditing Standards issued by the Comptroller General of the United States. Our firm is independent of *Stonewater Community Development District* as defined by Government Auditing Standards.

- We are members of the American and Florida Institutes of Certified Public Accountants and an Associate member of the Governmental Finance Officers Association. Our firm is active in governmental organizations throughout Central Florida and serves on governmental committees of the Florida Institute of CPA's.
- We are a local firm with personnel committed to quality and professional performance, accustomed to providing a high level of client satisfaction. We believe that our firm is part of a team effort to assist the District in developing the best financial reporting possible.
- We have a history of continuity of personnel assigned to the engagement. Our single office firm and low personnel turnover assures uninterrupted services from our partners and staff. We have a staff of 28 people and 8 of those are governmental audit staff.

McDimit Davis, LLC has not colluded with any of the Proposers, and we have not defaulted on any previous contract, and are not in arrears on any previous or existing contract and are properly licensed.

Because of our unique qualifications and a philosophy based on complete dedication to client service, we feel confident that we can provide you with responsiveness and a range of experience that will best serve your needs.

Ms. Tamara Campbell, partner, is authorized to represent the firm and may be contacted at 934 North Magnolia Avenue, Suite 100, Orlando, Florida 32803, or phone (407) 843-5406.

We would consider it a privilege to serve as independent auditors for Stonewater Community Development District.

Sincerely,

McDimit Davis, LLC

A handwritten signature in blue ink, appearing to read 'Tamara Campbell', with a stylized flourish at the end.

Tamara Campbell, CPA

Company Background

MCDIRMIT DAVIS AT GLANCE



Established since 1984



Ranked Top 10 in Central Florida

**HIGHEST PASSING RATING IN
OUR 2020 PEER REVIEW**



Over 100 years of combined experience

MEMBERSHIPS





About Us:

McDermitt Davis, LLC was incorporated in the State of Florida in August 1984 and serves Central Florida from its centrally located office in Orlando, Florida. The partners and managers have over 100 years of combined experience in public accounting, and our firm has grown to be ranked as one of the top 10 accounting firms in Central Florida by the Orlando Business Journal.



When considering whether to hire our firm, you will find that McDermitt Davis can be differentiated from our competitors in several areas, such as:

- **Local, Experienced and Involved Partners:** Our partners and managers have over 100 years of combined experience in public accounting. Tammy has over fifteen (15) years of governmental accounting and auditing experience, including municipalities, airport authorities and over **50 community development districts**.
- **Commitment to Quality:** McDermitt Davis has received a “pass” audit opinion by our peer reviewers regarding our firm’s Quality Control Standards.
- **Timely Audits:** Our commitment is to meet all audit deadlines, all of our audits have been performed according to agreed audit schedules.

Our firm has a wide range of clients providing both goods and services in the Central Florida area. Our practice encompasses auditing, accounting, management advisory and tax services. A list of all governmental clients audited by us for the fiscal years 2015-2019 is as follows:

- **Over Fifty Community Development Districts**

- City of Belle Isle, Florida *
- City of Clermont, Florida *
- City of Fruitland Park, Florida
- City of Groveland, Florida
- City of Inverness, Florida*
- City of Lake Mary, Florida*
- City of Longwood, Florida *
- City of Mascotte, Florida
- City of Minneola, Florida
- City of Ocoee, Florida *
- City of Orange City, Florida*
- City of Tavares, Florida *
- City of Umatilla, Florida *
- City of Winter Springs, Florida *
- Homosassa Special Water
- Sun’n Lake of Sebring Improvement District
- Town of Montverde, Florida
- Town of Windermere, Florida

- These entities are presently clients of McDermitt Davis, LLC

* These entities participate in the Certificate of Achievement for Excellence in Financial Reporting program.



General Information about McDimit Davis

License to Practice in Florida

Our Firm and all key professional staff are properly licensed to practice in the state of Florida. In addition, our Firm and all assigned key personnel are in good standing with the Florida Board of Accountancy. We can provide a copy of actual License, if requested.

Independence

McDimit Davis, LLC is independent of the District as defined by auditing standards contained in *Government Auditing Standards*.

Governmental Audit Quality Center

McDimit Davis, LLC is a member of the AICPA's Governmental Audit Quality Center which is dedicated to establishing the highest standards of audit quality in the governmental accounting and audit sector.

External Quality Control Review

Our Firm understands the importance of developing a formal quality control program, and therefore have been a member of the Private Companies Practice Section of the American Institute of Certified Public Accountants **since 1985**. Member firms are required to adhere to quality control standards established by the AICPA Quality Control Standards Committee and to submit to peer reviews of the firm's accounting and audit practice. Peer reviews are intensive reviews of a firm's quality control system by an independent CPA firm. Our firm has had seven peer reviews performed by the American Institute of Certified Public Accountants. Each peer review has included a review of a local governmental entity.

On our most recent peer review performed in 2020, we received a peer review rating of "pass", which is the highest rating that a firm can receive under the revised peer review standards. We have **never** been subject to any litigation or disciplinary actions by a client, the State or any professional organization for substandard field work. A copy of our firm's most recent peer review report follows this section. These peer reviews included a review of at least two governmental engagements, and it should be noted that there were no findings as a result of this review. We have never withdrawn from an engagement prior to the agreed expiration date.

Size and Organization

McDimit Davis LLC has 28 employees, the total number of governmental audit staff is 8; the professional staff of our firm has been conducting governmental audits in the Central Florida area for the past thirty years. We are experienced auditors in a variety of industries and offer experience in auditing federal grants under the Single Audit Act and performing compliance audits of state grants.

Our experience in governmental auditing has led to the development of efficient procedures that provide various client benefits. Our services provide our clients with a wide range of knowledge, confidence, and helpful management advice.



Below is a listing of the type of other services that we have provided to governmental clients:

1. Assistance in preparation of Comprehensive Annual Financial Reports for recognition by the Government Finance Officers Certificate of Achievement Program.
2. Internal Audit Services.
3. Issuance of Comfort Letters and Consent Letters in conjunction with the issuance of tax-exempt bonds.
4. Assistance on early implementation of new GASB Statements.
5. Assisting in compiling historical financial data for first-time submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting.
6. Detailed internal control studies and evaluations of accounting systems.

Engagement Team

The following table lists the names of firm accounting personnel assigned to the audit:

Name	Audit Role
Tamara Campbell, CPA	Engagement Partner
Michelle Sorbello, CPA	Engagement Manager
Matthew Lee, CPA	Engagement Manager

All of the above people have considerable experience on governmental audit engagements. All supervisory personnel assigned to the audit, are Certified Public Accountants. The engagement partner and audit manager will be assigned to audit on a full-time basis. In addition to the partner and managers, McDermitt Davis will utilize various audit senior and staff members for audit fieldwork.

Continuing Education

McDermitt Davis, LLC is committed to the personal and professional growth of its staff. Our firm requires an annual minimum of 40 hours of continuing professional education for each staff member.

Our governmental audit staff complies with the continuing education requirements of the State of Florida, the Governmental Accountability Office (GAO), and *Governmental Auditing Standards* (Yellow Book). Therefore at least 24 hours during a 2-year period must be in subjects directly related to the government environment and to governmental auditing. Our governmental audit staff always exceed this requirement since they attend each year the Florida Governmental Financial Officer's Association Annual Conference which provides 22 hours of training in governmental accounting and auditing.

As a result of our governmental experience, our staff has taught classes or lectured on various topics. We offer "in-house" education courses for our staff, which at times, our clients have attended. In addition, we are available to teach seminars for the benefit of the District's accounting staff.



Information Technology

Our firm has one dedicated Information Technology specialist who has several years' experience in setting up and administering computer systems and networks of all sizes. In addition, all governmental audit personnel are experienced with various governmental software programs. We utilize automated, paperless auditing software which stores all trial balances and audit workpapers electronically. We also use Data Analysis Software, which enables us to obtain 100% of selected data and **test** "through your computer system."

One of the services we provide our clients is CLIENT PORTAL. This is a convenient online storage space in which files can be effortlessly uploaded, downloaded, stored and shared in a safe and secure environment.

Records Retention

Our firm maintains records in accordance with local, state, and Federal Public Records Retention Requirements.

Federal or State Reviews

Any Federal or State desk review has resulted in no findings and we have never undergone a Federal or State field audit.

Peer Review Letter



PRIDA, GUIDA & PEREZ, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
1106 N. FRANKLIN STREET
TAMPA, FLORIDA 33602
TELEPHONE: (813) 226-6091
FAX: (813) 229-7754

Report on the Firm's System of Quality Control

August 21, 2020

To the Owners of McDirmit Davis, LLC
And the Peer Review Committee of the
Florida Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of McDirmit Davis, LLC (the firm), in effect for the year ended June 30, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of McDirmit Davis, LLC in effect for the year ended June 30, 2020 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. McDirmit Davis, LLC has received a peer review rating of *pass*.

Prida Guida & Perez, P.A.

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Audit Personnel Experience



Tammy Campbell, CPA

Partner

Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- Masters in Taxation, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)
- Reviewer for GFOA's "Certificate of Achievement for Excellence in Financial Reporting" program
- Member of the Orange County School Board Audit Advisory Committee

Continuing Professional Education

Tammy has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards (the "Yellow Book")*. CPE included classes on Single Audits, the *Yellow Book*, and changes in governmental accounting principles, such as GASBS 67 and 68 on pension plans.

Experience

- Tammy has sixteen (16) years of governmental accounting and auditing experience, including municipalities and airport authorities.
- Her experience has included planning, fieldwork, and preparation of comprehensive annual financial reports for several governmental audit engagements.
- Tammy has worked with all 14 municipalities in the CAFR preparation process, including assisting most cities with obtaining the GFOA Certificate of Achievement.

Governmental Audit Experience (Past 5 years)

- **Over 60 Community Development Districts**
- City of Belle Isle
- City of Clermont
- City of Inverness
- City of Lake Mary
- City of Longwood
- City of Mascotte
- City of Ocoee
- Town of Orange City
- City of Oviedo
- City of Tavares
- City of Umatilla
- City of Winter Springs
- Homosassa Water District



Michelle Sorbello, CPA

Audit Manager

Education, Certifications, and Licenses

- B.S. Degree in Accounting, University of Central Florida
- Masters in Accounting, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Michelle has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards*.

Experience

- Michelle has 6 years of governmental accounting and auditing experience.
- She has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements.

Governmental Audit Experience (Past 5 years)

- **Various Community Development Districts**
 - City of Inverness
 - City of Lake Mary
 - City of Longwood
 - City of Mascotte
 - City of Ocoee
 - City of Winter Springs



Matthew Lee, CPA

Audit Manager

Education, Certifications, and Licenses

- Master of Science in Accounting, University of Central Florida
- Master of Public Administration, University of Central Florida
- B.S. in Public Administration, University of Central Florida
- CPA, Certified Public Accountant - Florida

Affiliations and Community Involvement

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Continuing Professional Education

Matthew has completed over 120 hours of Continuing Professional Education (CPE) in the area of governmental accounting and auditing within the past three years and meets the requirements of *Governmental Auditing Standards*.

Experience

- Matthew has 8 years of governmental accounting and auditing experience.
- He has significant experience in the audits of governmental and not-for-profit entities, including those subject to Federal and Florida Single Audit requirements.

Governmental Audit Experience (Past 5 years)

- **Various Community Development Districts**
- City of Belle Isle
- City of Clermont
- City of Longwood
- City of Ocoee
- City of Oviedo
- City of Tavares
- City of Umatilla
- City of Winter Springs
- Sun 'N Lake Improvement District
- Town of Windermere



References of Governmental Accounting Experience

<u>Principal Client Contact</u>	<u>Scope of Work</u>	<u>Years</u>
Sun'n Lake of Sebring Improvement District		
<p>Ms. Tanya Cannady, General Manager.</p> <p>5306 Sun'n Lake Blvd. Sebring, FL 33872 tcannady@snldistrict.org</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2011 to Present
Sterling Hill Community Development District		
<p>Ms. Kaitlyn Gallant Rizzetta and Company Manager, District Accounting Services</p> <p>12750 Citrus Park Lane Suite 115 Tampa, Florida 33625 kgallant@rizzetta.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2007 to 2009 & 2013 to Present
Meadow Pointe II Community Development District		
<p>Mr. Alan Baldwin Inframark Accounting Manager</p> <p>210 N. University Drive Suite 702 Coral Springs, Florida 33071 alan.baldwin@inframark.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2012 to Present
Toscana Isles Community Development District		
<p>Mr. Jeffrey Pinder Wrathell Hunt and Associates Controller</p> <p>2300 Glades Road Suite 410W Boca Raton, Florida 33431 pinderj@whhassociates.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2015 to Present
Homosassa Special Water District		
<p>Ms. Teresa Olds, Manager</p> <p>7922 W. Grover Cleveland Blvd. Homosassa, FL 34448 hswd@tampabay.rr.com</p>	<ul style="list-style-type: none"> Annual Financial & Compliance Audit and preparation of Financials 	2007 to Present



List of 2019 Community Development District Audits:

Community Development District

Asturia Community Development District
 Bainebridge Community Development District
 Beach Road Golf Estates Community Development District
 Belmont Community Development District
 Bexley Community Development District
 Celebration Community Development District
 Chapel Creek Community Development District
 Concorde Estates Community Development District
 Copperspring Community Development District
 Dovera Community Development District
 Durbin Crossing Community Development District
 Enterprise Community Development District
 Fiddler's Creek Community Development District #1
 Forest Creek Community Development District
 Greyhawk Landing Community Development District
 Heritage Isle at Viera Community Development District
 Highlands Community Development District
 K-Bar Ranch Community Development District
 K-Bar Ranch II Community Development District
 Meadow Pointe II Community Development District
 Mediterra Community Development District
 Mirabella Community Development District
 Palm River Community Development District
 Portofino Springs Community Development District
 Scenic Highway Community Development District
 South Shore Corporate Park Community Development District
 Southaven Community Development District
 Southern Hills Plantation II Community Development District
 Spring Ridge Community Development District
 Sterling Hill Community Development District
 Suncoast Community Development District
 Talavera Community Development District
 The Crossings at Fleming Island Community Development District
 The Woodlands Community Development District
 Toscana Isles Community Development District
 Town of Kindred Community Development District
 Trails Community Development District
 Treeline Preserve Community Development District
 Trout Creek Community Development District
 University Square Community Development District
 University Village Community Development District
 Valencia Water Control District
 Venetian Community Development District
 Watergrass II Community Development District
 Waterlefe Community Development District
 Westridge Community Development District
 Wiregrass Community Development District
 Wiregrass II Community Development District

County

Pasco
 Duval
 Lee
 Hillsborough
 Pasco
 Osceola
 Pasco
 Osceola
 Pasco
 Seminole
 St. Johns
 Osceola
 Collier
 Manatee
 Manatee
 Brevard
 Hillsborough
 Hillsborough
 Hillsborough
 Pasco
 Collier
 Hillsborough
 Hillsborough
 Lee
 Polk
 Hillsborough
 St. Johns
 Hernando
 Hernando
 Hernando
 Pasco
 Pasco
 Clay
 North Port
 Sarasota
 Osceola
 Duval
 Lee
 St. Johns
 Lee
 Lee
 Orange
 Sarasota
 Pasco
 Manatee
 Polk
 Pasco
 Pasco

Service Approach



Service Approach

Our audit will be segmented as follows:

- Phase 1: Audit Planning
- Phase 2: Evaluation and Testing of Internal Controls
- Phase 3: Substantive Testing
- Phase 4: Reporting

Phase 1: Audit Planning

Preliminary planning includes deciding on an overall strategy for the audit, obtaining an understanding of the entity and its environment, including its internal control, making an initial assessment of audit risk and materiality, and deciding on the overall timing of the engagement. We will also begin to assemble our “permanent file,” which consists of copies of organizational charts, District manuals, documents, and financial and other management systems.



We will meet with staff of the District to obtain an understanding of the flow of transactions through your accounting system. This includes understanding your computer environment in order to comply with the requirements of AU-C 300, *Planning an Audit*. We will also gather information to identify fraud risks as required by AU-C 240 *Consideration of Fraud in a Financial Statement Audit*.

We will also perform preliminary analytical procedures and compare trends for the current and at least the two previous years for unusual fluctuations. This will include review of both budget and actual amounts.

During this planning phase, we will ask management and staff at the District to identify areas of higher risk as well as other areas that they want us to focus on during our audit. We will also provide the District with a list of all schedules to be prepared by the District.

Phase 2: Evaluation and Testing of Internal Controls and Compliance

During Phase 2, we will evaluate your control policies and procedures to determine if they are functioning properly in significant transaction classes. To gain an understanding of the procedures in place, and current internal control structure, we typically conduct interviews with staff and management involved in the specific transaction class to be tested. We then perform tests of these controls to determine with reasonable assurance that control procedures are functioning as planned and whether further testing will be needed.

As part of our tests of controls, we will include tests of compliance with applicable ordinances, and state and federal laws and regulations. In order to determine which ordinances, laws and regulations to test for compliance, we start by reviewing the FICPA Practice Aid *Compliance Auditing in Florida*. We then evaluate which ordinances, laws and regulations have a direct and material effect on the determination of financial statement amounts. Sample sizes are determined based upon our assessment of control risk and may be judgmental, random, or stratified, depending on the attributes of the population being tested. We will select samples from the significant transaction classes and trace from original documents through the computer system to the general ledger through the use of Data Analysis Software.



Service Approach - Continued

Phase 2: Evaluation and Testing of Internal Controls and Compliance - Continued

Our control testing includes obtaining an understanding of the computer software used by the District, and tracing sample selections through the system to determine the desired outcomes are being achieved. Our testing of Information Technology includes inquiries of appropriate personnel regarding data backups and access to District files.

After controls have been documented, evaluated and tested, we will finalize the District's audit plan. Audit programs will be tailored to fit the specifics of the District's accounting systems.

Phase 3: Substantive Testing

Our year-end fieldwork will focus on verifying balances in accounts. For example, we will confirm cash balances, as well as debt balances with financial institutions. In addition to obtaining audit confirmations, representation letters and attorney letters, we will perform tests on account balances using analytical procedures, recalculation and verification.

Our firm uses ProSystem fx Engagement electronic audit software which may allow us to interface with your accounting system and reduce the time required to transfer your accounting data to a separate software package. We believe it is important to use analytical review procedures in this substantive phase of the audit. We compare analytical results to our expectation of what the results should be in order to determine if additional audit procedures are required. Typical analytical procedures include expense variances with previous years and budget amounts, revenue variances with previous years and budgeted amounts.

We will keep the District's management up to date on the progress of the audit and will discuss preliminary findings and potential problems or opportunities as we encounter them. Our approach to resolving problems encountered is to discuss with the District Manager to make sure our understanding is correct. Our process to produce a meaningful "management letter" is to review results of testing of internal controls, as well as year-end field work and draft recommendations for improvements to be discussed with management.

Phase 4: Reporting

The audit work is reviewed by the engagement partner throughout the engagement. Once the engagement partner review is complete, a second review of the financial statements is performed by the independent reviewer. This second review is required as part of McDermitt Davis's internal system of quality control and ensures the District receives the best service possible.

We will prepare a draft of the financial statements and then issue the following:

- Auditor's report on financial statements
- Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with "Government Auditing Standards.
- Management Letter

We will provide technical assistance to the District to meet changes in required disclosures. Once reports have been reviewed by management and approved in final form, we will issue final reports and supply in electronic format.

Cost Proposal



Cost Proposal

We understand the requested services include audits of the District’s financial statements for the year ended September 30, 2021, with the option for 4 additional annual renewals. The audit will be made in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

McDermitt Davis, LLC is duly licensed under Chapter 473, Florida Statutes and is qualified to conduct audits in the State of Florida and audits in accordance with *Government Auditing Standards*.

We believe in continuing client contact throughout the year, not just during the audit. We encourage on-going client contact by not charging any fee for phone calls.

Fees include all services, including but not limited to, meals and lodging, transportation, printing and binding, telephone, fax and copies. Out of pocket expense (if any) related to charges for confirmations will be in addition to the audit fee. Invoices will be submitted as work progresses on each phase of the audit.

<u>Year Ended</u>	<u>Audit Fee*</u>
September 30, 2021	\$3,500
September 30, 2022	\$3,500
September 30, 2023	\$3,600
September 30, 2024	\$3,600
September 30, 2025	\$3,600

*Audit fee will increase \$900 in the year that bonds are issued

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

5D

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

AUDITOR EVALUATION MATRIX

RFP FOR ANNUAL AUDIT SERVICES	ABILITY OF PERSONNEL	PROPOSER'S EXPERIENCE	UNDERSTANDING OF SCOPE OF WORK	ABILITY TO FURNISH REQUIRED SERVICES	PRICE	TOTAL POINTS
PROPOSER	20 POINTS	20 POINTS	20 POINTS	20 POINTS	20 POINTS	100 POINTS
Berger, Toombs, Elam, Gaines & Frank						
Carr, Riggs & Ingram, LLC						
Grau and Associates						
McDermitt Davis, LLC						

NOTES:

Completed by: _____

Board Member's Signature

Date: _____

Printed Name of Board Member

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

6A

Attn:
STONEWATER COMMUNITY DEVELOPMENT DISTRICT
2300 GLADES ROAD, SUITE 410W
BOCA RATON, FL 33431

STATE OF FLORIDA COUNTY OF LEE:

Before the undersigned authority personally appeared
Michelle Kerton, who on oath says that
he or she is a Legal Assistant of the News-Press, a daily
newspaper published at Fort Myers in Lee County, Florida; that
the attached copy of advertisement, being a Legal Ad in the
matter of

REQUEST FOR QUALIFICATIONS FOR ENGINEERING
SERVICES FOR THE STONEWATER COMMUNITY
DEVELOPMENT DISTRICT RFQ for Engineering Services The
Stonewater Community De

In the Twentieth Judicial Circuit Court was published in said
newspaper in the issues of:

02/04/2021

Affiant further says that the said News-Press is a paper of
general circulation daily in Lee County and published at Fort
Myers, in said Lee County, Florida, and that the said newspaper
has heretofore been continuously published in said Lee County,
Florida each day and has been entered as periodicals matter at
the post office in Fort Myers, in said Lee County, Florida, for a
period of one year next preceding the first publication of the
attached copy of advertisement; and affiant further says that
he or she has never paid nor promised any person, firm or
corporation any discount, rebate, commission or refund for the
purpose of securing this advertisement for publication in the
said newspaper.

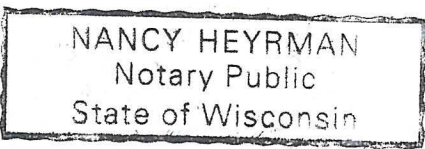
Sworn to and Subscribed before me this 4th of February 2021,
by legal clerk who is personally known to me.

[Signature]
Affiant

[Signature]
Notary State of Wisconsin, County of Brown

5.15.23
My commission expires

of Affidavits 1
This is not an invoice



REQUEST FOR QUALIFICATIONS FOR
ENGINEERING SERVICES
FOR THE STONEWATER COMMUNITY
DEVELOPMENT DISTRICT

RFQ for Engineering Services

The Stonewater Community Development District ("District"), located in the City of Cape Coral, Florida, announces that professional engineering services will be required on a continuing basis for the District's stormwater systems, and other public improvements authorized by Chapter 190, Florida Statutes. The engineering firm selected will act in the general capacity of District Engineer and will provide District engineering services, as required.

Any firm or individual ("Applicant") desiring to provide professional services to the District must: 1) hold applicable federal, state and local licenses; 2) be authorized to do business in Florida in accordance with Florida law; and 3) furnish a statement ("Qualification Statement") of its qualifications and past experience on U.S. General Service Administration's "Architect-Engineer Qualifications, Standard Form No. 330," with pertinent supporting data. Among other things, Applicants must submit information relating to: a) the ability and adequacy of the Applicant's professional personnel; b) whether the Applicant is a certified minority business enterprise; c) the Applicant's willingness to meet time and budget requirements; d) the Applicant's past experience and performance, including but not limited to past experience as a District Engineer for any community development districts and past experience with the City of Cape Coral; e) the geographic location of the Applicant's headquarters and offices; f) the current and projected workloads of the Applicant; and g) the volume of work previously awarded to the Applicant by the District. Further, each Applicant must identify the specific individual affiliated with the Applicant who would be handling District meetings, construction services, and other engineering tasks.

The District will review all Applicants and will comply with Florida law, including the Consultant's Competitive Negotiations Act, Chapter 287, Florida Statutes ("CCNA"). All Applicants interested must submit and one (1) unbound copy and one (1) electronic copy of Standard Form No. 330 and the Qualification Statement by 12:00 p.m., on February 18, 2021 to the attention of Stonewater CDD, District Manager, Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, ("District Manager's Office").

The Board shall select and rank the Applicants using the requirements set forth in the CCNA and the evaluation criteria on file with the District Manager, and the highest ranked Applicant will be requested to enter into contract negotiations. If an agreement cannot be reached between the District and the highest ranked Applicant, negotiations will cease and begin with the next highest ranked Applicant, and if these negotiations are unsuccessful, will continue to the third highest ranked Applicant.

The District reserves the right to reject any and all Qualification Statements. Additionally, there is no express or implied obligation for the District to reimburse Applicants for any expenses associated with the preparation and submittal of the Qualification Statements in response to this request.

Any protest regarding the terms of this Notice, or the evaluation criteria on file with the District Manager, must be filed in writing, within seventy-two (72) hours (excluding weekends) after the publication of this Notice. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid Notice or evaluation criteria provisions. Any person who files a notice of protest shall provide to the District, simultaneous with the filing of the notice, a protest bond with a responsible surety to be approved by the District and in the amount of Twenty Thousand Dollars (\$20,000.00).

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

6B

**REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES
FOR THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT**

RFQ for Engineering Services

The Stonewater Community Development District (“**District**”), located in the City of Cape Coral, Florida, announces that professional engineering services will be required on a continuing basis for the District’s stormwater systems, and other public improvements authorized by Chapter 190, *Florida Statutes*. The engineering firm selected will act in the general capacity of District Engineer and will provide District engineering services, as required.

Any firm or individual (“**Applicant**”) desiring to provide professional services to the District must: 1) hold applicable federal, state and local licenses; 2) be authorized to do business in Florida in accordance with Florida law; and 3) furnish a statement (“**Qualification Statement**”) of its qualifications and past experience on U.S. General Service Administration’s “Architect-Engineer Qualifications, Standard Form No. 330,” with pertinent supporting data. Among other things, Applicants must submit information relating to: a) the ability and adequacy of the Applicant’s professional personnel; b) whether the Applicant is a certified minority business enterprise; c) the Applicant’s willingness to meet time and budget requirements; d) the Applicant’s past experience and performance, including but not limited to past experience as a District Engineer for any community development districts and past experience with the City of Cape Coral; e) the geographic location of the Applicant’s headquarters and offices; f) the current and projected workloads of the Applicant; and g) the volume of work previously awarded to the Applicant by the District. Further, each Applicant must identify the specific individual affiliated with the Applicant who would be handling District meetings, construction services, and other engineering tasks.

The District will review all Applicants and will comply with Florida law, including the Consultant’s Competitive Negotiations Act, Chapter 287, *Florida Statutes* (“**CCNA**”). All Applicants interested must submit and one (1) unbound copy and one (1) electronic copy of Standard Form No. 330 and the Qualification Statement by 12:00 p.m., on February 18, 2021 to the attention of Stonewater CDD, District Manager, Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, (“**District Manager’s Office**”).

The Board shall select and rank the Applicants using the requirements set forth in the CCNA and the evaluation criteria on file with the District Manager, and the highest ranked Applicant will be requested to enter into contract negotiations. If an agreement cannot be reached between the District and the highest ranked Applicant, negotiations will cease and begin with the next highest ranked Applicant, and if these negotiations are unsuccessful, will continue to the third highest ranked Applicant.

The District reserves the right to reject any and all Qualification Statements. Additionally, there is no express or implied obligation for the District to reimburse Applicants for any expenses associated with the preparation and submittal of the Qualification Statements in response to this request.

Any protest regarding the terms of this Notice, or the evaluation criteria on file with the District Manager, must be filed in writing, within seventy-two (72) hours (excluding weekends)

after the publication of this Notice. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid Notice or evaluation criteria provisions. Any person who files a notice of protest shall provide to the District, simultaneous with the filing of the notice, a protest bond with a responsible surety to be approved by the District and in the amount of Twenty Thousand Dollars (\$20,000.00).

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

DISTRICT ENGINEER PROPOSALS

COMPETITIVE SELECTION CRITERIA

1) Ability and Adequacy of Professional Personnel (Weight: 25 Points)

Consider the capabilities and experience of key personnel within the firm including certification, training, and education; affiliations and memberships with professional organizations; etc.

2) Consultant's Past Performance (Weight: 25 Points)

Past performance for other Community Development Districts in other contracts; amount of experience on similar projects; character, integrity, reputation, of respondent; etc.

3) Geographic Location (Weight: 20 Points)

Consider the geographic location of the firm's headquarters, offices and personnel in relation to the project.

4) Willingness to Meet Time and Budget Requirements (Weight: 15 Points)

Consider the consultant's ability and desire to meet time and budget requirements including rates, staffing levels and past performance on previous projects; etc.

5) Certified Minority Business Enterprise (Weight: 5 Points)

Consider whether the firm is a Certified Minority Business Enterprise. Award either all eligible points or none.

6) Recent, Current and Projected Workloads (Weight: 5 Points)

Consider the recent, current and projected workloads of the firm.

7) Volume of Work Previously Awarded to Consultant by District (Weight: 5 Points)

Consider the desire to diversify the firms that receive work from the District; etc.

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

6C

Statement of Qualifications

Request for Qualifications for Engineering Services
for

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

Barraco
and Associates, Inc.

Presented to:
Stonewater CDD
District Manager's Office
Wrathell, Hunt & Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431



Due February 18, 2021
at 12:00 p.m.

February 17, 2021

* Via Federal Express *

Stonewater CDD
District Manager
Wrathell, Hunt & Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

Re: Request for Qualifications for Engineering Services for the
Stonewater Community Development District

Dear District Manager:

Barraco and Associates, Inc. (BAI) is pleased to submit this Statement of Qualifications to the Stonewater Community Development District (CDD) to serve as District Engineer.

BAI proposes Carl A. Barraco, P.E., to serve as District Engineer, with assistance from Carl Barraco, Jr., P.E., and Douglas Tarn. Mr. Barraco's experience with CDDs is diversified, including serving as CDD Supervisor for two independent Districts in Lee County for a combined tenure of eight years, assisting with the establishment of 19 CDDs, and serving as District Engineer for 22 Districts over the years. The Firm currently serves as District Engineer for 14 CDDs, with Mr. Barraco, Jr. currently serving as the Interim District Engineer for the Stonewater CDD. This experience provides a thorough knowledge of CDDs including their operating procedures and budgets. Mr. Tarn assists Mr. Barraco with a number of the Firm's current CDD responsibilities including field operations. Many CDDs do not have daily engineering issues, therefore, in order to preserve the CDD budget, BAI confirms with the respective CDD Manager whether the District Engineer's presence is needed or requested for each scheduled CDD BOS meeting.

Barraco and Associates appreciates this opportunity to provide the Firm's qualifications for District Engineer for the Stonewater Community Development District and we look forward to the opportunity to continue providing professional services to the Stonewater CDD.

If you should have any questions or require additional information, please advise.

Very truly yours,

BARRACO AND ASSOCIATES, INC.



Carl A. Barraco, P.E.
President

CAB/cmh
Enclosure

Table of Contents

LETTER OF INTEREST

FIRM PROFILE

Introduction	1
Services and Qualifications	2
Resumes	5
Licenses	10
Current and Projected Workload	14

STANDARD FORM 330

index

Firm Profile

Barraco and Associates, Inc. (BAI) was established in 1998; however, the firm's principals have worked together for 34 years in Southwest Florida. This history of shared work experience provided the solid foundation on which to build the firm and quickly established BAI as a regional leader of professional consulting firms in Southwest Florida.

BAI has a single office conveniently located in Fort Myers, blocks from the Lee County Government and Public Works offices as well as the City of Fort Myers City Hall and other federal, state and local review agencies including the South Florida Water Management District, Florida Department of Environmental Protection, Florida Department of Transportation, and the U.S. Army Corps of Engineers. Our proximity, coupled with interaction on numerous projects over the years, has secured a working knowledge and skillful aptitude of the criteria, processes, policies and procedures utilized for planning, permitting, designing and construction of projects in Southwest Florida. This experience has afforded BAI valuable insights to the various public information approaches along with a history of precedents, agency staff and working relationships among the involved entities. Project management is not an exact science and this experience is critical to implementing a timely project process.



The diversity of Barraco and Associates' expertise is illustrated in the following summarized list of professional consulting services provided by BAI staff.

ENGINEERING SERVICES

- ◆ Community Development District - District Engineer Duties
- ◆ Engineering Cost Analysis
- ◆ Traffic Impact Statements
- ◆ Utility Design
- ◆ Stormwater Management
- ◆ Roadway Design
- ◆ Permitting
- ◆ Utility Coordination



- ◆ Emergency Preparedness Plans
- ◆ Signing and Marking Design
- ◆ Access Management
- ◆ Project Management
- ◆ Public Information Facilitation
- ◆ Intersection Design
- ◆ Maintenance of Traffic Plans

ability / adequacy

- ✦ Expert Witness
- ✦ Design Alternatives
- ✦ Construction Plan Preparation
- ✦ Technical Specifications

BID SPECIFICATIONS

- ✦ Contract Documents
- ✦ Technical Specifications
- ✦ Addendum
- ✦ Change Orders
- ✦ Assistance with Bid Procedures
- ✦ Bid Tabulations
- ✦ Assistance with Contractor Selection



CONSTRUCTION ADMINISTRATION SERVICES

- ✦ Construction Engineering and Inspection (CEI)
- ✦ Assistance with Contractor Selection
- ✦ Design and Constructability Reviews



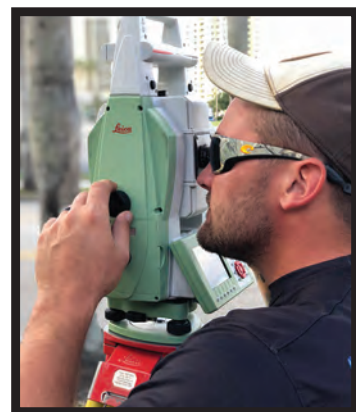
- ✦ Observation Activities
- ✦ Obtain Record Information
- ✦ Shop Drawing Reviews
- ✦ Contractor Pay Request Review
- ✦ Testing Materials & Result Review
- ✦ Pre-Construction Meeting
- ✦ Public Information Facilitation
- ✦ Public Involvement Workshops

CONSTRUCTION RECORD KEEPING

- ✦ Prepare and Maintain Records/Logs
- ✦ Final Documentation
- ✦ Record Drawing Production

SURVEYING & MAPPING

- ✦ Boundary and Control Surveys
- ✦ Sketches and Legal Descriptions
- ✦ Topographic Surveys
- ✦ Subdivision Platting
- ✦ Construction Stakeout
- ✦ GPS Services
- ✦ Deed Research
- ✦ Mortgage Inspections
- ✦ Right-of-Way Surveys
- ✦ Jurisdictional Surveys



PLANNING



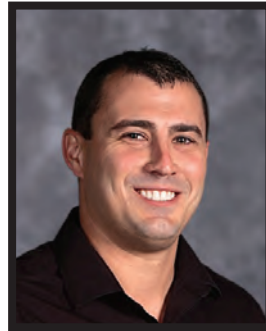
- ✦ Planned Development Rezoning
- ✦ Special Exceptions and Variances
- ✦ Community Planning
- ✦ Developments of Regional Impact (DRI)
- ✦ Due Diligence/Feasibility Study
- ✦ Comprehensive Plan Amendments
- ✦ Conflict Resolution
- ✦ Public Involvement & Facilitation
- ✦ Design Guidelines
- ✦ Zoning
- ✦ Master Concept Plans

PROPOSED PERSONNEL

BAI currently employs 52 residents of Southwest Florida. For the Stonewater CDD, BAI proposes Carl A. Barraco, P.E. as District Engineer, with Carl Barraco, Jr., P.E. and Douglas Tarn proposed as Assistant District Engineers. Meeting attendance, as well as requests for construction services or other engineering tasks will be handled by Mr. Barraco, or, when appropriate, by Mr. Barraco, Jr. or Mr. Tarn.



Carl A. Barraco, P.E.
Proposed District Engineer



Carl Barraco, Jr., P.E.
Proposed Assistant District Engineer



Douglas Tarn
Proposed Assistant District Engineer

Resumes for Mr. Barraco, Mr. Barraco, Jr., Mr. Tarn and additional BAI team members are provided on pages 5 - 9, with licensing and certifications provided on pages 10 - 13.

MBE STATUS

BAI is not a certified MBE firm. However, the firm utilizes MBE subconsultants on projects when additional consultant assistance may be required and certified MBE consultants are available to provide specific required services.

WILLINGNESS TO MEET TIME/BUDGET REQUIREMENTS

With 23 years of experience, BAI takes great pride in the firm’s track record of providing timely and efficient professional services to its clients. If a situation arises wherein additional in-house staff assistance is needed to meet a deadline or maintain a project schedule, BAI has the staffing available to reallocate resources to ensure project schedules and budgets are maintained throughout the duration of the project. BAI staff members understand one of the most significant measures of the success of a project is whether or not the project budget and schedule are maintained.

PAST EXPERIENCE AND PERFORMANCE, INCLUDING BUT NOT LIMITED TO PAST EXPERIENCE AS DISTRICT ENGINEER FOR ANY CDDs AND PAST EXPERIENCE WITH THE CITY OF CAPE CORAL

As further detailed in the GSA SF 330 forms provided within this submittal, BAI has provided services to establish 19 Districts; has performed District Engineer services for a total of 22 Community Development Districts over the years; and is currently the District Engineer for 15 CDDs, including currently as the Interim District Engineer for the Stonewater Community Development District. BAI's Survey Department has performed professional surveying services directly to the City of Cape Coral as well as survey services performed as a subconsultant to other engineering firms and/or local contractors who were performing services for the City of Cape Coral.

GEOGRAPHIC LOCATION OF HEADQUARTERS & OFFICES

BAI has a lone office, located adjacent to Downtown Fort Myers, on the historic McGregor Boulevard. The office is approximately 11.5 miles from the Stonewater Development location and is located at:

2271 McGregor Boulevard
Suite 100
Fort Myers, Florida 33901

CURRENT AND PROJECTED WORKLOADS

Please refer to the Current and Projected Workload chart provided on page 14 of this response.

VOLUME OF WORK PREVIOUSLY AWARDED TO FIRM BY THE STONEWATER CDD

BAI currently serves the Stonewater Community Development District as Interim District Engineer.

EDUCATION

University of South Florida
B.S. Civil Engineering, 1984
M.S. Civil Engineering, 1987

PROFESSIONAL REGISTRATION

Florida P.E. #38536 - 1987

PROFESSIONAL AFFILIATIONS

American Society of Civil
Engineers
Florida Engineering Society
National Society of
Professional Engineers

HONORS

2015-16
Florida Engineering Society
Calusa Chapter
Engineer of the Year

1998
Asphalt Contractors Assn. of
Florida, Inc. - District One
Roads and Streets Award

1993-94
Florida Engineering Society
Calusa Chapter
Young Engineer of the Year

1983
American Society of
Civil Engineers Student
Engineer of the Year

Tau Beta Pi National
Engineering Honor Society

Chi Epsilon National Civil
Engineering Honor Society

Phi Kappa Phi National Honor
Society

Carl A. Barraco, along with his associates, formed Barraco and Associates, Inc., in April 1998. Prior to this time he was a senior shareholder and served on the Board of Directors of a large Southwest Florida engineering and surveying firm.

Mr. Barraco has been providing engineering services in Southwest Florida for 37 years. His professional experience is well diversified as illustrated below:

- ◆ Served or currently serves as District Engineer for the following Districts:

Mirada	Treeline Preserve
Waterford Landing	Moody River Estates
Colonial Country Club	Stoneybrook
River Hall	East Bonita Beach Road
Catalina at Winkler Preserve	Bayside/Bay Creek
Paseo	Orange Blossom Ranch
Lucaya	Orange Blossom Groves
Corkscrew Farms	Eastwood Village
WildBlue	Blue Lake
V-Dana	

- ◆ Principal in Charge for **U.S. 41 Transmission Line Improvements (Alico Road to Colonial Boulevard, Phases 1A-1, 2A-West and 2A-East)** project for Lee County Utilities consisted of replacing existing forcemain and watermain from south of Old Gladiolus Drive to north of Crystal Drive in Fort Myers. To alleviate impacts to traffic, BAI successfully designed and coordinated the construction of watermain and forcemain directional bores beneath U.S. 41 and many side roads. To minimize construction costs and maintain an effective design, BAI coordinated with FDOT for simultaneous installation of the new 8-foot sidewalk being constructed within U.S. 41 right-of-way.

- ◆ **Orange Blossom Ranch/Orange Blossom Groves** - Engineer of Record for a ±1,600-unit residential development including 258 townhomes and 1,342 single family units located off Oil Well Road in Collier County.

- ◆ **Isles of Collier Preserve**, Phases 1-10 - Principal in Charge for the ±700 unit residential subdivision with associated Preview Center and Amenity Center located in Collier County, Florida.

- ◆ Project Engineer for **Paseo**, a 444-acre, 1,149 unit residential subdivision located in Fort Myers, Florida. Services included providing for infrastructure including all drainage, water and sewer design.

- ◆ Project Engineer for full infrastructure to support the **River Hall** subdivision, a 2,000-acre, 1,199-unit residential subdivision, located off of S.R. 80 in Lee County. Included infrastructure design and construction of over 20 miles of multiple diameter watermains, 18 miles of gravity sewer, 8.5 miles of forcemain including a Lee County Utilities 4,500 LF forcemain within S.R. 80 ROW.

- ◆ Project Engineer/Manager for **Somerset at the Plantation**, a 1,269-acre, 530-unit subdivision located in Fort Myers, Florida. Services included providing for infrastructure including all drainage, water and sewer design, permitting and certifications.

EDUCATION

University of Florida
M.S. - Civil Engineering, 2013

University of Florida
M.S. - Real Estate, 2009

University of South Florida
B.S. - Civil Engineering, 2007

PROFESSIONAL CERTIFICATIONS

Florida P.E. #81259 - 2016

PROFESSIONAL AFFILIATIONS

American Society of Civil Engineers

Florida Engineering Society

Lee Building Industry Association
Board of Directors

Carl A. Barraco, Jr., P.E. rejoined Barraco and Associates in his current capacity as a Professional Engineer/Project Manager in November 2013. Mr. Barraco has worked intermittently for the firm since 2005 in the fields of engineering and surveying while obtaining his undergraduate and post graduate degrees.

Mr. Barraco has approximately nine years of experience in the civil engineering / land development industry. His experience includes acting as Project Manager and Professional Engineer on projects ranging from small commercial projects to residential projects spanning hundreds of acres. Mr. Barraco's responsibilities include engineering design, project management and the procurement of new clients and projects for the firm.

Projects for which Mr. Barraco has been responsible for project management and/or engineering design include:

- ❖ **Stonewater:** The project consists of 327 single family units with supporting infrastructure. Mr. Barraco is the project manager for this project overseeing coordination for the project design, coordination with the Client as well as municipalities and regulatory agencies. The Stonewater project required a substantial amount of coordination with the City of Cape Coral utility staff to ensure the Stonewater design was completed in sync with the City of Cape Coral Utility Expansion North 2 (UEP2) project.
- ❖ **Sandoval Apartments (Coralina):** The project consists of 184 apartment units and supporting infrastructure situated on +/- 10.84 acres. Mr. Barraco is Engineer of Record for this project as well as project manager. The Sandoval project included coordination with other local firms to ensure the design of the utility and roadway infrastructure was consistent with the utility and roadway infrastructure designed for the expansion of Sandoval Parkway.
- ❖ **Westbrook:** The Westbrook project consists of 345 single family units, amenity center and supporting infrastructure situated on 105 +/- acres. Mr. Barraco is the project manager for this project overseeing coordination for the project design, coordination with the Client as well as municipalities and regulatory agencies. Westbrook required extensive coordination with Lee County Department of Transportation to complete the redesign and construction of the turn lanes on Three Oaks Parkway and on Winged Foot Drive.

EDUCATION

Santa Fe College
A.A.S. Building Construction
Technology (emphasis on
Construction Mgmt.), 2007

PROFESSIONAL CERTIFICATIONS

FDOT - Temporary Traffic Control
Advanced (expires 6/2023)

FDOT - Final Estimates (expires
7/31/2020)

FDOT - Earthwork Construction
Inspection (exp. 7/31/2020)

FDOT - Asphalt Paving Technician,
Level 1 (exp. 12/19)

FDOT - MSE Wall, 2016

FDEP Stormwater Management
Inspector, 2008

SFWMD Dewatering 101

USDOT - Nuclear Gauge HAZMAT

MILITARY SERVICE

Florida Army National Guard
Air Defense Artillery - 14S
2002-2005, Honorably Discharged

Douglas Tarn joined the construction administration team at Barraco and Associates, Inc. in May 2007. Mr. Tarn has provided project management and construction observation services on several projects since joining the firm, including the following:

- ✦ **Orange Grove Boulevard-Hancock Bridge Parkway to Pondella Road**, Lee County – This Lee County Utilities project consisted of replacing 10” water main on the east side of Orange Grove Boulevard from just south of Hancock Bridge Parkway to Pondella Road. The project included replacing existing storm drainage as well as installing new storm drainage to make improvements within the right-of-way. Over one mile of sidewalk was removed and replaced. Additional work included roadway and driveway repairs where new water main was installed. Mr. Tarn served as project manager.
- ✦ **The U.S. 41 Transmission Line Improvements (Alico Road to Colonial Boulevard, Phases 1A-1, 2A-West and 2A-East)** project for Lee County Utilities (LCU) consisted of replacing existing forcemain and watermain from south of Old Gladiolus Drive to north of Crystal Drive in Fort Myers. In order to alleviate impacts to traffic, BAI successfully designed and coordinated the construction of watermain and forcemain directional bores beneath U.S. 41 and many side roads. To minimize construction costs and maintain an effective design, BAI coordinated with FDOT for the simultaneous installation of the new 8-foot sidewalk being constructed within the U.S. 41 right-of-way. Mr. Tarn assisted with construction observations and project management for this LCU project.
- ✦ BAI performed **CEI and GIS services for State Road 739** (total length of 1.336 miles) for the City of Fort Myers. Most notable service provided was maintaining water and sewer service for residences and businesses during construction along the corridor. GIS services included providing as-built information after utilities were installed. Mr. Tarn served as the Senior Utility Inspector and Project Manager.
- ✦ For the **City of Fort Myers’ Metro Parkway Utilities Relocation** project from Dr. Martin Luther King, Jr. Boulevard to Hanson Street on Evans Avenue and Fowler Street to Industrial Street on Hanson Street, Mr. Tarn witnessed and inspected the removal and installation of force main, gravity sewer, and water main. Other responsibilities included maintaining daily construction reports and client and contractor interface. This project was completed in 2008, ahead of schedule and under budget, and was constructed under a JPA between the City of Fort Myers and the FDOT.

EDUCATION

Cypress Lake High School 1981

PROFESSIONAL REGISTRATION

Professional Surveyor & Mapper
LS5949 - Florida, 1999

PROFESSIONAL AFFILIATIONS

National Society of Professional
Surveyors & Mappers

American Congress of Surveying
& Mapping

Florida Surveying & Mapping
Society

Certified Survey Technician III

Scott Wheeler joined the surveying profession immediately after graduation from high school in 1981 and began working on a survey crew as a rodman, working his way up to instrumentman and party chief. In 1987, he was transferred to an office position as a survey technician. In 1991, Mr. Wheeler became a Certified Survey Technician through the American Congress of Surveying and Mapping. In 1999, Mr. Wheeler became a licensed Surveyor and Mapper in the State of Florida.

Mr. Wheeler joined Barraco and Associates in 1999 as Vice President of Surveying. In this capacity Mr. Wheeler was responsible for the organization and implementation of a new department and the addition of professional services offered by BAI. Mr. Wheeler oversaw the hiring of survey personnel and the acquisition of necessary equipment to outfit survey field crews. Mr. Wheeler's responsibilities include reviewing new projects to determine requirements, available resources and scheduling constraints; setting overall guidelines for work completion; as well as executing effective methods to monitor project progress and efficiency. Since starting the department for Barraco and Associates, surveying has become an integral component of the services provided to the company's clients and currently provides personnel for three field crews.

Mr. Wheeler has provided technical support on a number of right-of-way plans for the Florida Department of Transportation. In the private sector Mr. Wheeler has extensive experience with the production of record plats for Private Equity Group, PulteGroup, CalAtlantic, Lennar, WCI Communities, Bonita Bay Group, Land Solutions, Inc., and numerous others. These duties included calculations for the field crews and producing computer aided drawings and plat sheets. Mr. Wheeler has also provided services for the following projects:

- ⊕ Lee County Department of Transportation right-of-way surveys for Three Oaks Parkway and Williams Road
- ⊕ Record plats for WildBlue, Westbrook, Tidewater, Mediterra, Paseo, River Hall, Pelican Landing, Bonita Bay and numerous other subdivision plats in Lee and Collier counties.
- ⊕ Boundary surveys within the City of Fort Myers, Lee, Charlotte, Collier, Hendry and DeSoto counties.

While at Barraco and Associates, Mr. Wheeler has provided surveys for residential and commercial projects. This experience includes the utilization of a Global Positioning System to provide utility locations for record drawings.

EDUCATION

Purdue University
Interior Design, 1991-94

Edison Community College

PROFESSIONAL REGISTRATION

AICP #028786 - November 2015

CERTIFICATIONS

Green Building Certification Institute
LEED Accredited Professional
(LEED AP) - 2009

AFFILIATIONS

American Planning Association,
Florida Chapter, Promised Lands
Section

International Council of Shopping
Centers (ICSC)

Land Development Advisory
Committee

City of Fort Myers Downtown/
Midtown Steering Committee

Ms. Sapen began her career with Johnson Engineering in 1998 as an engineering draftsman. As a multi-discipline firm, she gained experience and knowledge of water management and environmental parameters unique to Southwest Florida, land planning concepts and procedures, and subdivision design standards.

In 2002, Ms. Sapen joined Barraco and Associates as a land planning and site design specialist. Here she combined her engineering knowledge with a creative sense of space and respect for land planning principles to develop land solutions which are cost effective, honor jurisdictional goals, and yield market appeal through synergy and cohesion. Her appointment to the Land Development Advisory Committee in 2009 ensures a working knowledge of Lee County Codes as well as an understanding of changes and how they relate to County objectives.

As a land planner, Ms. Sapen's responsibilities include project coordination in the preparation and presentation for rezonings and Comprehensive Plan Amendments. Serving as an expert in the realm of site planning and land planning, Ms. Sapen has provided testimony on the following projects through public hearing processes in Southwest Florida:

- ◆ Isles of Collier Preserve PUD - Collier County
- ◆ Banana Branch CPA/PUD - Hendry County
- ◆ Tri-County Commerce Center IPD - City of Fort Myers
- ◆ Sonoma Preserve PUD - DeSoto County
- ◆ Michigan Avenue PUD/CPA - City of Fort Myers
- ◆ Gully Creek RPD - Lee County
- ◆ 3691 Canal Street Administrative Appeal - City of Fort Myers
- ◆ Colonial Hammock PUD - City of Fort Myers
- ◆ Eastwood Village - City of Fort Myers
- ◆ Oak View RPD - Lee County
- ◆ Brookshire CPD - Lee County
- ◆ Blasingim RPD - Lee County
- ◆ Prima Luce - City of Fort Myers
- ◆ Homestead MPD - Lee County
- ◆ Eastwood Village - City of Fort Myers
- ◆ J.J. Taylor PUD - City of Fort Myers
- ◆ Enclaves CPD/RPD - Lee County
- ◆ Stonewater PDP - City of Cape Coral
- ◆ Tidewater MPD - Village of Estero
- ◆ Bella Vida PDP - City of Cape Coral

State of Florida



Department of State

I certify from the records of this office that BARRACO AND ASSOCIATES, INC. is a corporation organized under the laws of the State of Florida, filed on March 5, 1998.

The document number of this corporation is P98000021404.

I further certify that said corporation has paid all fees due this office through December 31, 2020, that its most recent annual report/uniform business report was filed on January 16, 2020, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Thirteenth day of April, 2020



CR2E022 (01-11)

Laurel M. Lee

Secretary of State



RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

BOARD OF PROFESSIONAL ENGINEERS

THE ENGINEERING BUSINESS HEREIN IS AUTHORIZED UNDER THE
PROVISIONS OF CHAPTER 471, FLORIDA STATUTES

BARRACO AND ASSOCIATES, INC.

2271 MCGREGOR BOULEVARD SUITE 100
FT. MYERS FL 33901

LICENSE NUMBER: CA7995

EXPIRATION DATE: FEBRUARY 28, 2021

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.



Florida Department of Agriculture and Consumer Services
Division of Consumer Services
Board of Professional Surveyors and Mappers
2005 Apalachee Pkway Tallahassee, Florida 32399-6500

License No.: LB6940

Expiration Date: February 28, 2021

Professional Surveyor and Mapper Business License

Under the provisions of Chapter 472, Florida Statutes

BARRACO AND ASSOCIATES INC
2271 MCGREGOR BLVD
FORT MYERS, FL 33901-3314

NICOLE "NIKKI" FRIED
COMMISSIONER OF AGRICULTURE

This is to certify that the professional surveyor and mapper whose name and address are shown above is licensed as required by Chapter 472, Florida Statutes.



RICK SCOTT, GOVERNOR

JONATHAN ZACHEM, SECRETARY



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

BOARD OF PROFESSIONAL ENGINEERS

THE PROFESSIONAL ENGINEER HEREIN IS LICENSED UNDER THE
PROVISIONS OF CHAPTER 471, FLORIDA STATUTES

BARRACO, CARL ANTHONY

2271 MCGREGOR BLVD.
SUITE 100
FORT MYERS FL 339010000

LICENSE NUMBER: PE38536

EXPIRATION DATE: FEBRUARY 28, 2021

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.



Ron DeSantis, Governor



STATE OF FLORIDA

BOARD OF PROFESSIONAL ENGINEERS

THE PROFESSIONAL ENGINEER HEREIN IS LICENSED UNDER THE
PROVISIONS OF CHAPTER 471, FLORIDA STATUTES

BARRACO, CARL A. JR.

1352 SHADOW LANE
FORT MYERS FL 33901

LICENSE NUMBER: PE81259

EXPIRATION DATE: FEBRUARY 28, 2021

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.



Florida Department of Agriculture and Consumer Services
 Division of Consumer Services
 Board of Professional Surveyors and Mappers
 2005 Apalachee Pkway Tallahassee, Florida 32399-6500

License No.: **LS5949**
 Expiration Date February 28, 2021

Professional Surveyor and Mapper License
 Under the provisions of Chapter 472, Florida Statutes

SCOTT ALAN WHEELER
 2271 MCGREGOR BLVD
 FORT MYERS, FL 33901-3314

Nicole Fried

NICOLE "NIKKI" FRIED
 COMMISSIONER OF AGRICULTURE

This is to certify that the professional surveyor and mapper whose name and address are shown above is licensed as required by Chapter 472, Florida Statutes.



This certificate hereby qualifies

Jennifer Sapen, AICP

as a member with all the benefits of a Certified Planner and a commitment to the AICP Code of Ethics and Professional Conduct.

Certified Planner Number: 028786

James M. Drinan
 James M. Drinan, JD
 Executive Director

Valerie Hubbard
 Valerie Hubbard, FAICP
 President



GREEN BUILDING CERTIFICATION INSTITUTE

HEREBY CERTIFIES THAT

Jennifer Sapen

HAS ACHIEVED THE DESIGNATION OF

LEED® ACCREDITED PROFESSIONAL

BY DEMONSTRATING THE KNOWLEDGE OF GREEN BUILDING PRACTICE
 REQUIRED FOR SUCCESSFUL IMPLEMENTATION OF THE LEADERSHIP IN ENERGY
 AND ENVIRONMENTAL DESIGN (LEED®) GREEN BUILDING RATING SYSTEM™.



Dan Inwood

March 17, 2009

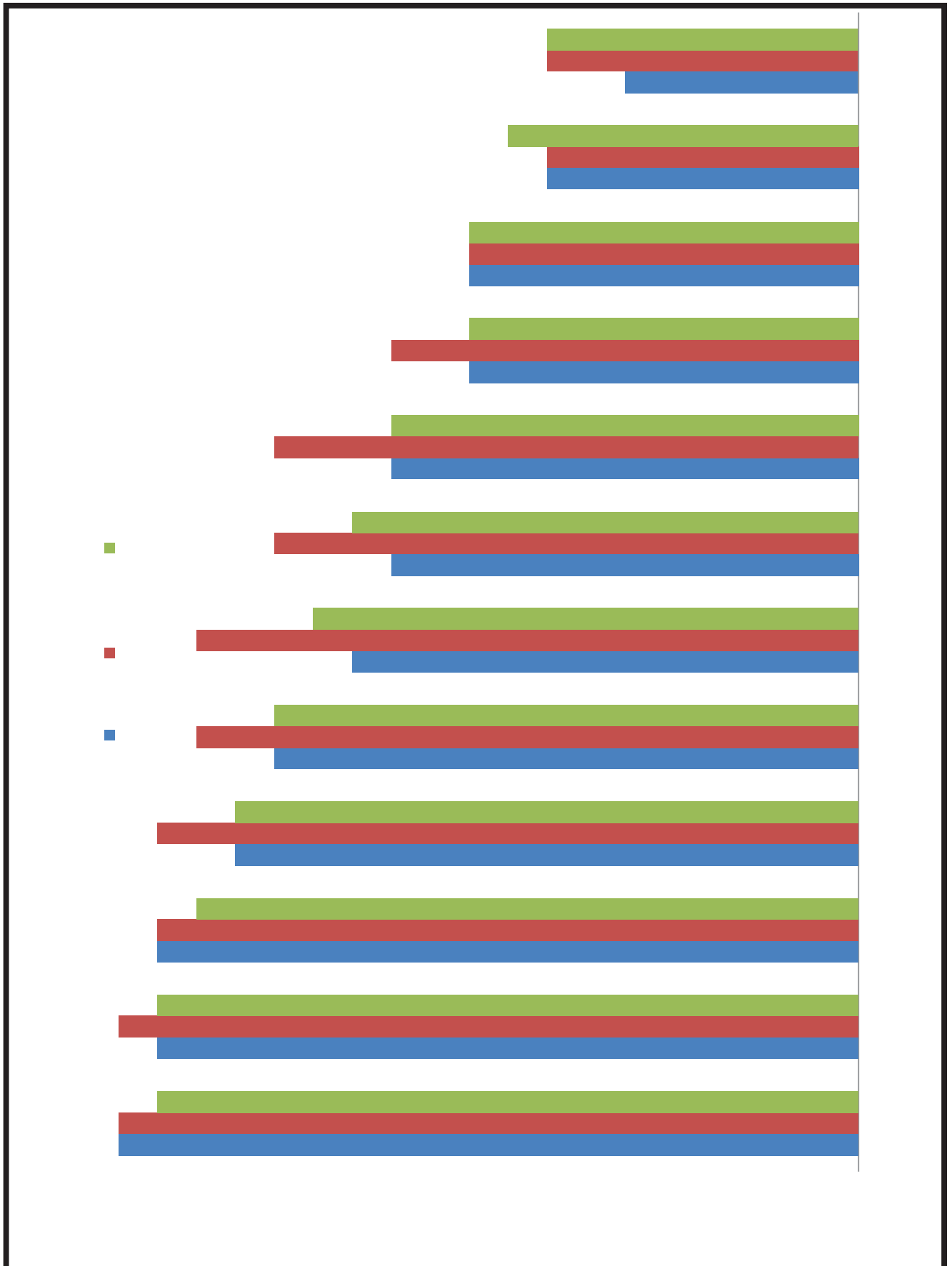
Peter Tompkins

Chairman

Date Issued

Peter Tompkins, President

Current & Projected Workload



ARCHITECT - ENGINEER QUALIFICATIONS

PART I - CONTRACT-SPECIFIC QUALIFICATIONS

A. CONTRACT INFORMATION

1. TITLE AND LOCATION *(City and State)*

Request for Qualifications for Engineering Services for Stonewater Community Development District

2. PUBLIC NOTICE DATE

February 3, 2021

3. SOLICITATION OR PROJECT NUMBER

N/A

B. ARCHITECT-ENGINEER POINT OF CONTACT

4. NAME AND TITLE

Carl A. Barraco, P.E.

5. NAME OF FIRM

Barraco and Associates, Inc.

6. TELEPHONE NUMBER

239.461.3170

7. FAX NUMBER

239.461.3169

8. E-MAIL ADDRESS

carlb@barraco.net

C. PROPOSED TEAM

(Complete this section for the prime contractor and all key subcontractors.)

	(Check)			9. FIRM NAME	10. ADDRESS	11. ROLE IN THIS CONTRACT
	PRIME	J-V PARTNER	SUBCONTRACTOR			
a.	✓			Barraco and Associates, Inc. <input type="checkbox"/> CHECK IF BRANCH OFFICE	2271 McGregor Boulevard Suite 100 Fort Myers, FL 33901	District Engineer
b.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
c.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
d.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
e.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		
f.				<input type="checkbox"/> CHECK IF BRANCH OFFICE		

D. ORGANIZATIONAL CHART OF PROPOSED TEAM

(Attached)

E. RESUMES OF KEY PERSONNEL PROPOSED FOR THIS CONTRACT

(Complete one Section E for each key person.)

12. NAME Carl A. Barraco, P.E.	13. ROLE IN THIS CONTRACT District Engineer / Principal in Charge	14. YEARS EXPERIENCE	
		a. TOTAL 37	b. WITH CURRENT FIRM 23

15. FIRM NAME AND LOCATION *(City and State)*
Barraco and Associates, Inc. - Fort Myers, Florida

16. EDUCATION <i>(Degree and Specialization)</i> M.S. - Civil Engineering (1987) B.S. - Civil Engineering (1984)	17. CURRENT PROFESSIONAL REGISTRATION <i>(State and Discipline)</i> Professional Engineering License No. 38536 - Florida
--	---

18. OTHER PROFESSIONAL QUALIFICATIONS *(Publications, Organizations, Training, Awards, etc.)*
Florida Engineering Society (FES) Calusa Chapter - Engineer of the Year Award (2015-16); Road & Streets Award presented by District One of the Asphalt Contractor Assn. of Fla., Inc. (1998); FES Calusa Chapter - Young Engineer of the Year Award (1993-94); American Society of Civil Engineers - Student Engineer of the Year (1983)

19. RELEVANT PROJECTS

(1) TITLE AND LOCATION <i>(City and State)</i>	(2) YEAR COMPLETED	
	PROFESSIONAL SERVICES	CONSTRUCTION <i>(If applicable)</i>
a. Paseo - Fort Myers (Lee County, Florida)	2011	Cont
(3) BRIEF DESCRIPTION <i>(Brief scope, size, cost, etc.)</i> AND SPECIFIC ROLE <input checked="" type="checkbox"/> Check if project performed with current firm Project Engineer/Manager for 444-acre, 1,149 unit residential subdivision; services included provided for infrastructure including all drainage, water and sewer design. Estimated infrastructure construction cost for Phase I is \$10,400,000.		
b. Bayside/Bay Creek CDD (Lee County, Florida)	Cont	N/A
(3) BRIEF DESCRIPTION <i>(Brief scope, size, cost, etc.)</i> AND SPECIFIC ROLE <input checked="" type="checkbox"/> Check if project performed with current firm District Engineer for the Bayside and Bay Creek Community Development Districts.		
c. Corkscrew Farms CDD	Continuing	Continuing
(3) BRIEF DESCRIPTION <i>(Brief scope, size, cost, etc.)</i> AND SPECIFIC ROLE <input checked="" type="checkbox"/> Check if project performed with current firm The District includes approximately +/- 999 acres of the overall +/-1,361 acre Corkscrew Farms Development. A total of 1,325 residential units is proposed to be constructed over the course of two phases. The development is located in Lee County, Florida. Proposed public infrastructure is estimated at \$51,000,000.		
d. Mirada (Fort Myers, Lee County, Florida)	Cont	N/A
(3) BRIEF DESCRIPTION <i>(Brief scope, size, cost, etc.)</i> AND SPECIFIC ROLE <input checked="" type="checkbox"/> Check if project performed with current firm Principal in Charge for a 59-acre, mixed use development (240 residential units, 200,000 sq. ft. medical/office space); services include design of infrastructure (paving, drainage, water, sewer, and surface water management). Not yet constructed.		
e. Waterford Landing (Fort Myers, Lee County, Florida)	Cont	Cont
(3) BRIEF DESCRIPTION <i>(Brief scope, size, cost, etc.)</i> AND SPECIFIC ROLE <input checked="" type="checkbox"/> Check if project performed with current firm Principal in Charge for this 1,012-unit, 255.8-acre residential development. BAI provided full civil engineering and survey services including zoning, site design, permitting, surveys, construction administration, and project certification. Estimated infrastructure costs for this project \$12,367,000.		

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 1.
21. TITLE AND LOCATION <i>(City and State)</i> Corkscrews Farms Community Development District (CDD)	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Continuing	CONSTRUCTION <i>(If applicable)</i> Continuing

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Corkscrew Farms CDD	b. POINT OF CONTACT NAME Brian Lamb, District Manager	c. POINT OF CONTACT TELEPHONE NUMBER 813.873.7300
---	--	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

Corkscrew Farms CDD consists of +/-999 acres of the overall +/-1,361 acre Corkscrew Farms Development. A total of 1,325 residential units is proposed to be constructed within the District over the course of two phases. The proposed infrastructure, which is considered fundable from the Bonds, is estimated at \$51,000,000. This project is ongoing.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 2.
21. TITLE AND LOCATION <i>(City and State)</i> Bayside / Bay Creek CDD	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> N/A

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Bayside / Bay Creek CDD	b. POINT OF CONTACT NAME Chuck Adams, District Manager	c. POINT OF CONTACT TELEPHONE NUMBER 239.498.9020
---	---	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

District Engineer for the Community Development District.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 3.
21. TITLE AND LOCATION <i>(City and State)</i> Paseo CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Paseo Community Development District	b. POINT OF CONTACT NAME Belinda Blandon	c. POINT OF CONTACT TELEPHONE NUMBER (239) 936-0913
--	---	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI has been providing full civil engineering and surveying services through construction on this +/-450 acre residential community with 749 multi-family and 378 single family units; currently serving as District Engineer for the Community Development District.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / Surveyor / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 4.
21. TITLE AND LOCATION <i>(City and State)</i> Lucaya CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Lucaya Community Development District	b. POINT OF CONTACT NAME Belinda Blandon	c. POINT OF CONTACT TELEPHONE NUMBER (239) 936-0913
---	---	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI provided full civil engineering and surveying services through construction on this +/-99 acre, 384 unit multi-family residential community and is currently serving as District Engineer for the Community Development District.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / Surveyor / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 5.
21. TITLE AND LOCATION <i>(City and State)</i> Catalina at Winkler Preserve CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Catalina at Winkler Preserve CDD	b. POINT OF CONTACT NAME Belinda Blandon	c. POINT OF CONTACT TELEPHONE NUMBER (239) 936-0913
---	--	---

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI provided civil engineering and surveying services including site design, permitting and surveying for this +/-111 acre, 282 single family unit residential development and is currently serving as District Engineer for the Community Development District.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / Surveyor / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 6.
21. TITLE AND LOCATION <i>(City and State)</i> Moody River Estates CDD, North Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Moody River Estates CDD	b. POINT OF CONTACT NAME Chuck Adams, District Manager	c. POINT OF CONTACT TELEPHONE NUMBER (239) 498-9038
---	---	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI provides professional services to Moody River Estates Community Development District after completion of all CDD infrastructure was completed by others.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 7.
21. TITLE AND LOCATION <i>(City and State)</i> Waterford Landing CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Waterford Landing CDD	b. POINT OF CONTACT NAME Craig Wrathell, District Manager	c. POINT OF CONTACT TELEPHONE NUMBER (954) 426-2105
---	--	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI has been providing full civil engineering and survey services including zoning, site design, permitting, surveys, construction administration, and project certification for this +/-255 acre, 1,012 unit residential development and is currently serving as District Engineer for the CDD.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / Surveyor / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 8.
21. TITLE AND LOCATION <i>(City and State)</i> Mirada CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER	b. POINT OF CONTACT NAME	c. POINT OF CONTACT TELEPHONE NUMBER
Mirada Community Development District	Paul Winkeljohn, District Manager	(954) 721-8681

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI provided infrastructure design including paving, drainage, water, sewer and surface water management for this +/-59 acre mixed use development (240 residential units, 200,000 sf of medical office space).

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 9.
21. TITLE AND LOCATION <i>(City and State)</i> Treeline Preserve CDD, Fort Myers, Florida	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Cont	CONSTRUCTION <i>(If applicable)</i> Cont

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Treeline Preserve CDD	b. POINT OF CONTACT NAME Paul Winkeljohn, District Manager	c. POINT OF CONTACT TELEPHONE NUMBER (954) 721-8681
---	---	--

24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT *(Include scope, size, and cost)*

BAI has been providing full civil engineering and surveying services for this +/-97 acre, 676 multi-family unit, 350,000 sf commercial development and is currently serving as District Engineer.

25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE Civil Engineer / Surveyor / District Engineer
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

F. EXAMPLE PROJECTS WHICH BEST ILLUSTRATE PROPOSED TEAM'S QUALIFICATIONS FOR THIS CONTRACT <i>(Present as many projects as requested by the agency, or 10 projects, if not specified. Complete one Section F for each project.)</i>		20. EXAMPLE PROJECT KEY NUMBER 10.
21. TITLE AND LOCATION <i>(City and State)</i> Blue Lake Community Development District	22. YEAR COMPLETED	
	PROFESSIONAL SERVICES Ongoing	CONSTRUCTION <i>(If applicable)</i> Ongoing

23. PROJECT OWNER'S INFORMATION

a. PROJECT OWNER Blue Lake CDD	b. POINT OF CONTACT NAME Kathleen D. Meneely, SW Fla. District Mgr.	c. POINT OF CONTACT TELEPHONE NUMBER 941.875.4195
24. BRIEF DESCRIPTION OF PROJECT AND RELEVANCE TO THIS CONTRACT <i>(Include scope, size, and cost)</i>		

Blue Lake Community Development District consists of +/-706 acres of the overall +/-2,960 acre WildBlue Development. The community that comprises the District is known as VistaBlue. A total of 423 single family residential units are proposed to be constructed within the District over the course of three phases. The proposed public infrastructure which is considered fundable from the Bonds was estimated at \$12,281,000. This project is ongoing.

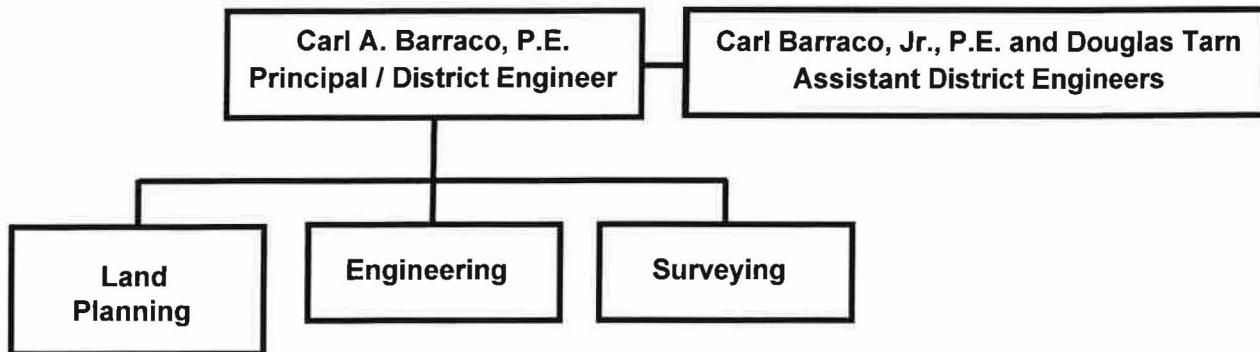
25. FIRMS FROM SECTION C INVOLVED WITH THIS PROJECT

a.	(1) FIRM NAME Barraco and Associates, Inc.	(2) FIRM LOCATION <i>(City and State)</i> Fort Myers, Florida	(3) ROLE District Engineer, Civil Engineer, Surveyor
b.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
c.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
d.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
e.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE
f.	(1) FIRM NAME	(2) FIRM LOCATION <i>(City and State)</i>	(3) ROLE

H. ADDITIONAL INFORMATION

30. PROVIDE ANY ADDITIONAL INFORMATION REQUESTED BY THE AGENCY. ATTACH ADDITIONAL SHEETS AS NEEDED.

D. ORGANIZATIONAL CHART OF PROPOSED TEAM (from Page 1)



I. AUTHORIZED REPRESENTATIVE

The foregoing is a statement of facts.

31. SIGNATURE

32. DATE

02/17/2021

33. NAME AND TITLE

Carl A. Barraco, P.E., President

ARCHITECT-ENGINEER QUALIFICATIONS

1. SOLICITATION NUMBER (If any)

PART II - GENERAL QUALIFICATIONS


(If a firm has branch offices, complete for each specific branch office seeking work.)

2a. FIRM (or Branch Office) NAME Barraco and Associates, Inc.			3. YEAR ESTABLISHED 1998	4. UNIQUE ENTITY IDENTIFIER
2b. STREET 2271 McGregor Boulevard, Suite 100			5. OWNERSHIP	
2c. CITY Fort Myers	2d. STATE FL	2e. ZIP CODE 33901	a. TYPE Florida Corporation	
6a. POINT OF CONTACT NAME AND TITLE Carl A. Barraco, P.E., President			b. SMALL BUSINESS STATUS	
6b. TELEPHONE NUMBER 239.461.3170			6c. E-MAIL ADDRESS carlb@barraco.net	
8a. FORMER FIRM NAME(S) (If any)			8b. YEAR ESTABLISHED	8c. UNIQUE ENTITY IDENTIFIER

9. EMPLOYEES BY DISCIPLINE				10. PROFILE OF FIRM'S EXPERIENCE AND ANNUAL AVERAGE REVENUE FOR LAST 5 YEARS		
a. Function Code	b. Discipline	c. Number of Employees		a. Profile Code	b. Experience	c. Revenue Index Number (see below)
		(1) FIRM	(2) BRANCH			
02	Administrative	7		C15	Construction Management	4
08	CADD Technician/Designer	18		C16	Construction Surveying	3
12	Civil Engineer	5		G04	Geographic Info. System Services	1
15	Construction Inspector/Observer	2		H07	Highways; Streets; Parking Lots	2
16	Construction Manager	1		H11	Housing (Residential, Multi-Family)	3
38	Land Surveyor (field/office staff)	14		I06	Irrigation; Drainage	2
47	Planner	2		L02	Land Surveying	3
48	Project Manager	3		P05	Planning (Community, Regional)	1
				P06	Planning (Site, Installation, Project)	2
				S10	Surveying; Platting; Mapping; Flood	3
				S13	Storm Water Handling & Facilities	2
				T04	Topographic Surveying & Mapping	2
				W02	Water Resources; Hydrology; GW	2
				W03	Water Supply; Treatment & Distrib.	2
				Z01	Zoning; Land Use Studies	2
	Other Employees					
	Total	52				

11. ANNUAL AVERAGE PROFESSIONAL SERVICES REVENUES OF FIRM FOR LAST 3 YEARS (Insert revenue index number shown at right)		PROFESSIONAL SERVICES REVENUE INDEX NUMBER			
a. Federal Work	0	1. Less than \$100,000	6. \$2 million to less than \$5 million	7. \$5 million to less than \$10 million	8. \$10 million to less than \$25 million
b. Non-Federal Work	7	2. \$100,000 to less than \$250,000	9. \$25 million to less than \$50 million	10. \$50 million or greater	
c. Total Work	7	3. \$250,000 to less than \$500,000			
		4. \$500,000 to less than \$1 million			
		5. \$1 million to less than \$2 million			

12. AUTHORIZED REPRESENTATIVE
The foregoing is a statement of facts.

a. SIGNATURE 	b. DATE 02/17/2021
---	-----------------------

a. NAME AND TITLE
Carl A. Barraco, P.E., President

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

6D

**Stonewater Community Development District
Request for Qualifications – District Engineering Services**

Competitive Selection Criteria

	Ability and Adequacy of Professional Personnel	Consultant's Past Performance	Geographic Location	Willingness to Meet Time and Budget Requirements	Certified Minority Business Enterprise	Recent, Current and Projected Workloads	Volume of Work Previously Awarded to Consultant by District	TOTAL SCORE
<i>weight factor</i>	25	25	20	15	5	5	5	100
NAME OF RESPONDENT								
1 Barraco and Associates, Inc.								

Board Member's Signature

Date

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

7

RESOLUTION 2021-28

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME AND LOCATION OF A PUBLIC HEARING REGARDING THE DISTRICT'S INTENT TO USE THE UNIFORM METHOD FOR THE LEVY, COLLECTION, AND ENFORCEMENT OF NON-AD VALOREM SPECIAL ASSESSMENTS AS AUTHORIZED BY SECTION 197.3632, FLORIDA STATUTES; AUTHORIZING THE PUBLICATION OF THE NOTICE OF SUCH HEARING; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the District pursuant to the provisions of Chapter 190, *Florida Statutes*, is authorized to levy, collect and enforce certain special assessments, which include benefit and maintenance assessments and further authorizes the Board of Supervisors of the District ("**Board**") to levy, collect and enforce special assessments pursuant to Chapters 170 and 190, *Florida Statutes*; and

WHEREAS, the District desires to use the uniform method for the levy, collection and enforcement of non-ad valorem special assessments authorized by Section 197.3632, *Florida Statutes* ("**Uniform Method**").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT:

1. PUBLIC HEARING. A Public Hearing will be held on the District's intent to adopt the Uniform Method on _____, 2021, at _____ .m., at the offices of D R Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966.

2. PUBLICATION. The District Secretary is directed to publish notice of the hearing in accordance with Section 197.3632, *Florida Statutes*.

3. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 25th day of February, 2021.

ATTEST:

**STONEWATER COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

8

**MASTER
ENGINEER'S REPORT**

FOR

**STONEWATER
COMMUNITY DEVELOPMENT DISTRICT**

February 25, 2021

PREPARED BY

Barraco
and Associates, Inc.

**2271 McGregor Boulevard
Suite 100
Fort Myers, Florida 33901**

Carl A. Barraco, Jr. P.E. (Pages 1-16)
Florida Registration No. 81259
Florida Certificate of Authorization #7995
Barraco and Associates, Inc.
2271 McGregor Boulevard, Suite 100
Fort Myers, Florida 33901

Table of Contents

I. INTRODUCTION	1
1.1 PURPOSE AND SCOPE	1
1.2 DESCRIPTION OF STONEWATER DEVELOPMENT	1
FIGURE 1 – LOCATION MAP	2
FIGURE 2 – PHASING PLAN MAP	3
TABLE 1 –PROJECTED LAND USE AND PROJECT TYPES	4
1.3 THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT	4
1.4 REPORT ASSUMPTIONS	5
II. DEVELOPMENT BOUNDARY	6
2.1 PROPERTY BOUNDARY	6
2.2 EXISTING INFRASTRUCTURE	6
III. PROPOSED PROJECT	7
3.1 PROPOSED DISTRICT INFRASTRUCTURE	7
3.2 DRAINAGE AND SURFACE WATER MANAGEMENT SYSTEM	7
3.3 ONSITE ROADWAYS WITH HARDSCAPE AND LANDSCAPE ENTRY FEATURES	8
FIGURE 3 – LANDSCAPE/HARDSCAPE MAP	10
3.4 ONSITE UTILITIES	11
3.5 LAND ACQUISITION	11
3.6 PROFESSIONAL FEES	11
3.7 PRIVATE IMPROVEMENTS	12
IV. OPINION OF PROBABLE CONSTRUCTION COSTS	13
4.1 SUMMARY OF COSTS	13
TABLE 2 – DISTRICT ESTIMATED INFRASTRUCTURE COSTS	13
4.2 DISTRIBUTION OF COSTS	13
TABLE 3 – DISTRIBUTION OF COSTS	13
TABLE 4 – OWNERSHIP, OPERATION, AND MAINTENANCE RESPONSIBILITIES	14
4.3 PERMITS	14
TABLE 5 – PERMITTING MATRIX	15
4.4 ADDITIONAL OPINIONS	15
V. CONCLUSION	16
5.1 SUMMARY	16
APPENDIX	

I. INTRODUCTION

1.1 Purpose and Scope

The purpose of this Master Engineer's Report is to describe the Stonewater Community Development District's ("District") capital improvement plan ("Project") and set forth an estimate of the Project costs. The financing of a portion of the Project is expected to be in the form of one or more series of special assessment bonds to be issued by the District (herein, the "Bonds"). Any portion of the Project not financed with the Bonds will be constructed and conveyed to the District by the primary landowner, DR Horton, Inc. (herein, the "Developer").

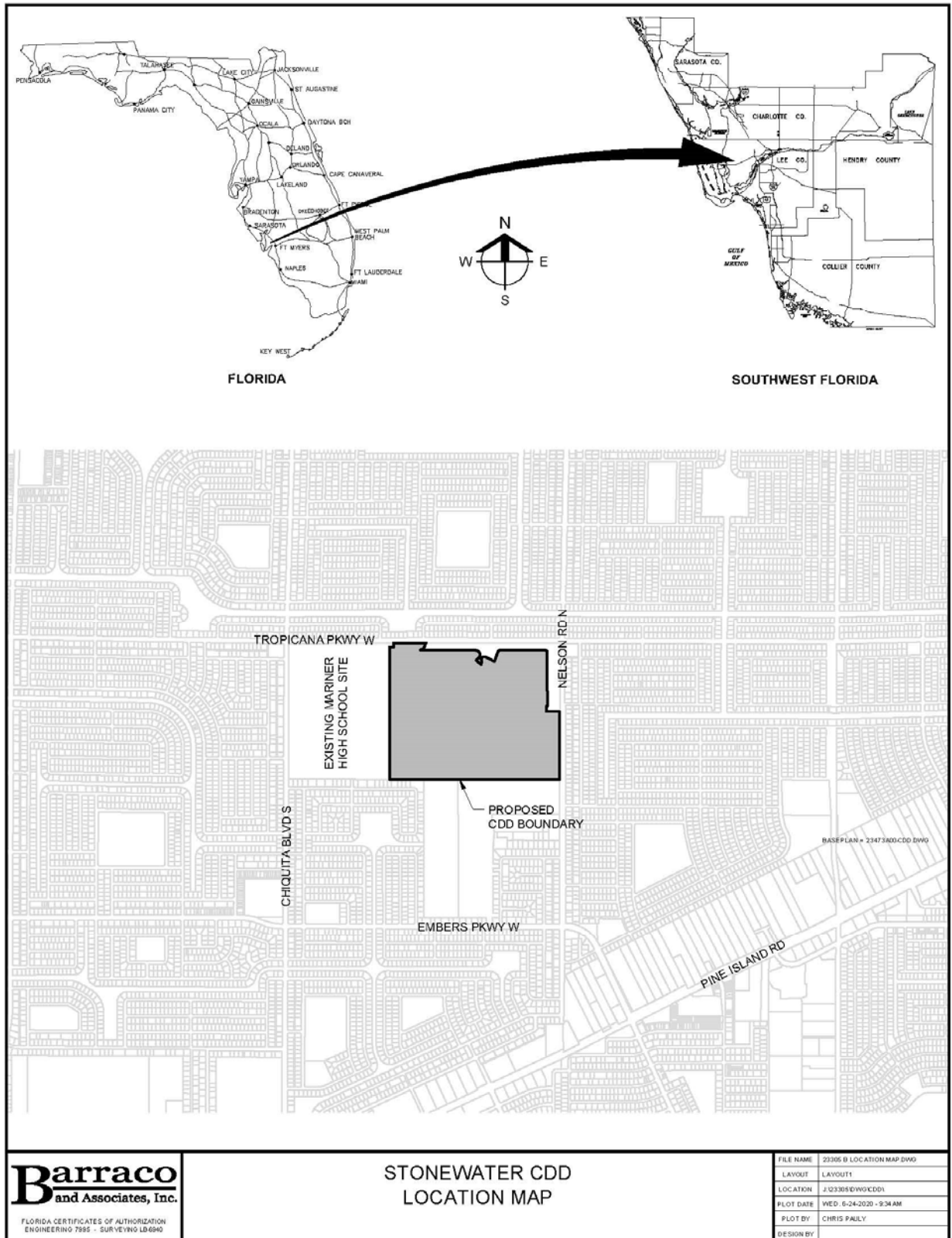
1.2 Description of Stonewater Development

The District is located on a ±185-acre parcel of land within the City of Cape Coral, Florida. A site Location Map is provided in Figure 1.

The Project is part of a larger planned development. Specifically, the City of Cape Coral, Florida, enacted Ordinance 15-15 per PDP 114-0007 approving Stonewater as a Planned Development Project (PDP). While the Stonewater PDP includes commercial and residential parcels, the District only includes the residential portion of the land subject to the PDP.

The City of Cape Coral, Department of Community Development approved the Site Development Plan (SDP) for the Stonewater Subdivision on October 9, 2019. The SP17-0081 expires on October 1, 2021.

FIGURE 1 – LOCATION MAP



Barraco
and Associates, Inc.

FLORIDA CERTIFICATES OF AUTHORIZATION
ENGINEERING 7995 - SURVEYING LB 6940

STONEWATER CDD
LOCATION MAP

FILE NAME	23305 B LOCATION MAP.DWG
LAYOUT	LAYOUT1
LOCATION	J:\23305\DWG\CDD1
PLOT DATE	WED 6-24-2020 9:34 AM
PLOT BY	CHRIS PAULY
DESIGN BY	

FIGURE 2 – PHASING PLAN MAP

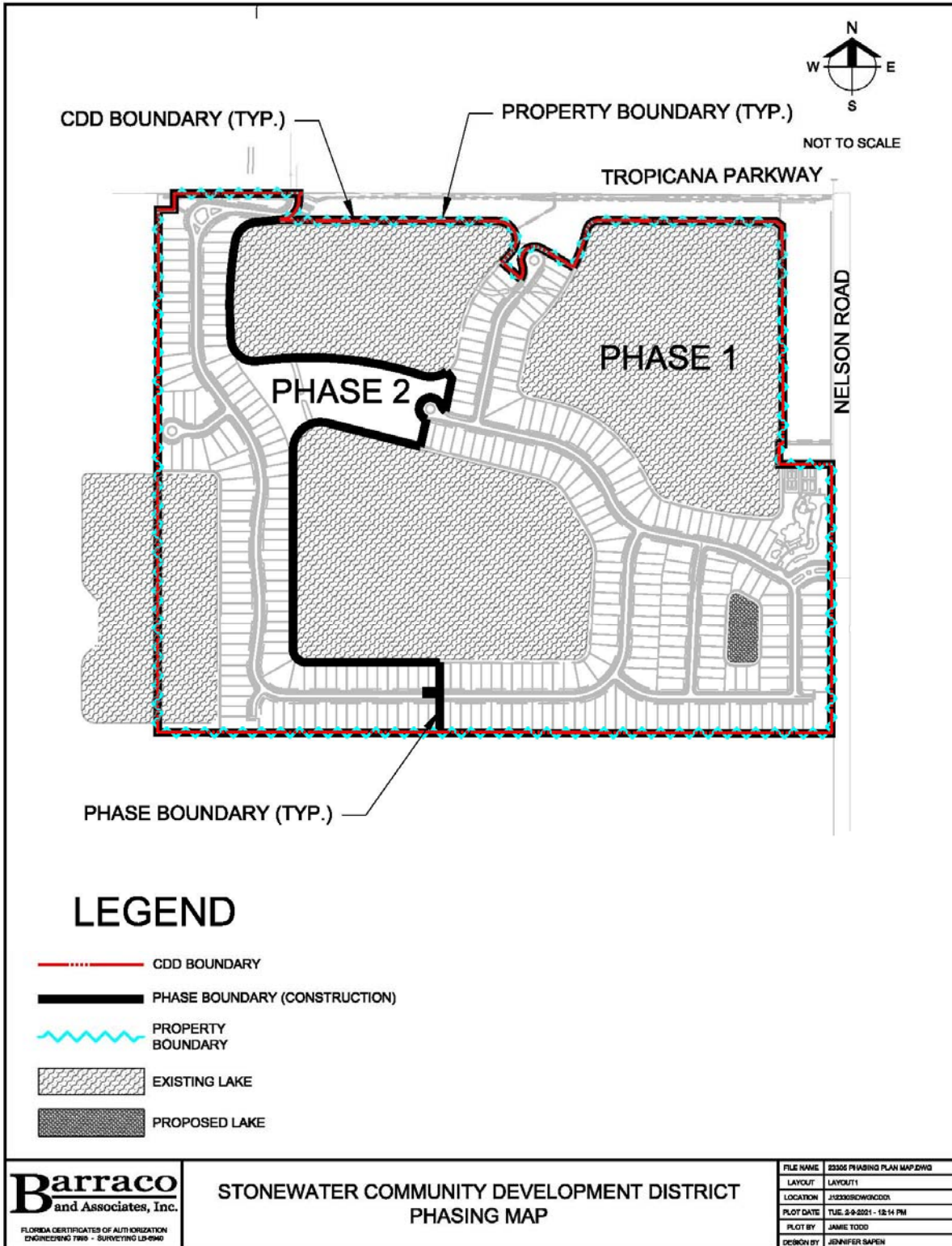


TABLE 1 –PROJECTED LAND USE AND PROJECT TYPES		
	Total District	
Allowable Use	337 Max. Residential Units	
Planned Use	327 Residential Units**	
Total Acreage	±185 ac	
<u>Land Use:*</u>		
Wet Water Management	82.78 ac	44.8%
Buildings	32.55 ac	17.6%
Pavement	10.16 ac	5.5%
Open Space/ Other	59.33 ac	32.1%
TOTAL:	±185 ac	100%

* Values obtained from SFWMD ERP Submittal and CDD establishment

* All residential units to be ± 50' x 140' single family platted lots

1.3 The Stonewater Community Development District

The District was created by Ordinance No. 79-20, which was enacted by the Council of the City of Cape Coral, Florida on December 14, 2020 (herein, the “Establishing Ordinance”). The District has been established by and operates in accordance with the Establishing Ordinance, and pursuant to the provisions of Chapter 190, Florida Statutes. The District was established for the purpose of planning, financing, constructing, operating and maintaining public infrastructure for the lands within the District. The District also possesses the authority to issue Bonds for the purpose of acquiring and constructing certain public infrastructure improvements and to levy taxes, assessments, rates and charges to pay for the construction, acquisition, operation and maintenance of the public improvements.

The District consists of ±185 acres and is located within Section 10, Township 44 South, Range 23 East in the City of Cape Coral, Florida. The District borders the western boundary of Mariner Middle and High Schools, south of Tropicana Parkway and east of Nelson Road.

The District is governed by a five (5) member Board of Supervisors.

Management of the District shall be performed on a contractual basis by a company specializing in special district management, currently Wrathell, Hunt and Associates, LLC. The District Manager oversees the operation and maintenance of the District, as supervised by the Board of Supervisors of the District.

1.4 Report Assumptions

In the preparation of this report, Barraco and Associates, Inc. relied upon information provided by the current Developer. While Barraco and Associates, Inc. has not independently verified the information provided by outside sources, there is no apparent reason to believe the information provided by others is not valid for the purposes of this report.

II. Development Boundary

2.1 Property Boundary

The Development is located within Section 10, Township 44 South, Range 23 East in the City of Cape Coral, Florida. It is bordered by private property to the south; Mariner Middle and High Schools to the west; Tropicana Parkway to the north; and Nelson Road to the east. The land area of the District is ±185 acres. Integra Realty Resources – Southwest Florida prepared an appraisal (“Appraisal”) of the Development/District area on January 29, 2021 (See Appendix for appraisal documents).

2.2 Existing Infrastructure

There is no existing infrastructure known to exist within the District boundary with the exception of the Mariner Middle School Lake, three wet detention lakes that support the District, and an outfall control structure and pipe that conveys surface water into the Cape Coral Canal System (See section 3.2 for more details). All offsite improvements supporting the District infrastructure are in place and been completed by others.

III. Proposed Project

3.1 Proposed District Infrastructure

The District's Project for public infrastructure improvements (construction and/or acquisition) within the District is expected to include, but is not limited to the following:

- Drainage and Surface Water Management System
- Onsite Roadways (including Hardscaping and Landscaping at Entry)
- Onsite Utilities
- Land Acquisition
- Professional Fees

The improvements described in this report represent the present intentions of the Developer and the District, subject to applicable local general purpose government land use planning, zoning and other entitlements. The implementation of any improvements discussed in this report requires the final approval by many regulatory and permitting agencies including local, state and federal agencies. Subsequently, the actual improvements may vary from the capital improvements described in this report. The cost estimate contained in this report has been prepared based on the best available information, and is based on preliminary designs and current economic conditions. The actual cost may vary depending on the final engineering design, permitting, construction and approvals, as well as economic conditions at the time of construction. The following sections describe the elements which are part of the District's Project.

3.2 Drainage and Surface Water Management System

The ±83 acres of surface water management lakes will include ±82 acres of existing lakes and ±1 acre of proposed wet detention lake. This fill from the ±1 acre proposed wet detention lake will be placed, compacted, and spread over District-funded infrastructure improvements. The most eastern existing lake is not part of the residential stormwater management system and will not be part of the CDD infrastructure. The aforementioned lake is part of the existing stormwater management system of Mariner Middle School per ERP Permit No. 36-00646-S (App. No. 040610-17) and therefore maintained by Lee County School Board.

Water management lakes will be excavated to at least the minimum size and depth requirements of the South Florida Water Management District (SFWMD). Of the total lake acreage, it is currently estimated ±1 acre of lake excavation will occur during Phase 1 of the Project.

The water management system will consist of excavated stormwater lakes, culverts, inlets, internal valley gutter curb, perimeter berms, and stormwater control structures. Environmental Resource Permit (ERP) No.

36-08857-P (Application No. 170331-26), was approved September 25, 2017 and remains active. The ERP is designed to serve the ±185 acre Development with its proposed 327 single-family units, associated amenity center, and supporting infrastructure. In addition, the ERP includes the adjacent commercial parcel (STRAP 10-44-23-C2-U0113.4983). The stormwater management system for the commercial parcel will utilize the wet detention lakes within the District with associated drainage easements. Additionally, an SFWMD Water Use Permit (WUP) No. 36-09259-W (Application No. 190927-2) was approved on October 9, 2019 and remains active for dewatering purposes. The WUP included the ±1 acre of proposed wet detention lake which has not been excavated at the time of this report.

Stormwater runoff from the areas within the District will be routed to the surface water management system comprised of interconnected wet detention lakes for water quality treatment and attenuation. The basin will subsequently release treated stormwater through an existing control structure that will discharge directly into the Cape Coral Canal System (Kimberly Lake).

The surface water management system has been designed in accordance with the SFWMD Applicant's Handbook Volume II. These regulations set minimum criteria for water quality treatment and flood protection. The surface water management areas are designed to attenuate the 25-year, 3-day rainfall event. Roadways are designed at or above the estimated 5-year, 1-day rainfall event stage.

A sediment and erosion control plan will be prepared and implemented with Phase 1 construction. When Phase 2 construction is ready to commence, an updated and all-inclusive sediment and erosion control plan will be prepared and implemented for Phase 2. Sediment and erosion control includes slope and outfall protection, such as hay bales, staked silt fences and floating turbidity barriers. A National Pollutant Discharge Elimination System (NPDES) permit must be obtained for construction activities, including a Stormwater Pollution Prevention Plan.

3.3 Onsite Roadways with Hardscape and Landscape Entry Features

Roadways within the District will only include the entrance accesses from Tropicana Parkway and Nelson Road to the community entrance gates. These roadways within the District will be public, and therefore owned, operated, and maintained by the District. In contrast, the roadways within the entrance gates will be privately maintained, owned, and operated. District roadways will be constructed within platted public rights-of-way dedicated to the District for operation and maintenance.

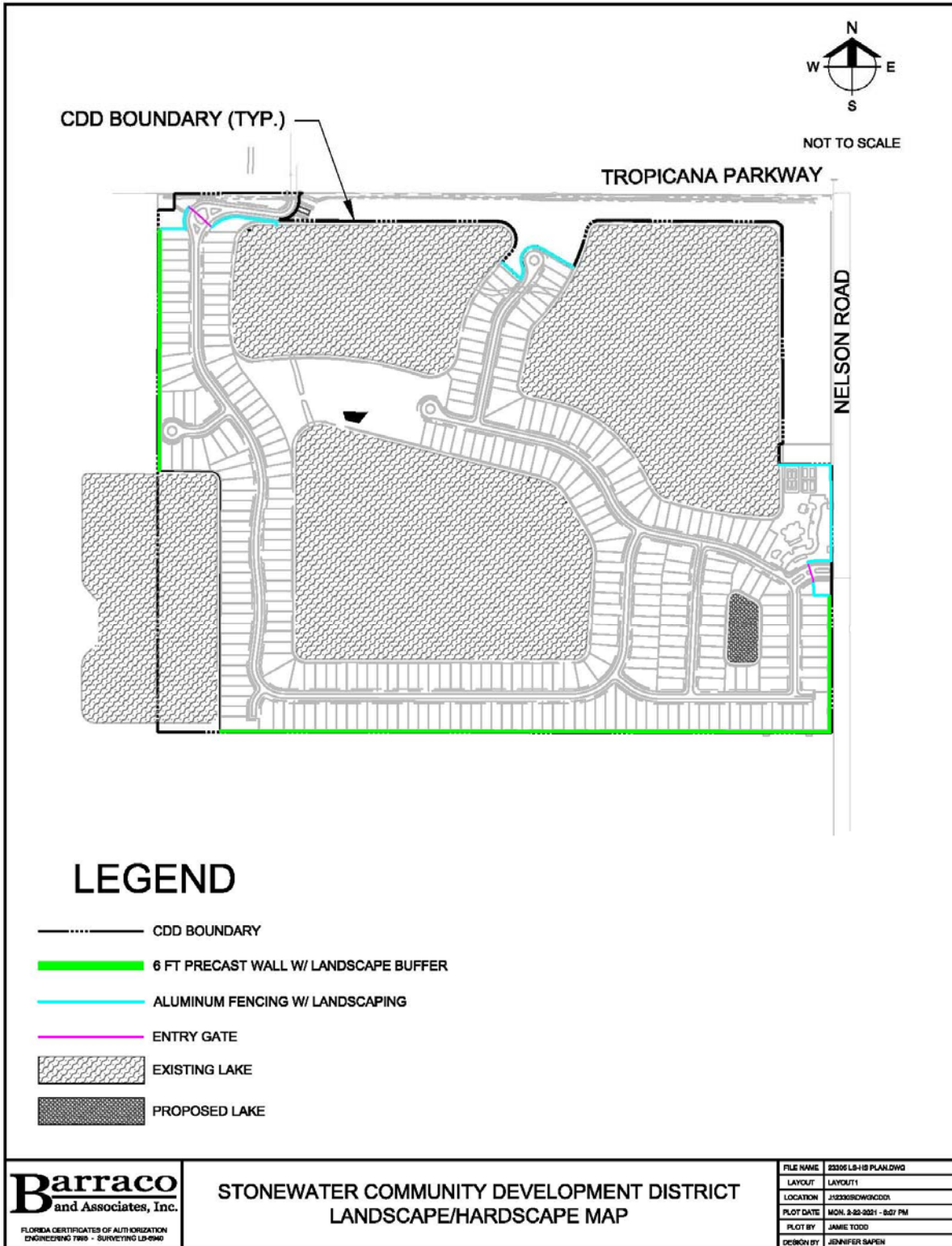
Construction of the roadways will consist of stabilized subgrade, limerock, asphalt (initial lift and final lift), signing and striping. Roadways are designed in accordance with City of Cape Coral requirements, and will

include landscaping, hardscaping, sidewalks, irrigation, master electrical and street lighting, and entrance features.

Hardscaping, landscaping and irrigation provided for the roadways, common areas, and entrance features located from the District boundary to the entry gates will be owned and maintained by the District. Hardscape/landscape buffers consist of aluminum fencing with adjacent landscaping near the entry gates, northern cul-de-sac, and amenity center and a 15' landscape buffer with 6' precast wall along District boundary behind the residential lots. Existing native vegetation will be preserved and incorporated into the landscape plan where possible, and will consist of sod, annual flowers, shrubs, groundcover, littoral plants and trees.

A total of approximately 0.21 miles of public roadway will be constructed at Project buildout: ± 0.02 miles in Phase 1 and ± 0.10 miles in Phase 2. No roadway has been constructed within the District to date.

FIGURE 3 – LANDSCAPE/HARDSCAPE MAP



Barraco
and Associates, Inc.
FLORIDA CERTIFICATES OF AUTHORIZATION
ENGINEERING 7195 - SURVEYING LB-6940

**STONEWATER COMMUNITY DEVELOPMENT DISTRICT
LANDSCAPE/HARDSCAPE MAP**

3.4 Onsite Utilities

The District-funded utilities within the Development will consist of water and wastewater lines, as well as irrigation distribution lines within public right-of-ways or utility easements. These systems will be designed and constructed in accordance with the City of Cape Coral's Utilities ("CCU") and Florida Department of Environmental Protection ("FDEP") standards. The turnover of completed utilities by the District to CCU will take place upon completion of construction of these facilities. CCU will also act as the supplier of water to the water distribution systems, as well as the collector of wastewater from the wastewater collection system. All water, sewer, and irrigation will be dedicated to CCU for ownership, operation and maintenance.

The potable water facilities will include transmission and distribution lines, along with the necessary valves, fire hydrants and water services to point of connection for individual buildings and parcels. It is currently estimated a total of approximately 11,753 lineal feet of watermain will be constructed; it is anticipated Phases 1 and 2 will include 4,468 lineal feet and 7,285 lineal feet of water main, respectively.

The wastewater facilities will include gravity sewer and sewer service laterals to the point of connection for individual buildings and parcels. In Phase 1, it is currently estimated approximately 4,368 lineal feet of sanitary sewer will be required. Phase 2 is anticipated to require approximately 7,347 lineal feet of sanitary sewer.

The irrigation facilities will include transmission and distribution lines, along with the necessary valves and irrigation services to point of connection for individual buildings and parcels. Phase 1 currently consists of approximately 7,168 lineal feet of irrigation main. Phase 2 is anticipated to consist of approximately 4,480 lineal feet of irrigation main.

3.5 Land Acquisition

As part of the Project, the District will acquire approximately 149.9 acres of land necessary for development of the Project (i.e., wet detention ponds, public right-of-ways, and hardscape/landscaping). The land area for the existing lake maintained by the Lee County School Board is excluded from the land acquisition area. The District will pay the lesser of the Developer's cost basis in the land or the appraised value, based on the Appraisal.

3.6 Professional Fees

Professional fees include the estimated cost for design, construction management, and other professional services of all components of the District infrastructure and also includes other expenses, such as permit application fees relating to the Project.

3.7 Private Improvements

As noted herein, the balance of the infrastructure for the Development includes a private amenity as well as common areas. These improvements will be funded by the Developer and transferred to the Stonewater Homeowner's Association, Inc. (HOA), a Florida not for profit corporation, for operation and maintenance purposes. All such areas are considered common elements for the exclusive benefit of the lot owners, and would not be subject to assessments from the District.

The residents within the District will be served by both the District and the HOA. The District will be responsible for operation, maintenance, and repairs of improvements as presented in Table 4. It is noted that the District may consult with the HOA for some or all of the District's operation, maintenance, and repair responsibility should such an agreement provide ease of administration and cost savings to the property owners and residents of the District/HOA.

IV. Opinion of Probable Construction Costs

4.1 Summary of Costs

Table 2 represents a summary of estimated costs of public improvements comprising the Project as described in Section 3 of this report. The estimates shown in Table 2 do not include the financing, operation, maintenance services or bond issuance costs necessary to finance and maintain the District infrastructure. All estimates are given in 2021 dollars and no inflation factor has been provided for the time value of money. All estimates are given with an additional 20% contingency factor as a provision for changes during the time to construct the Project. These costs do not include any land values which may be associated with the possible acquisition of interests in certain lands relating to the infrastructure described in this Report.

TABLE 2 – DISTRICT ESTIMATED INFRASTRUCTURE COSTS	
	Estimated Construction Cost
Phase 1	\$4,351,564.00
Phase 2	\$2,449,598.00
Land Acquisition	\$330,000.00
Total	\$7,131,162.00

4.2 Distribution of Costs

Section 3 of this report described the proposed public infrastructure comprising the Project, of which a portion will be funded by Bonds. For the purpose of the cost estimates presented in this section, the following five categories have been established which contain groupings and associated costs by phase of the various items described in Section 3:

TABLE 3 - DISTRIBUTION OF COSTS		
Item	Phase 1	Phase 2
Drainage and Surface Water Management System	\$1,018,150.00	\$456,413.00
Onsite Roadways	\$68,420.00	\$57,378.00
Hardscape and Landscaping as Roadway Entry Features	\$475,000.00	\$275,000.00
Onsite Utilities	\$1,694,733.00	\$1,042,541.00
Land Acquisition	\$222,511.11	\$107,488.89
Professional Fees	\$370,000.00	\$210,000.00
Contingency	\$725,261.00	\$408,266.00
Totals	\$4,574,075.11	\$2,557,086.89

Table 4 summarizes various ownerships for the design components listed in this report. The “financing entity” is the entity responsible for funding and constructing each infrastructure component. Upon completion of construction and final certification, the infrastructure component will then be turned over to the “operation and maintenance entity.”

TABLE 4 – OWNERSHIP, OPERATION, AND MAINTENANCE RESPONSIBILITIES			
Proposed Infrastructure Improvements	Ownership	Financing Entity	Operation & Maintenance Entity
Surface Water Management System	SWCDD	SWCDD	SWCDD
Onsite Roadways and Entry Features	SWCDD	SWCDD	SWCDD
Potable Water Distribution System	CCU	SWCDD	CCU
Wastewater Collection System	CCU	SWCDD	CCU
Main Irrigation System	CCU	SWCDD	CCU
SWCDD = Stonewater Community Development District City = City of Cape Coral CCU = City of Cape Coral Utilities			

4.3 Permits

Federal, state, and local permits and approvals are required prior to the construction of site infrastructure. Permits and permit modifications are considered a part of the normal design and permitting process, and may be applied for at the time the improvement is undertaken.

All permits known to be required for construction of the Project’s main infrastructure are either in effect or considered obtainable within the normal course of construction plan development and permit applications and processing.

TABLE 5 – PERMITTING MATRIX					
Agency	Permit	Permit No.	Issued	Expiration	Status
South Florida Water Management District (SFWMD)	Environmental Resource Permit (ERP)	36-08857-P (App# 170331-26)	9/25/2017	9/25/2022	Active
SFWMD	Water Use Permit (Dewatering)	36-09259-W (App# 190927-2)	10/9/2019	10/9/2021	Active
SFWMD	Water Use Permit (Irrigation)	TBD	TBD	TBD	TBD
Florida Department of Environmental Protection (FDEP)	NPDES NOI	TBD	TBD	TBD	TBD
FDEP	Sewer Transmission System	TBD	TBD	TBD	TBD
Florida Department of Health (FDOH)	Water Distribution	TBD	TBD	TBD	TBD

4.4 Additional Opinions

To the best of our knowledge, information and belief, it is further our opinion that:

- The estimated cost to the Project as set forth herein is reasonable based on prices currently being experienced in the City of Cape Coral, Florida, and is not greater than lesser of the actual cost of construction or the fair market value of such infrastructure;
- All of the improvements comprising the Project are required by applicable development approvals;
- There are no impact fee credits or similar credits available from the construction of the Project;
- The Project is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the Project, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- All of the Project is or will be located on lands owned or to be owned by the District or another governmental entity or on public easements in favor of the District or other governmental entity.
- The Project and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property.
- The reasonably expected service life of the Project is anticipated to be at least 20+ years;
- The assessable property within the District will receive a special benefit from the Project that is at least equal to such costs; and
- The Project will function as a system of improvements benefitting all lands within the District.

V. Conclusion

5.1 Summary

The Stonewater Community Development District is comprised of ±185 acres with 327 planned residential units and was established on December 14, 2020 with the purpose of planning, financing, constructing, operating and maintaining public infrastructure for the lands comprising the community development within the jurisdiction of the District. It possesses the authority to issue Bonds for the purpose of acquiring and constructing certain public infrastructure improvements. Such improvements include drainage and surface water management system, onsite roadways, onsite utilities, land acquisition, hardscape/landscaping, and professional fees, as described throughout Section 3 of this report. The benefit of improvements provided by the Bonds for the District is anticipated to be greater than the cost of the Project.

Appendix

Integra Realty Resources
Southwest Florida

Appraisal of Real Property

Stonewater Community Development District Dedication Areas

Vacant Land

Tropicana Pky.

Cape Coral, Lee County, Florida 33993

Prepared For:

Stonewater CDD c/o Wrathel, Hunt & Associates, LLC

Effective Date of the Appraisal:

January 8, 2021

Report Format:

Appraisal Report – Standard Format

IRR - Southwest Florida

File Number: 152-2021-0007





Stonewater Community Development District Dedication Areas
Tropicana Pky.
Cape Coral, Florida

Integra Realty Resources

Miami/Caribbean

Orlando

Southwest Florida

www.irr.com

In Miami/Caribbean

Dadeland Centre

9155 South Dadeland Blvd.

Suite 1208

Miami, FL 33156

(305) 670-0001

In Orlando

The Magnolia Building

326 N. Magnolia Ave.

Orlando, FL 32801

(407) 843-3377

In Naples/Sarasota

Horseshoe Professional Park

2770 Horseshoe Drive S.

Suite 3

Naples, FL 34104

(239)-643-6888



January 29, 2021

Stonewater Community Development District c/o
Wrathel, Hunt & Associates, LLC
9220 Bonita Beach Road
Bonita Springs, FL 34135

SUBJECT: Market Value Appraisal
Stonewater Community Development District Dedication Areas
Tropicana Pky.
Cape Coral, Lee County, Florida 33993
IRR - Southwest Florida File No. 152-2021-0007

Dear To Whom it may concern:

Integra Realty Resources – Southwest Florida is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property. The client for the assignment is Stonewater CDD c/o Wrathel, Hunt & Associates, LLC, and the intended use is for property acquisition purposes.

The subject consists of various parcels slated for dedication to the Stonewater CDD. The Parent tract of the Stonewater CDD is a parcel of vacant land containing an area of 149.9 acres or 6,529,644 square feet. The property is zoned R-1, Residential by the City of Cape Coral, which permits residential development up to 327 units.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and applicable state appraisal regulations.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report –

Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusions			
Parcel	Interest Appraised	Date of Value	Value Conclusion
Uplands - CDD Public Rights of Way	Fee Simple	January 8, 2021	\$109,000
Uplands - Perimeter Buffer Area	Fee Simple	January 8, 2021	\$69,000
Lake CDD Area	Fee Simple	January 8, 2021	\$152,000
Total			\$330,000

All upland areas are interchangeable with the same highest and best use, and accordingly are valued the same, even if the end use is as a roadway, lake, buffer area, etc. Existing lakes, and conservation areas, by contrast, are not interchangeable with uplands and accordingly are valued differently than uplands, and using their own sales comparison data. This valuation method, as applied herein, is an industry standard method that is often used in valuing properties like the appraised lands.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

As of the date of value, the economy (globally, nationally, and locally) was in a state of rapid transition with a widespread expectation of the imminent onset of a significant recession. The outbreak of COVID-19 (coronavirus disease of 2019) in China was declared a global pandemic by the World Health Organization (WHO) on March 11, 2020. Some market deterioration had occurred shortly before this date, but the declaration by the WHO soon led to municipal and statewide orders to "shelter in place," causing widespread closures of businesses and a massive disruption to general commerce. The status of economic conditions is changing rapidly, creating great uncertainty in the markets. Our analysis of these and related issues is presented in the attached report. The value expressed herein represents our opinion based on the best available data reflective as of the date of value. While values are always subject to change over time, we caution the reader that in the current economic climate, market volatility creates the potential for a more significant change in value over a relatively short period of time.



Stonewater CDD c/o
Wrathel, Hunt & Associates, LLC
January 29, 2021
Page 3

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - SOUTHWEST FLORIDA



Carlton J. Lloyd, MAI

FL State-Certified General RE Appraiser RZ#2618

Telephone: 239-643-6888 Ext. 410

Email: clloyd@irr.com



Table of Contents

Executive Summary	1	Valuation	32
Quality Assurance	2	Valuation Methodology	32
General Information	3	Sales Comparison Approach	33
Identification of Subject	3	Uplands	33
Sale History	3	Summary of Land Values	47
Pending Transactions	3	Reconciliation and Conclusion of Value	48
Purpose of the Appraisal	3	Exposure Time	49
Definition of Market Value	4	Marketing Period	49
Definition of Property Rights Appraised	4	Certification	50
Intended Use and User	4	Assumptions and Limiting Conditions	51
Applicable Requirements	5	Addenda	
Report Format	5	A. Appraiser Qualifications	
Prior Services	5	B. Property Information	
Scope of Work	5	C. Comparable Data	
Economic Analysis	7	D. Land Sales - Uplands	
Lee County Area Analysis	7	Land Sales - Lakes	
Surrounding Area Analysis	14	E. Engagement Letter	
Property Analysis	24		
Land Description and Analysis	24		
Real Estate Taxes	29		
Highest and Best Use	30		



Executive Summary

Property Name	Stonewater Community Development District Dedication
Address	Tropicana Pky. Cape Coral, Lee County, Florida 33993
Property Type	Land - Residential
Owner of Record	DR Horton Inc
Tax ID	10-44-23-C2-U0087.4950
Land Area-Parent Tract	149.90 acres; 6,529,644 SF
Zoning Designation	R-1, Residential
Highest and Best Use	Residential development
Exposure Time; Marketing Period	12 months; 12 months
Effective Date of the Appraisal	January 8, 2021
Date of the Report	January 29, 2021
Property Interest Appraised	Fee Simple

Value Conclusions

Uplands - CDD Public Rights of Way	\$109,000	\$1.50/SF
Uplands - Perimeter Buffer Area	\$69,000	\$1.50/SF
Lake CDD Area	\$152,000	\$1,700/Acre

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than Wrathel, Hunt & Associates, LLC may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

The impact of COVID-19 on economic conditions is considered throughout this appraisal. The Market Analysis section looks at the best available empirical data while the valuation sections turn to parallels with prior recessions along with real time data sources that provide guidance on input metrics applied within the various approaches.

Quality Assurance

Delivering superior value is a top priority at IRR and we place a premium on feedback from our valued clients. By learning more about your experience with IRR, we will be better able to serve your needs – to enhance our products, service offerings, and client communications.

Attached is a short survey applicable to this appraisal report and the service that you received. Please take a few minutes to share your experience of IRR with us. Your feedback will be reviewed by our Quality Control team. If you desire a follow-up telephone call, please provide your contact information and a member of our Quality Control team will contact you.

Access the online survey here: quality.irr.com.

Thank you in advance for assisting us with this important endeavor. Please feel free to contact your Local Office using the contact information provided within the letter of transmittal or our Quality Control team at quality@irr.com, with any questions or suggestions you may have.

General Information

Identification of Subject

The subject consists of various parcels slated for dedication to the Stonewater CDD. The Parent tract of the Stonewater CDD is a parcel of vacant land containing an area of 149.9 acres or 6,529,644 square feet. The property is zoned R-1, Residential by the City of Cape Coral, which permits residential development up to 327 units.

Property Identification (Parent Tract)

Property Name	Stonewater Community Development District Dedication Areas
Address	Tropicana Pky. Cape Coral, Florida 33993
Tax ID	10-44-23-C2-U0087.4950
Owner of Record	DR Horton Inc

Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	November 13, 2020
Seller	Stonewater II LLC
Buyer	DR Horton Inc
Sale Price	\$6,673,000
Recording Instrument Number	5930097

The sale price is consistent with our market value conclusion. To the best of our knowledge, no other sale or transfer of ownership has taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

To the best of our knowledge, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date however, the purpose of this appraisal is to assist with a transfer of the subject lands between Stonewater Community Development District and DR Horton Inc.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal, January 8, 2021. The date of the report is January 29, 2021. The appraisal is valid only as of the stated effective date or dates.

Definition of Market Value

Market value is defined as:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Definition of Property Rights Appraised

Fee simple estate is defined as, “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015)

Intended Use and User

The intended use of the appraisal is for property acquisition purposes. The client and intended user is Stonewater CDD c/o Wrathel, Hunt & Associates, LLC. The appraisal is not intended for any other use or user. No party or parties other than Stonewater CDD c/o Wrathel, Hunt & Associates, LLC may use or rely on the information, opinions, and conclusions contained in this report.

Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations;

Report Format

This report is prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

Valuation Methodology

Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach, and income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

We use only the sales comparison approach in developing an opinion of value for the subject. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Research and Analysis

The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Inspection

Carlton J. Lloyd, MAI, conducted an on-site inspection of the property on January 8, 2021.

Economic Analysis

The reader is reminded that the demographics presented on this and the following pages were gathered during the period that preceded the COVID-19 pandemic and imminent recession. The data provides useful information for purposes of considering the population and economy of the local area under stabilized market conditions. However, job losses, unemployment (overall and in different sectors), impaired commerce, and reduced income levels will result in demographic statistics after February 2020 that do not follow the stabilized trend that would have been expected based only on a review of data through 2019 and the first few weeks of 2020.

Lee County Area Analysis

Lee County is located in southwestern Florida approximately 127± miles south of Tampa. It is 785 square miles in size and has a population density of 983 persons per square mile.

Population

Lee County has an estimated 2020 population of 770,874, which represents an average annual 2.2% increase over the 2010 census of 618,754. Lee County added an average of 15,212 residents per year over the 2010-2020 period, and its annual growth rate exceeded the State of Florida rate of 1.5%.

Looking forward, Lee County's population is projected to increase at a 1.6% annual rate from 2020-2025, equivalent to the addition of an average of 12,512 residents per year. Lee County's growth rate is expected to exceed that of Florida, which is projected to be 1.3%.

Population Trends

	Population			Compound Ann. % Chng	
	2010 Census	2020 Estimate	2025 Projection	2010 - 2020	2020 - 2025
Lee County, FL	618,754	770,874	833,434	2.2%	1.6%
Florida	18,801,310	21,794,397	23,238,845	1.5%	1.3%

Source: Environics Analytics

Employment

Total employment in Lee County was estimated at 264,337 jobs as of September 2019. Between year-end 2009 and 2019, employment rose by 69,533 jobs, equivalent to a 35.7% increase over the entire period. There were gains in employment in nine out of the past ten years, as the national economy expanded following the downturn of 2007-2009. Lee County's rate of employment growth over the last decade surpassed that of Florida, which experienced an increase in employment of 22.6% or 1,629,201 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Lee County unemployment rate has been generally higher than that of Florida, with an average unemployment rate of 7.1% in comparison to a 6.8% rate for Florida. A higher unemployment rate is a negative indicator.

Recent data shows that the Lee County unemployment rate is 5.5% in comparison to a 6.5% rate for Florida, a positive sign for Lee County economy but one that must be tempered by the fact that Lee County has underperformed Florida in the rate of job growth over the past two years.

Employment Trends

Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	Lee County	% Change	Florida	% Change	Lee County	Florida
2009	194,804		7,209,010		12.3%	10.4%
2010	198,314	1.8%	7,260,875	0.7%	12.5%	11.0%
2011	202,496	2.1%	7,368,030	1.5%	10.9%	10.0%
2012	211,442	4.4%	7,538,166	2.3%	8.8%	8.5%
2013	223,635	5.8%	7,741,539	2.7%	7.3%	7.2%
2014	238,081	6.5%	8,012,496	3.5%	6.0%	6.3%
2015	253,428	6.4%	8,314,343	3.8%	5.2%	5.5%
2016	260,137	2.6%	8,542,086	2.7%	4.6%	4.8%
2017	266,067	2.3%	8,718,087	2.1%	4.1%	4.2%
2018	270,661	1.7%	8,907,904	2.2%	3.4%	3.6%
2019*	264,337	-2.3%	8,838,211	-0.8%	3.1%	3.1%
Overall Change 2009-2019	69,533	35.7%	1,629,201	22.6%		
Avg Unemp. Rate 2009-2019					7.1%	6.8%
Unemployment Rate - October 2020					5.5%	6.5%

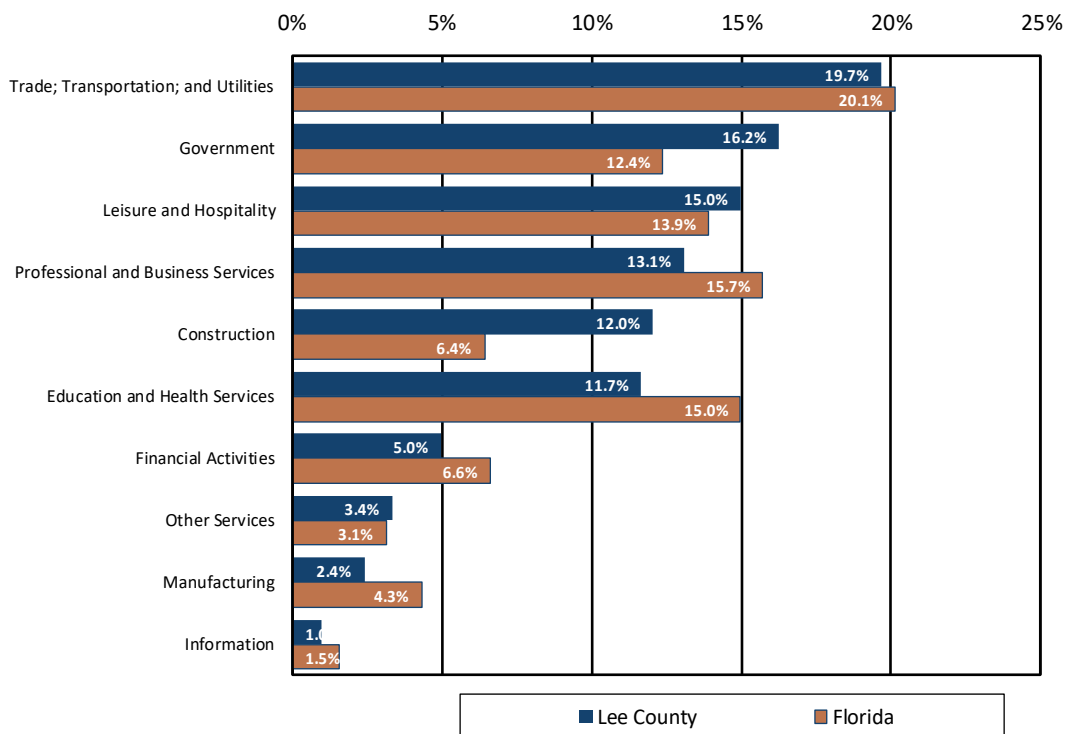
*Total employment data is as of September 2019; unemployment rate data reflects the average of 12 months of 2019.

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Lee County job market is depicted in the following chart, along with that of Florida. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Lee County jobs in each category.

Employment Sectors - 2019



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

Lee County has greater concentrations than Florida in the following employment sectors:

1. Government, representing 16.2% of Lee County payroll employment compared to 12.4% for Florida as a whole. This sector includes employment in local, state, and federal government agencies.
2. Leisure and Hospitality, representing 15.0% of Lee County payroll employment compared to 13.9% for Florida as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
3. Construction, representing 12.0% of Lee County payroll employment compared to 6.4% for Florida as a whole. This sector includes construction of buildings, roads, and utility systems.
4. Other Services, representing 3.4% of Lee County payroll employment compared to 3.1% for Florida as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

Lee County is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 19.7% of Lee County payroll employment compared to 20.1% for Florida as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.

2. Professional and Business Services, representing 13.1% of Lee County payroll employment compared to 15.7% for Florida as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Education and Health Services, representing 11.7% of Lee County payroll employment compared to 15.0% for Florida as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
4. Financial Activities, representing 5.0% of Lee County payroll employment compared to 6.6% for Florida as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

Major Employers

Major employers in Lee County are shown in the following table.

Major Employers - Lee County, FL	
Name	Number of Employees
1 Lee Health	13,595
2 Lee County School District	12,936
3 Lee County Local Government	9,038
4 Publix Super Market	8,728
5 Walmart	6,516
6 Florida Gulf Coast University	3,430
7 McDonald's	2,447
8 US Sugar	2,100
9 Home Depot	2,040
10 Winn-Dixie	1,994

Source: Southwest Florida Economic Development Alliance

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been somewhat higher in Lee County than Florida overall during the past eight years. Lee County has grown at a 3.4% average annual rate while Florida has grown at a 2.8% rate.

Lee County has a per capita GDP of \$35,841, which is 18% less than Florida's GDP of \$43,423. This means that Lee County industries and employers are adding relatively less value to the economy than their counterparts in Florida.

Gross Domestic Product

Year	(\$,000s)		(\$,000s)	
	Lee County	% Change	Florida	% Change
2011	21,405,188		763,745,900	
2012	21,694,925	1.4%	769,309,100	0.7%
2013	21,861,382	0.8%	784,090,100	1.9%
2014	22,943,136	4.9%	805,278,000	2.7%
2015	24,022,905	4.7%	839,124,300	4.2%
2016	25,401,906	5.7%	866,731,000	3.3%
2017	26,207,287	3.2%	896,117,000	3.4%
2018	27,046,186	3.2%	924,873,300	3.2%
Compound % Chg (2011-2018)		3.4%		2.8%
GDP Per Capita 2018	\$35,841		\$43,423	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2019. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2012 dollars.

Household Income

Lee County has a higher level of household income than Florida. Median household income for Lee County is \$59,565, which is 3.4% greater than the corresponding figure for Florida.

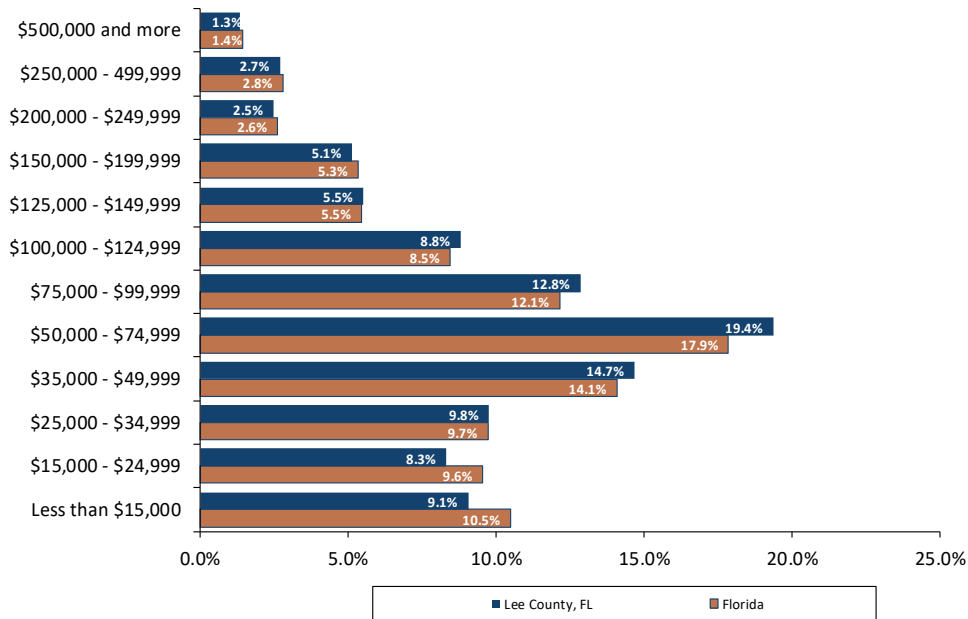
Median Household Income - 2020

	Median
Lee County, FL	\$59,565
Florida	\$57,623
Comparison of Lee County, FL to Florida	+ 3.4%

Source: Environics Analytics

The following chart shows the distribution of households across twelve income levels. Lee County has a greater concentration of households in the middle income levels than Florida. Specifically, 34% of Lee County households are between the \$35,000 - \$75,000 levels in household income as compared to 32% of Florida households. A lesser concentration of households is apparent in the lower income levels, as 27% of Lee County households are below the \$35,000 level in household income versus 30% of Florida households.

Household Income Distribution - 2020

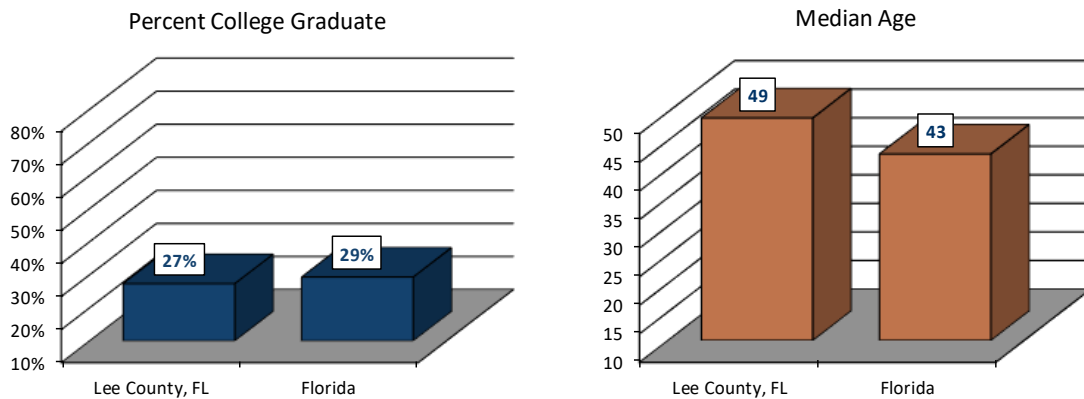


Source: Environics Analytics

Education and Age

Residents of Lee County have a slightly lower level of educational attainment than those of Florida. An estimated 27% of Lee County residents are college graduates with four-year degrees, versus 29% of Florida residents. People in Lee County are older than their Florida counterparts. The median age for Lee County is 49 years, while the median age for Florida is 43 years.

Education & Age - 2020



Source: Environics Analytics

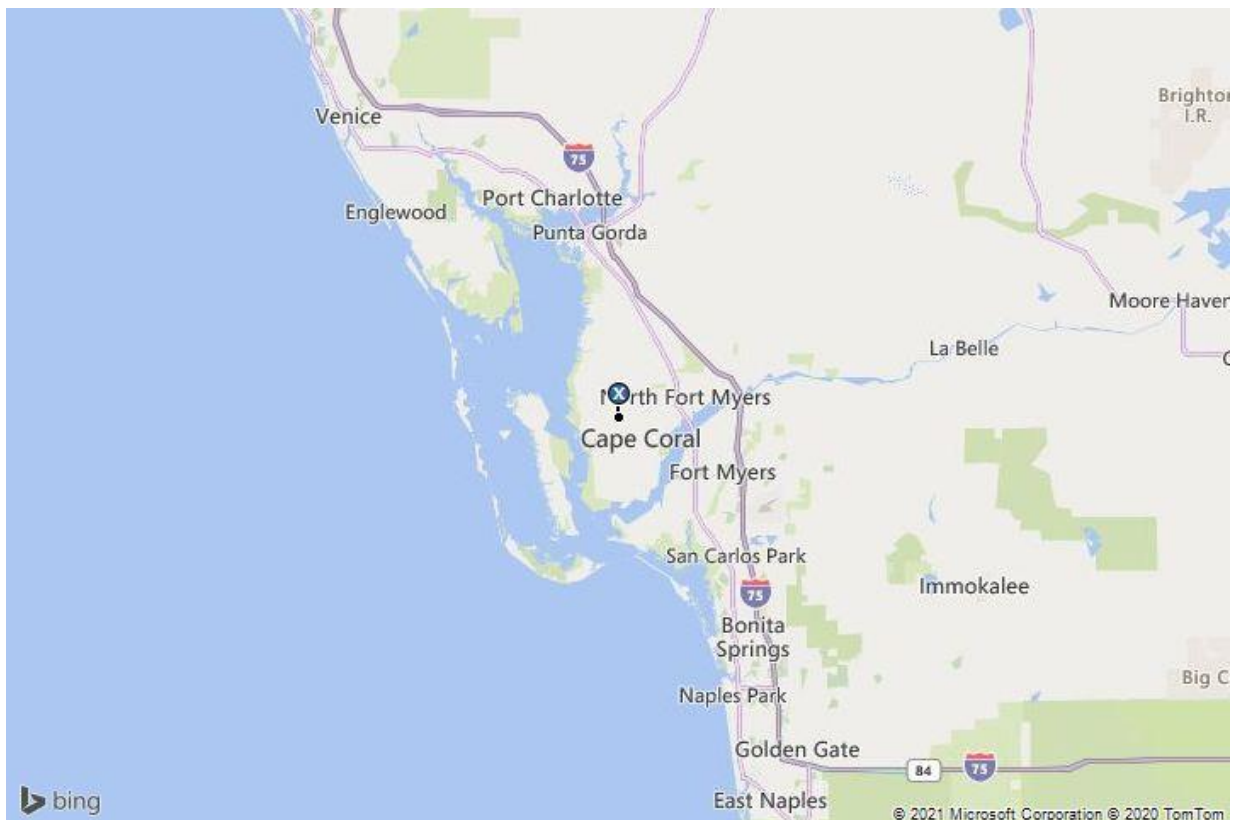


Conclusion

Prior to the COVID-19 Lee County had been in the stage of the real estate cycle best described as “expansion”. Expansion follows the recovery period of the real estate market cycle and is best characterized as a period where there is sustained growth in demand and increased construction.

As previously referenced, COVID-19 has pushed the economy at all levels into a recession which has yet to be statistically proven or definitively quantified. Therefore, the statistical summary of the region provided above must be considered in light of the fact that economic indicators available in the near future will show a substantial contraction of economic activity beginning in the first quarter of 2020. This issue is discussed more fully after the Market Analysis section of this report.

Area Map



Surrounding Area Analysis

Location

The subject is located within the City of Cape Coral. More specifically, the subject is located along the south side of Tropicana Parkway just east of Chiquita Boulevard and Mariner High School

Access and Linkages

Primary access to the area is provided by Pine Island Road. Pine Island Road is a four-lane arterial that travels northeast / southwest and connects Pine Island and Matlacha to northern Cape Coral and continues east through North Fort Myers to Interstate 75. Access to Interstate 75 is provided via Pine Island Rd/Bayshore Rd at exit 143. Other major roadways near the subject that travel throughout Cape Coral include Del Prado Blvd, Santa Barbara Blvd, and Chiquita Blvd, which travel north / south.

Another arterial providing access to the area is Cape Coral Pkwy W. This road is a four-lane divided arterial that runs in an east / west direction. It provides access to South Fort Myers, east of the subject where it converts to College Pkwy and intersects with Cleveland Ave (U.S. 41). South Chiquita Blvd is a four-lane divided arterial that runs in a north / south direction and provides access throughout Cape Coral. It begins just south of El Dorado Pkwy W, south of the subject and continues north to Kismet Pkwy W where it intersects numerous arterials. Some of the major arterials that intersect Chiquita Blvd are Cape Coral Pkwy, Veterans Memorial Pkwy and Pine Island Rd.

Public transportation is provided by Lee Tran and provides access throughout much of Lee County. There are numerous bus stops along NE Pine Island Rd. The local market perceives public transportation as average compared to other areas in the region. However, the primary mode of transportation in this area is the automobile.

The Southwest Florida International Airport is located about 25 miles from the property; travel time is about 40 minutes, depending on traffic conditions. The Fort Myers CBD, the economic and cultural center of the region, is approximately 10 miles from the property; travel time is about 20 minutes, depending on traffic conditions.

Demand Generators

Major employers in Lee County include the Lee County School District, Lee Memorial Health System, and Publix Supermarkets. These are all located in numerous locations throughout Lee County including locations within a five-mile radius of the subject property. A good attribute of the property is the proximity to Downtown Fort Myers. Cape Coral provides easy access to the Fort Myers area, where many Cape Coral residents hold jobs. In addition to its strong employment base, the area is accessible to Naples, Bonita Springs, and Punta Gorda, all within one-hour travel time.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2020 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Lee County, FL	Florida
Population 2010	3,260	36,484	95,833	618,754	18,801,310
Population 2020	4,403	49,602	126,697	770,874	21,794,397
Population 2025	4,859	54,598	138,626	833,434	23,238,845
Compound % Change 2010-2020	3.1%	3.1%	2.8%	2.2%	1.5%
Compound % Change 2020-2025	2.0%	1.9%	1.8%	1.6%	1.3%
Households 2010	1,054	12,688	35,240	259,818	7,420,802
Households 2020	1,364	16,929	45,994	320,899	8,584,151
Households 2025	1,487	18,547	50,190	346,221	9,155,988
Compound % Change 2010-2020	2.6%	2.9%	2.7%	2.1%	1.5%
Compound % Change 2020-2025	1.7%	1.8%	1.8%	1.5%	1.3%
Median Household Income 2020	\$57,541	\$59,501	\$60,201	\$59,565	\$57,623
Average Household Size	3.2	2.9	2.8	2.4	2.5
College Graduate %	17%	19%	20%	27%	29%
Median Age	36	39	42	49	43
Owner Occupied %	68%	69%	71%	71%	67%
Renter Occupied %	32%	31%	29%	29%	33%
Median Owner Occupied Housing Value	\$220,960	\$223,894	\$230,078	\$251,565	\$245,419
Median Year Structure Built	2004	2003	2002	1996	1988
Average Travel Time to Work in Minutes	30	31	31	30	30

Source: Environics Analytics

As shown above, the current population within a 3-mile radius of the subject is 49,602, and the average household size is 2.9. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to Lee County overall, the population within a 3-mile radius is projected to grow at a faster rate.

Median household income is \$59,501, which is similar to the household income for Lee County. Residents within a 3-mile radius have a lower level of educational attainment than those of Lee County, while median owner occupied home values are considerably lower.

Land Use

The area is suburban in character and approximately 90% developed.

Land uses immediately surrounding the subject are predominantly commercial and retail with typical ages of building improvements ranging from new to 35+ years. Property types adjoining the subject include a charter school to the south, vacant land to the west, healthcare/office to the east and a retail strip center to the north.

Developmental Activity and Trends

Properties currently under construction within 3 miles of the subject are summarized below.

- Pine Island Village, a 12,600-square foot retail strip center is under construction along NE Pine Island Road. This single, 2-story building will feature both office and retail space and consist of a total of 10 suites. Delivery is scheduled for year-end 2020.

- A 109-room Fairfield Inn & Suites Hotel is under construction along Old Pondella Road. This single, 4-story building is expected to be completed by January of 2021.
- A 6,000-square foot auto dealership is under construction along NE Pine Island Road. Delivery is scheduled by year-end 2020.
- A 15,500-square foot Tractor Supply Store is under construction along SW Pine Island Road. Delivery is scheduled for September of 2021.
- A 7,500-square foot car wash facility is under construction along Santa Barbara Boulevard. Delivery is scheduled for January of 2021.
- A 15,000-square foot freestanding retail building is under construction along Skyline Boulevard. Delivery is scheduled for May of 2021.

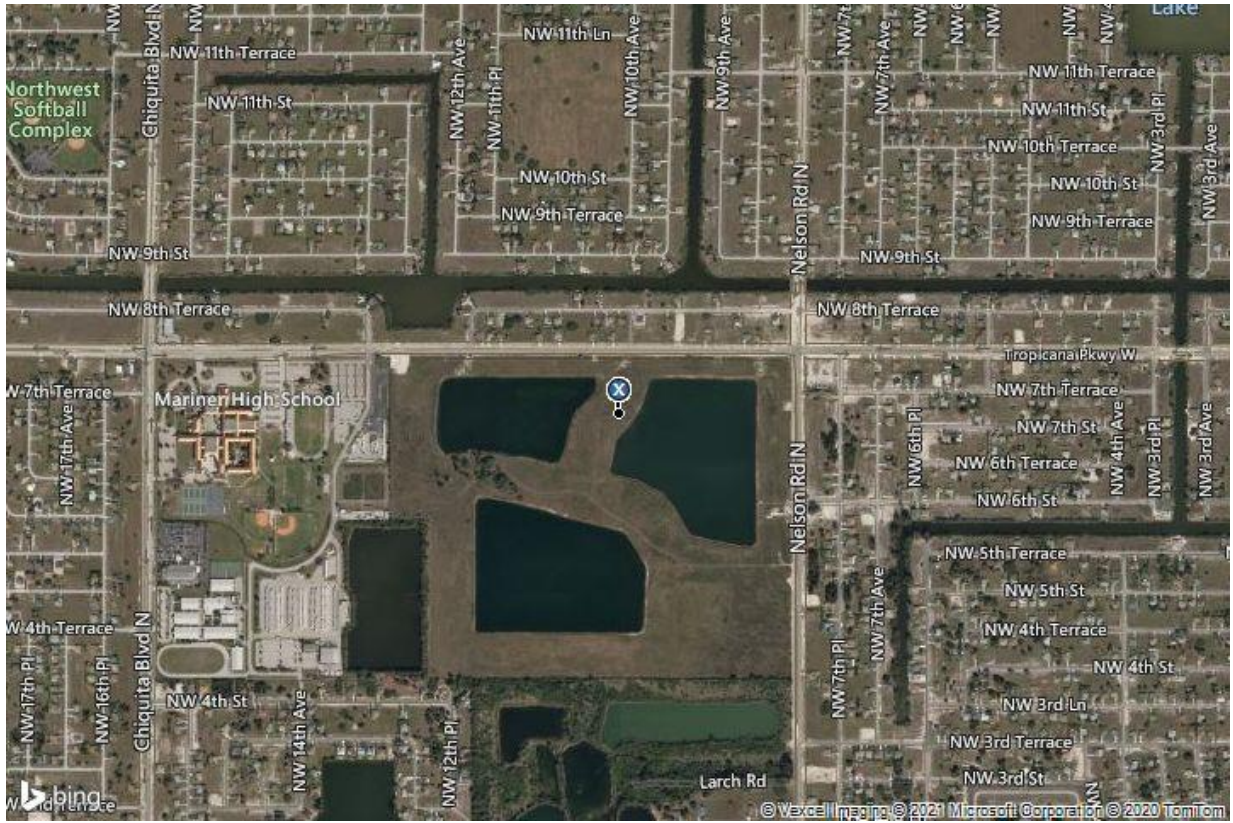
Nearby Retail Uses

The nearest shopping facility is the Santa Barbara Centre anchored by Publix which is located directly north of the subject. There are numerous other retail centers located near the subject including Pine Island Plaza, Nicholas Retail Center, Nicholas Commons, Lighthouse Plaza, Santa Barbara Plaza, Twin Central Plaza, Royal Oak Plaza, Santa Barbara Center, Merchants Plaza, Chiquita Plaza, Pine Island Marketplace and Coral Shores. The closest regional mall is Edison Mall, located about 10 miles southeast of the property. Restaurants, principally along major arterials such as Pine Island Road and Santa Barbara Boulevard are within a 5-minute travel time of the property. The closet lodging facilities are located within 5 miles from the property.

Outlook and Conclusions

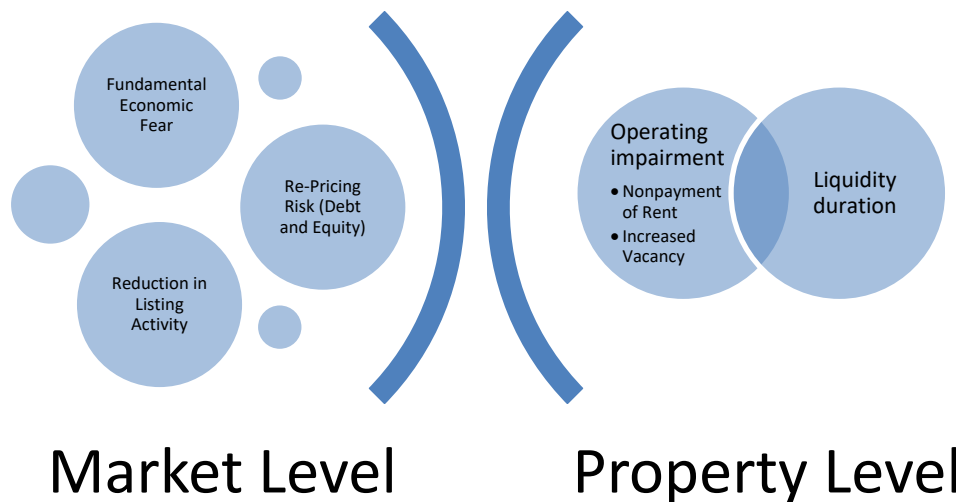
Over the last two (2) years, the Cape Coral area of Lee County has been in the stage of the real estate cycle best described as “expansion”. Expansion follows the recovery period of the real estate market cycle and is best characterized as a period where there is sustained growth in demand and increased construction. However, due to the current Covid-19 pandemic, tourism, lodging, and tourist-related food and beverage and retail sectors have been negatively impacted due to the substantial decline in social movement and activity. Given the economic and demographic profile of this segment of the market the outlook for this area is expected to remain positive over the long term, with some uncertainty in the near term due to the impact of the COVID-19 Pandemic.

Surrounding Area Map



COVID-19 Impact on Current Valuations

Transaction indicators are the best measure of any impact on values due to COVID-19. Given the unique nature and recency of this event, minimal activity is evident from which to draw benchmark comparisons based on transactional data. In the absence of transaction data, market and property specific empirical data can be gleaned to assist in estimating current value. In this initial phase of the pandemic, early emerging trends include:



All or some of the above may be shorter-term issues, but others may linger and have a lasting impact on valuations in the commercial real estate (CRE) sector along a continuum of time.

At this juncture, the global question facing market participants is: “How long does this crisis last and how deep will its impact become?” At a minimum, Q2 economic results will prove dismal based upon Shelter-in-Place and Stay-at-Home Executive Orders for most of the U.S. states largely in place into late June. At the direction of State Governors all states have begun a phased “reopening.”

Based on discussions and interviews with a wide range of market participants, a variety of factors and concerns are prevalent in the market that will likely have a negative impact broadly on CRE values, depending on property type and region. Essential Service Providers have and will be less impacted (distribution facilities, medical facilities, grocery service) as the performance of these sectors is expected to continue.

However, the broader market will experience a myriad of issues based on survey respondents including:

Uncertainty	Lender Concerns	Publicly Traded Securities	Return Requirements
<ul style="list-style-type: none"> • Restricted access to capital • Unemployment concerns (increasing to 15% in Q2) • GDP decline (-30% in Q2) • Duration of crisis 	<ul style="list-style-type: none"> • DSCR are impacted based on changes in rental revenue and collections • Loan covenants could trigger due to changes in near-term value • Borrowers are concerned about their tenants' ability to pay rent • Borrowers are concerned about their ability to keep their loans current • Lenders are also concerned about the need for loan modifications or work outs 	<ul style="list-style-type: none"> • Stock indexes were down approximately 25% to 30% but have since rebounded • REIT pricing was down approximately 25% but have since rebounded • Crude oil was down approximately 40% but has since partially rebounded 	<ul style="list-style-type: none"> • Interest rates may stay in the 4% - 4.5% range, despite the Federal Reserve's reduction efforts. Banks tightly manage their capital reserves and ratios, and therefore are requiring higher spreads for current risk profile • Durability of Cash Flow forces (new) equity investors to reprice risk. Standby (available, uncommitted) equity now has to be patient until a clearer "path forward" emerges • Impact on cap rates would be upward

Each of the above observations provides empirical evidence that the market has shifted downward and real estate values will likewise be impacted, but to what degree is not certain.

Few experts or economists at this point are willing to state a threshold duration at which point everything will return to normal quickly, versus a duration of limited economic activity that spirals into worldwide recession. At the moment, the prevailing hope of the world is that science miraculously manufactures a cure, while in the meantime, social activity has slowed worldwide.

Integra Current Valuation Framework (June 15 - present)

The preceding property market analysis focuses on recent historic trends before the physical and social impacts of the COVID-19 pandemic were revealed in the U.S. in early March 2020. The property market analysis was current through Q4-2019 with trends and indications for solid growth by most all market indicators. Many current market participants believe the commercial real estate (CRE) markets will return to trend - the lingering question, "How long will it take?" remains uncertain.

What we do know with reasonable certainty:

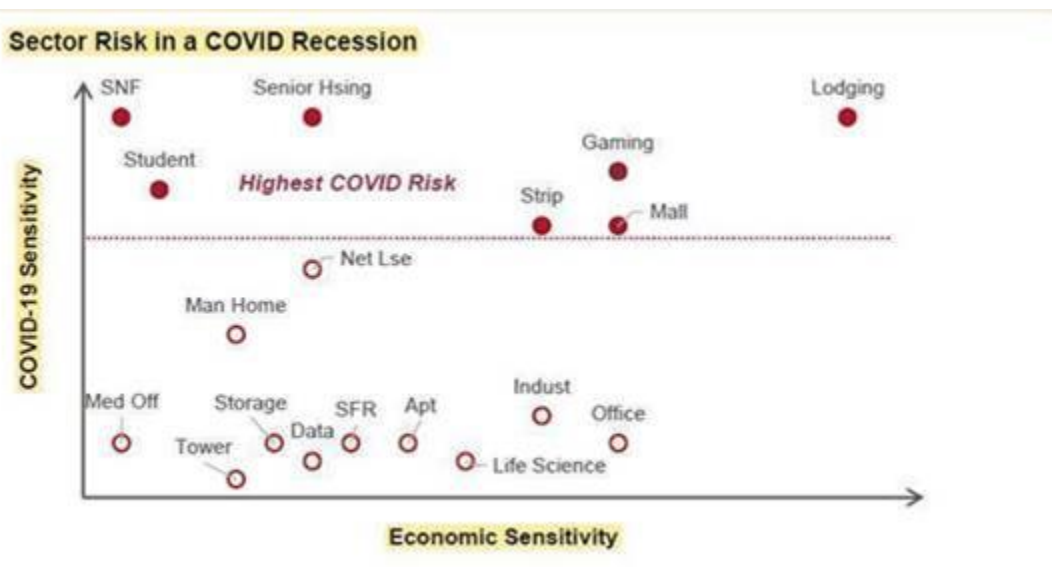
- At a minimum, Q2 economic performance will be dismal.
- Shelter-in-Place and Stay-at-Home executive orders and phased reopening's will have a profound impact on GDP with rising unemployment damaging forward economic performance for six months at a minimum.
- The Federal Reserve's attempt to lower nominal rates was thwarted by lenders setting floors on spreads. Congress subsequently approved a \$2 Trillion stimulus package on March 27, 2020. This provided some economic relief, but businesses, owners, investors, and bankers need to support payroll retention and an aggressive program of economic goodwill throughout all sectors of the economy.

Everything forward beyond those three known factors remains subject to considerable risk/uncertainty. Our recent surveys of market participants indicate a focus in the following areas impacting value:

- Impacts could (should) vary by property type, class, and location
- Cost of capital (both debt and equity) is increasing, but at different rates for different asset classes
- Declines in property operations/forecasts (NOI) vary in duration based on property type, class; location, and tenant durability under potential recessionary pressures
- Increases in cap rates (and normalized yields) will vary by property type, class and location as will the underlying assumptions on stabilized or periodic cash flow
- Marketing times for most assets will increase. To a large extent, deal flow was halted based on the sheer physical constraints imposed on property showings/due diligence, etc. under distancing restrictions. As these restrictions are lifted, the market is showing signs of activity, some pent up demand and increased interest, although commercial property deal flow remains muted.

Impact by Property Type, Class & Location

Below is a graph prepared by Greenstreet Advisors plotting the sensitivity (and risk) associated with various property types with the negative impact on value being greater for those assets with greater sensitivity. Those assets relating to essential business operations (grocery, medical, distribution) are less affected than for example lodging and malls where social distancing is more difficult.



Cost of Capital/Liquidity

The cost of capital, both for debt and equity, had been at near historic lows pre crisis. As lenders are coming to grips with the severity of the economic outlook, many have pulled back while others have reacted by raising interest rates, lowering loan to values, or a combination of both. There are clearly

some lenders who are “out” while others remain in the market. Fewer options are available in the market and those options are more expensive today. The rise in cost varies notably by property type with agency lenders and HUD determined to provide liquidity to the multi-family market, while at the other end of the spectrum, financing a hotel is challenging and land financing is nonexistent. Assets focused on essential business operations (e.g., grocery or last mile industrial) remain in favor as do net leased assets with recession-resistant business profiles.

Equity is less clear at the moment. While large pools of capital were being raised through 2019 and into Q1-2020, the strategy has suddenly shifted. Equity is available, but will be deployed with stricter underwriting criteria and more cautious income growth and exit assumptions.

Declines in Property Operations/Forecasts

The lodging, retail, student housing and senior sectors are generally viewed as expecting to suffer the greatest in the short term. Once again, this varies by location and type. Restaurant retail is generally viewed as having greatest risk but is expected to rebound quickly as pent-up demand is evident as everyone can now leave their homes. Grocery retail is currently performing well with big box stores setting record sales per square foot.

Radical changes in the employment picture will begin to affect the housing sector, both single-family and apartments. Apartments will not be immune or “safe” from lost rent, varying by type and location depending on the tenant base employment and its ability to weather a 6 to 12-month contraction.

Rent projections are being held flat in modeling cash flows going forward with the length of time dependent on the asset type.

Depending upon whether values are based on yield capitalization (DCF) or direct capitalization, care must be given to provide “stabilized” forecasts to capitalize; and to normalize yield levels for projecting variable year yield cap.

Premiums on Capitalization Rates

While many deals have fallen out of contract, other deals are still closing. Some are closing at their pre-crisis contract price levels, while many deals are being re-traded in the market with discounts influenced by property type, location and buyer/seller motivations.

As the transaction market solidifies, the impact on capitalization rates will become more clear. Some market participants believe the answer to market value lies in capitalization rates while others believe rates are not moving, but net operating income in the short run is being impacted. Once again, the answers vary by property type and location.

With a rise in the cost of capital (debt and equity), valuation theory suggests a rise in capitalization rates. A 100 basis point upward movement in interest rates for example, combined with a modest rise in equity returns, can move capitalization rates up over 100 basis points. This analysis is tempered, however with the understanding that it is difficult to settle on the inputs given the wide range of data in the market. In addition, care must be taken not to “double hit” the analysis by modeling

significantly lower net income via lower performance projections and at the same time raising the return requirements.

Normalization of Yields

All yield capitalization is based on forward forecasting of property performance to generate a current cash flow, and future forecasted reversion. Therefore, the timeframe for the market to reach a point of pricing transparency to “return to par” is the critical assumption in the yield cap.

The longer or less likely the assumptions are, the higher the near-term yields. Valuation theory and past downward economic cycles suggest a shortening of the holding period and a normalization of “overall yield” applied over the shorter holding period.

As the transaction market solidifies, the impact on investment rates and relationship of assumption risk to market risk will become clearer.

Marketing and Exposure Time

At the present time, there is consensus of declining market demand in CRE transactions, due to market conditions ensuing from COVID-19. It is natural to assume that exposure time on properties either for sale or lease, will likely be extended. Comparing pre-COVID-19 exposure periods (perhaps the best) to the banking crisis of 2008/2009 (perhaps the worst) can glean some differences that could extrapolate to exposure time going forward, i.e. from peak to trough.

Sector	Months on Market March 2008-09	Months on Market March 2018-19	Change in Months	% Change Peak to Trough
Office	29.6	14.8	14.8	100%
Retail	15	11.4	3.6	32%
Industrial	19.6	6.7	12.9	192%
Average	21.4	11.0	10.4	95%

Source: Costar – data presented in Months

Days on the market increased substantially in the last economic crisis of 2008-2009, with an average of 21 months on market for major property classes. The trailing 12 months preceding the COVID-19 crisis, average days on the market were 11 months.

Based on this historical perspective, marketing time could potentially double from current levels. This would have to be tempered recognizing that the depth and duration of this current economic crisis is tied to a health crisis and may have a conclusion more closely tied to its resolution.

Conclusion

This heightened uncertainty forms the basis of defined risk. Considering the subject’s relative sensitivity to the COVID-19 risks as of the effective date of the valuation, Integra rates the relative risks of the subject property as of the effective date as follows:

Valuation Parameters

Covid-19 market condition adjustments (sales comparison)	Market conditions were considered in our value conclusion.
Any transaction evidence?	Yes
Market participant interviews?	Yes
Inference by investment rate changes?	N/A
Market rent adjustments	N/A
Cap Rate adjustments	N/A
Vacancy and downtime probability adjustments	N/A
Cashflow modeling adjustments	N/A
Marketing time extended (based on current pricing)	Increased from 6-9 months to 12-months.

Property Analysis

Land Description and Analysis

Land Description

Land Area Parent Tract	149.90 acres; 6,529,644 SF
CDD Public Right of Ways	1.67 acres
Perimeter Buffer CDD Areas	1.06 acres
Lake CDD areas	89.31 acres
Source of Land Area	Other
Primary Street Frontage	Tropicana
Shape	Rectangular
Corner	Yes
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed.
Ground Stability	No problems reported or observed

Flood Area Panel Number	12071C0265F
Date	August 28, 2008
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No

Zoning; Other Regulations

Zoning Jurisdiction	Cape Coral
Zoning Designation	R-1
Description	Residential
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Permitted Uses	Residential development

Utilities

Service	Provider
Water	Municipal
Sewer	Municipal
Electricity	FPL
Local Phone	Various

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Easements, Encroachments and Restrictions

There do not appear to be any easements, encroachments, or restrictions that would adversely affect value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title

Conclusion of Land Analysis

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.



Taken January 8, 2021



Taken January 8, 2021



Taken January 8, 2021



Taken January 8, 2021

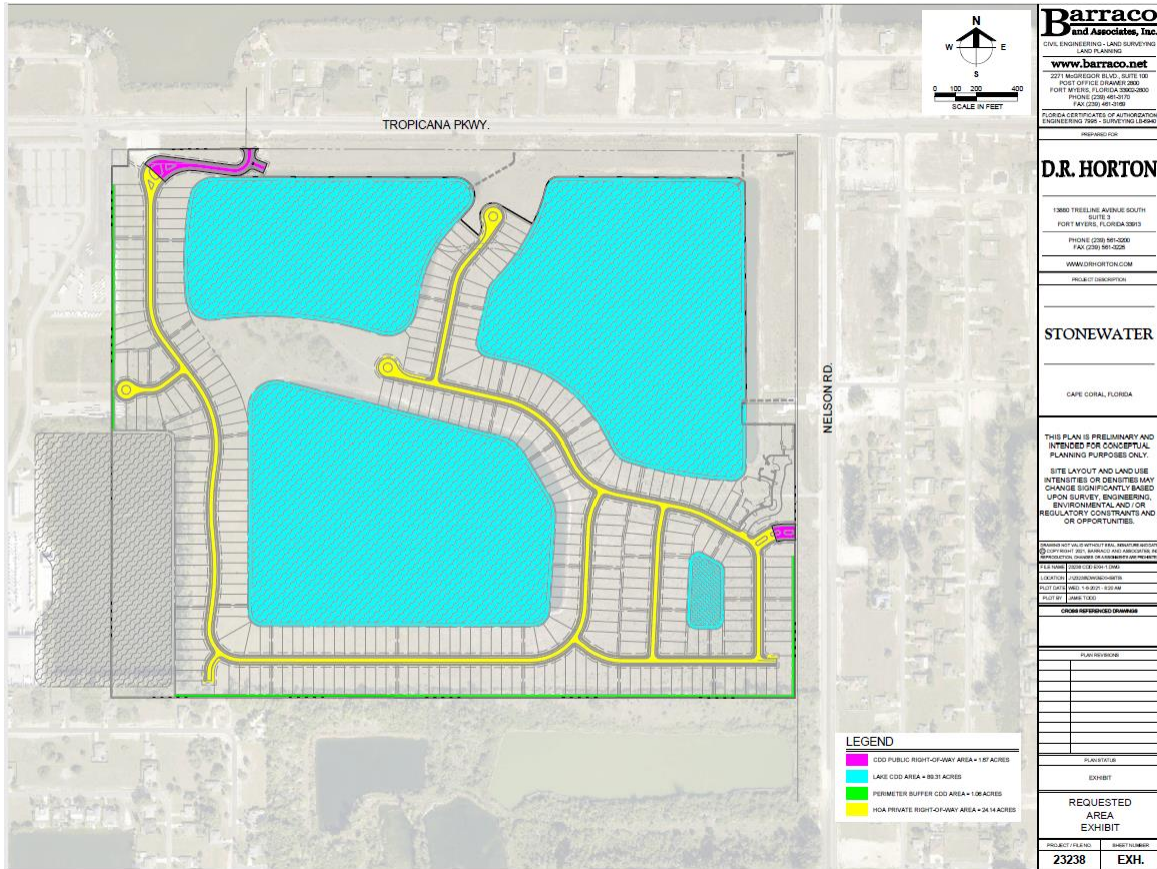


Taken January 8, 2021



Taken January 8, 2021

CDD Parcels



Barraco and Associates, Inc.
 CIVIL ENGINEERING - LAND SURVEYING
 LAND SURVEYING
 www.barraco.net
 2271 WINDSOR BLVD., SUITE 100
 FORT MYERS, FLORIDA 33908
 PHONE (888) 451-2187
 FAX (239) 481-2185
 FLORIDA CERTIFICATE OF PROFESSIONAL ENGINEERING 7065 - SUCCESSION LEASER

D.R. HORTON
 1380 TREELINE AVENUE SOUTH
 SUITE 100
 FORT MYERS, FLORIDA 33905
 PHONE (239) 941-0228
 FAX (239) 941-0228
 WWW.DRHORTON.COM
 PROJECT DESCRIPTION

STONEWATER
 CAPE CORAL, FLORIDA

THIS PLAN IS PRELIMINARY AND INTENDED FOR CONCEPTUAL PLANNING PURPOSES ONLY. SITE LAYOUT AND LAND USE INTENSITIES OR DENSITIES MAY CHANGE SIGNIFICANTLY BASED UPON SURVEY, ENGINEERING, ENVIRONMENTAL AND/OR REGULATORY CONSTRAINTS AND/OR OPPORTUNITIES.

PROJECT NO. 23238
 SHEET NO. EXH.



Real Estate Taxes

Real estate tax assessments are administered by Lee County and are estimated by jurisdiction on a countywide basis. Real estate taxes in this state and this jurisdiction represent ad valorem taxes, meaning a tax applied in proportion to value. The real estate taxes for an individual property may be determined by dividing the assessed value by 1,000 and then multiplying the estimate by a composite rate. The composite rate is based on a consistent tax rate throughout the state in addition to one or more local taxing district rates. The assessed values are based upon the current conversion assessment of the Lee County Property Appraiser’s market value.

State law requires that all real property be re-valued each year. The millage rate is generally finalized in October of each year, and tax bills are generally received in late October or early November. The gross taxes are due by March 31st of the following year. If the taxes are paid prior to November 30th, the State of Florida allows a 4% discount for early payment. The discount then becomes 3% if paid by December 31st, 2% if paid by January 31st, and 1% if paid by February 28th. After March 31st, the taxes are subject to late penalties and interest.

Real estate taxes and assessments for the current tax year are shown in the following table.

Taxes and Assessments - 2020							
Tax ID	Assessed Value			Tax Rate	Taxes and Assessments		
	Land	Improvements	Total		Ad Valorem		Total
					Taxes	Direct Assessments	
10-44-23-C2- U0087.4950	\$0	\$0	\$0	0.000000%	\$0	\$0	\$0

The subject property has recently undergone a parcel split and has not yet been assessed under the current parcel number.



Highest and Best Use

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as vacant, and as improved. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Vacant

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

Legally Permissible

The site is zoned R-1, Residential. Permitted uses include residential development. To our knowledge, there are no legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. Given prevailing land use patterns in the area, only residential development is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on our analysis of the market, there is currently adequate demand for residential development in the subject's area. It appears that a newly developed residential development on the site would have a value commensurate with its cost. Therefore, residential development is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than residential development. Accordingly, it is our opinion that residential development, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for residential development is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as vacant.

As Improved

No improvements are situated on the subject. Therefore, a highest and best analysis as improved is not applicable.

Most Probable Buyer

Taking into account the functional utility of the site and area development trends, the probable buyer is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

All upland areas are interchangeable with the same highest and best use, and accordingly are valued the same, even if the end use is as a roadway, lake, buffer area, etc. Existing lakes, and conservation areas, by contrast, are not interchangeable with uplands and accordingly are valued differently than uplands, and using their own sales comparison data. This valuation method, as applied herein, is an industry standard method that is often used in valuing properties like the appraised lands.

Sales Comparison Approach

To develop an opinion of the subject's land value, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

All upland areas are interchangeable with the same highest and best use, and accordingly are valued the same, even if the end use is as a roadway, lake, buffer area, etc. Existing lakes, and conservation areas, by contrast, are not interchangeable with uplands and accordingly are valued differently than uplands, and using their own sales comparison data. This valuation method, as applied herein, is an industry standard method that is often used in valuing properties like the appraised lands.

The property is divided for valuation purposes as follows:

Land Parcels			
Name	Parcel Type	SF	Unit of Acres Comparison
CDD Public Right of Ways	Uplands	72,745	1.67 Total SF
Perimeter Buffer CDD Areas	Uplands	46,174	1.06 Usable SF
Lake CDD areas	Lakes	3,890,344	89.31 Usable SF
Total		4,009,262	92.04

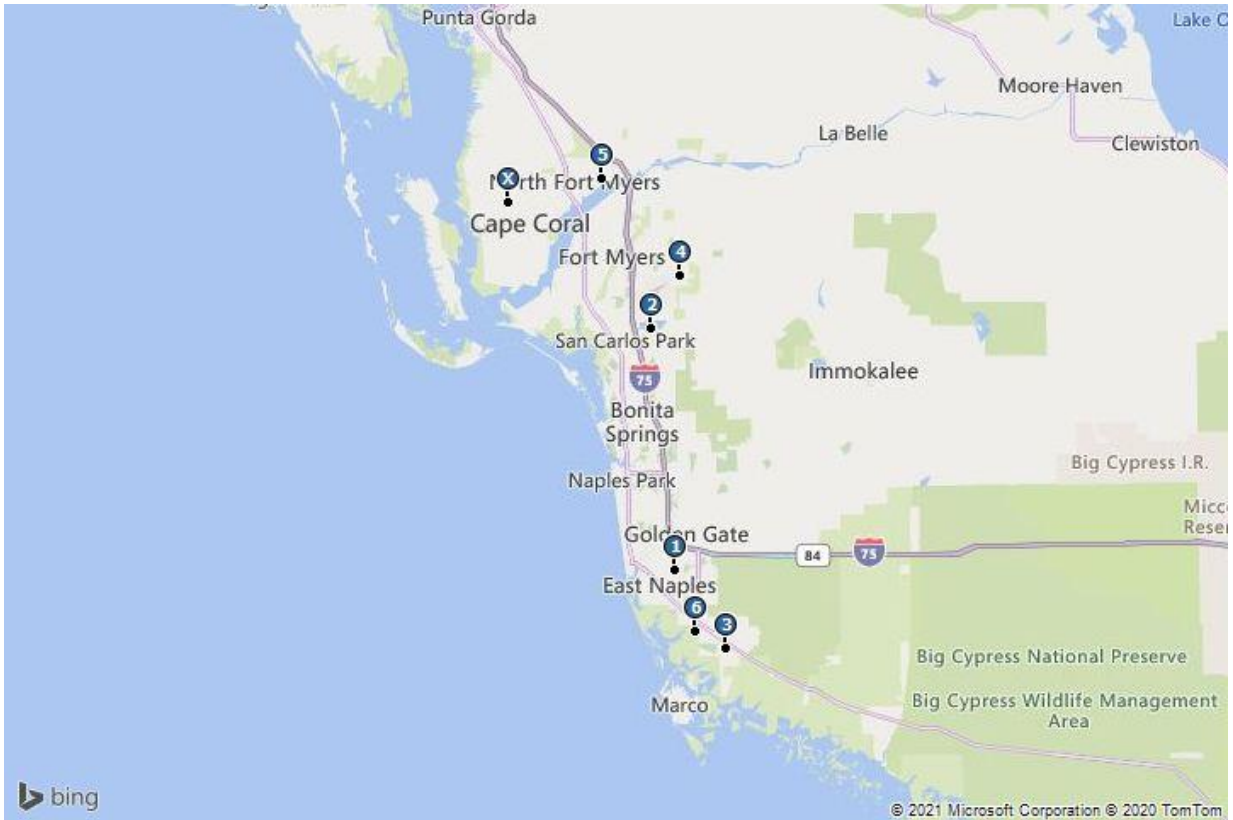
Uplands

To apply the sales comparison approach to the uplands portions, we searched for sale transactions most relevant to the subject in terms of location, size, highest and best use, and transaction date. We use price per square foot as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Uplands

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Marquesa Isles of Naples 2301 Ariane Dr. Naples Collier County FL	Feb-18 Closed	\$7,000,000	1,742,400 40.00	dential Planned Unit Development	\$4.02	\$175,000
<p><i>Comments: County Barn Investors, LLC purchased 40 acres of residential land located off the east side of County Barn Rd, south of Davis Blvd in Naples. Three transactions totaling \$7,000,000 took place from October 3, 2016 to February 9, 2018. Neal Home Communities will be building 156 home-sites on the property. The community is named Marquesas Isles of Naples. Villa homes will have a starting price of \$335,990 and feature two to three beds, two baths and two-car garages ranging in size from 1,632 square feet to 1,842 square feet. Density is 3.9 Units per Acres. Property was acquired subject to zoning approvals at buyers expense. Retail unit pricing is projected to be \$350,000 which equates to a 12.8% Land Cost to Retail Price Ratio.</i></p>							
2	CenterPlace Land AKA Esplanade Lake Club Alico Rd. Fort Myers Lee County FL	Jun-18 Closed	\$33,800,000	33,928,884 778.90	Commercial Planned Development	\$1.00	\$43,395
<p><i>Comments: Taylor Morrison of Florida, Inc. purchased nearly 800 acres of community commercial planned development zoned land from Alico West Fund, LLC in June of 2018 for \$33,800,000. This is the future site of CenterPlace AKA Esplanade Lake Club, a proposed mixed-use development located on the south side of Alico Road and east of Ben Hill Griffin Parkway, adjacent to Florida Gulf Coast University and Miramar Lakes. The overall community could feature 650 single and multi-family units. About 352 acres will be lakes.</i></p>							
3	Currents CDD Tamiami Trl.E. Naples Collier County FL	Oct-18 Closed	\$65,454,080	22,489,157 516.28	Residential	\$2.91	\$126,780
<p><i>Comments: This is the sale of 516.8 acres entitled for 1,250 dwelling units. The sale involved a redemption of 210 acres that was previously part of the TM Oyster Harbor, LLC which was a JV between Fiddler's Creek and Taylor Morrison (TM) originally dated July of 2014 with consideration of \$42,500,000. The JV was broken up under a redemption agreement and TM kept 210 acres and entitlements for 500 dwelling units dated 10/30/2018 and valued at \$29,454,080. On 10/30/2018 TM purchased an additional 306 acres and entitlements for 750 dwelling units for \$36,000,000. Therefore, the total price paid as of 10/30/2018 was \$65,454,080 for 516.28 acres and 1,250 dwelling units. This amounts to \$126,780/acre and \$52,363/Unit.</i></p>							
4	Timber Creek Lennar NWQ Daniels Parkway and SR 82 Fort Myers Lee County FL	Mar-19 Closed	\$30,000,000	28,503,922 654.36	Residential	\$1.05	\$45,846
<p><i>Comments: Lennar Homes completed a contract for purchase agreement for 654.36 acre portion of the subject (northwestern area of the subject; however, this does not include a portion of 39.77 acres that is directly on the northwest corner, which was rezoned for mixed/commercial use), that has reportedly closed as of March 25, 2019. The purchase price for the property is \$30,000,000 and is based on the development potential of 1,315 residential units. It was also noted that the rezoning and development costs are at the sole expense of the buyer.</i></p>							
5	Enclaves 6704 Bayshore Rd North Fort Myers Lee County FL	Aug-19 Closed	\$3,008,000	2,482,920 57.00	Residential Planned Development	\$1.21	\$52,772
<p><i>Comments: 57 acres located at 6704 Bayshore Rd sold on August 5th, 2019 for \$3,008,000. The subject site lies in the 78.03+/- acre Enclaves of Eagles Nest planned development. 20.93 acres of the development is planned for commercial and is owned by a different entity, leaving the subject 57.1+/- acres for residential development. The subject portion is zoned for 174 single family homes</i></p>							
6	Journey's End Property 1158 Pisa Ln. Naples Collier County FL	Jan-20 Closed	\$9,500,000	2,869,733 65.88	Residential Multifamily	\$3.31	\$144,202
<p><i>Comments: Site has entitlements in place including SDPA permits, Army corps Permits FDEP water and wastewater permits & SWFMD permits. Additional consideration of \$901,036.50 to be paid within two years for impact fee credits in place at the property. The closing is projected for November 11, 2019 but is contingent upon rezoning to RPUUD at the buyers expense. Buyer plans to build 298 twin villas similar to their Naples Preserve project which is priced from \$299,990 and up.</i></p>							
Subject						Residential	
Stonewater Community Development District Dedication Areas Cape Coral, FL							

Comparable Land Sales Map – Uplands





Sale 1
Marquesa Isles of Naples



Sale 2
CenterPlace Land AKA Esplanade Lake Club



Sale 3
Currents CDD



Sale 4
Timber Creek Lennar



Sale 5
Enclaves



Sale 6
Journey's End Property

Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factors	
Effective Sale Price	Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale, related parties transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.
Location	Market or submarket area influences on sale price; surrounding land use influences.
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts.
Size	Inverse relationship that often exists between parcel size and unit value.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.
Entitlements	The specific level of governmental approvals attained pertaining to development of a site.

When considering market conditions, we note that the sales took place from February 2018 to January 2020. Market conditions up through the introduction of COVID-19 conditions have been generally strengthening. No adjustments have been made.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - CDD Uplands

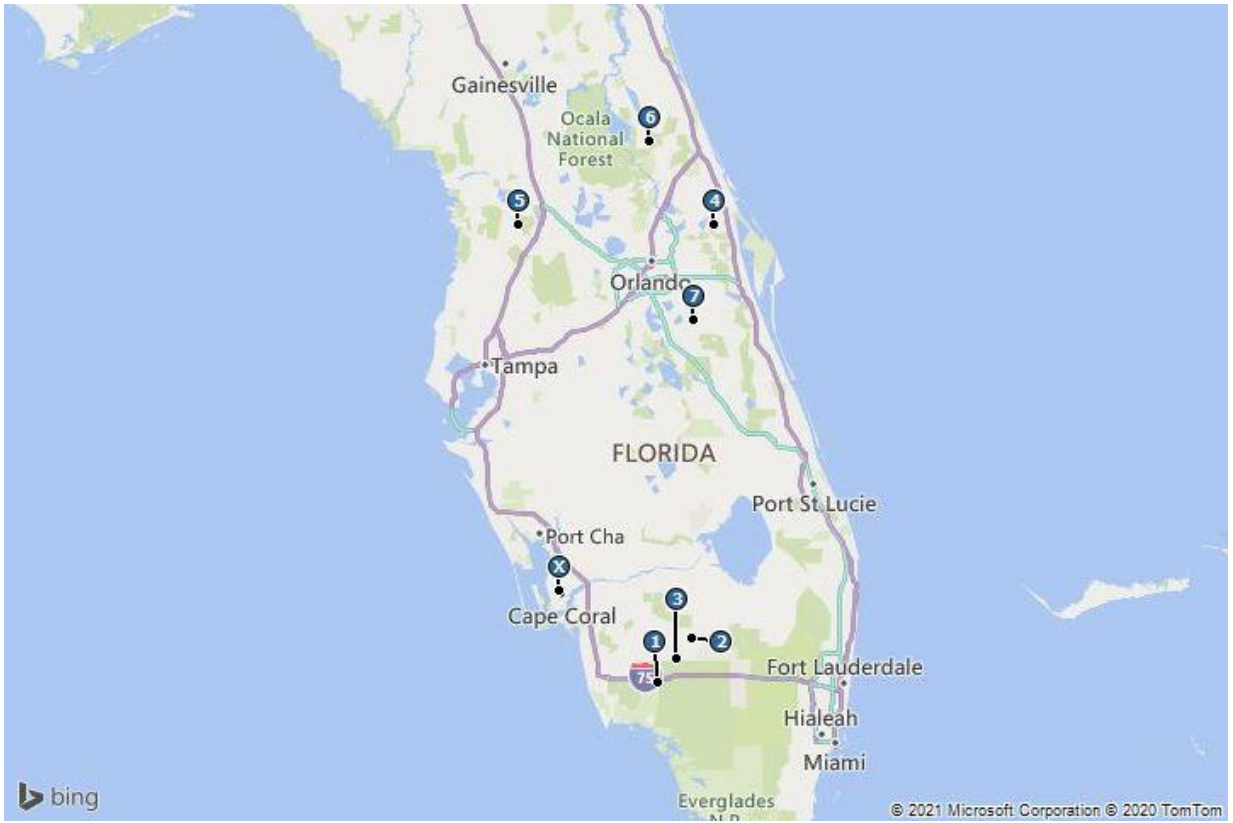
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Name	Stonewater Community Development District Dedication Areas	Marquesa Isles of Naples	CenterPlace Land AKA Esplanade Lake Club	Currents CDD	Timber Creek Lennar	Enclaves	Journey's End Property
Address	Tropicana Pky.	2301 Ariane Dr.	Alico Rd.	Tamiami Trl.E.	NWQ Daniels Parkway and SR 82	6704 Bayshore Rd	1158 Pisa Ln.
City	Cape Coral	Naples	Fort Myers	Naples	Fort Myers	North Fort Myers	Naples
County	Lee	Collier	Lee	Collier	Lee	Lee	Collier
State	Florida	FL	FL	FL	FL	FL	FL
Sale Date		Feb-18	Jun-18	Oct-18	Mar-19	Aug-19	Jan-20
Sale Status		Closed	Closed	Closed	Closed	Closed	Closed
Sale Price		\$7,000,000	\$33,800,000	\$65,454,080	\$30,000,000	\$3,008,000	\$9,500,000
Price Adjustment		-	-	-	-	-	-
Description of Adjustment							
Effective Sale Price		\$7,000,000	\$33,800,000	\$65,454,080	\$30,000,000	\$3,008,000	\$9,500,000
Square Feet		1,742,400	33,928,884	22,489,157	28,503,922	2,482,920	2,869,733
Acres		40.00	778.90	516.28	654.36	57.00	65.88
Usable Square Feet		1,742,400	18,595,764	22,489,157	28,503,922	0	2,869,733
Units Per Acre	2.18	3.90	0.83	2.42	2.01	3.05	4.52
Price per Square Foot		\$4.02	\$1.00	\$2.91	\$1.05	\$1.21	\$3.31
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller		Cash to seller	
% Adjustment		-	-	-	-	-	-
Conditions of Sale		-	-	-	-	-	-
% Adjustment		-	-	-	-	-	-
Market Conditions	1/8/2021	Feb-18	Jun-18	Oct-18	Mar-19	Aug-19	Jan-20
Annual % Adjustment		-	-	-	-	-	-
Cumulative Adjusted Price		\$4.02	\$1.00	\$2.91	\$1.05	\$1.21	\$3.31
Location		-20%	-	-20%	-	-	-20%
Access/Exposure		-	-	-	-	-	-
Size		-	-	-	-	-	-
Shape and Topography		-	-	-	-	-	-
Zoning		-15%	20%	-	-	-15%	-15%
Entitlements		-	-	-	-	-	-
Adjustment 7		-	-	-	-	-	-
Adjustment 8		-	-	-	-	-	-
Net \$ Adjustment		-\$1.41	\$0.20	-\$0.58	\$0.00	-\$0.18	-\$1.16
Net % Adjustment		-35%	20%	-20%	0%	-15%	-35%
Final Adjusted Price		\$2.61	\$1.20	\$2.33	\$1.05	\$1.03	\$2.15
Overall Adjustment		-35%	20%	-20%	0%	-15%	-35%
Range of Adjusted Prices		\$1.03 - \$2.61					
Average		\$1.73					
Indicated Value		\$1.50					

To apply the sales comparison approach to the we searched for sale transactions most relevant to the subject in terms of location, size, highest and best use, and transaction date. Using price per acre as the appropriate unit of comparison, we summarize the most relevant sales in the following table.

For this analysis, we use price per acre as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

Summary of Comparable Land Sales - Lakes & Wetlands							
No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Environmental Protection Land State Road 29 Naples Collier County	Jan-18 Closed	\$190,000	3,419,024 78.49	A-ACSC/ST	\$0.06	\$2,421
	<i>Comments: Board of Trustees of the Internal Improvement Trust Fund of the State of Florida purchased one parcel of A-ACSC/ST zoned land in November of 2017. The price was \$190,000. The property consists of about 78 acres located west of Highway 29 and south of Interstate 75 in the Naples area of Collier County.</i>						
2	25370 Rock Lake Rd Clewiston Hendry County	Mar-18 Closed	\$1,017,000	27,882,320 640.09		A-2 \$0.04	\$1,589
	<i>Comments: Hickx LLC purchased one parcel of A-2 zoned land in March of 2018. The price was \$1,017,000. The property consists of about 640 acres located towards the southern end of Rock Lake Road in the Clewiston area of Hendry County.</i>						
3	Panther Tracts LLC Doctors Hammock and Mc Clure Rd. Immokalee Hendry County	Mar-18 Closed	\$670,100	23,703,610 544.16	Agricultural	\$0.03	\$1,231
	<i>Comments: Panther Tracts, LLC purchased three parcels of agricultural zoned land in March of 2018. The price was \$670,100. The property consists of about 544 acres located along Doctors Hammock Road and McClure Road in the Immokalee area of Hendry County.</i>						
4	Lake Harney West Land N/O Cedar Hammock Rd., E/O Lake Harney Mims Volusia County	Jul-19 Closed	\$184,500	5,284,264 121.31	Forestry Resource	\$0.03	\$1,521
	<i>Comments: This represents the sale of a 121.31± gross acre tract of land located north of Cedar Hammock Road and east of Lake Harney, in a rural area of Mims, Volusia County, Florida. The property contains 27± acres of jurisdictional wetlands located along the northwest and southern areas of the property, resulting in 94.31± acres (77%) of probable uplands. According to the seller, the purchase was arm's length but he felt he may have been able to obtain a little higher price but he didn't feel like leaving the property on the market for an extended period of time. He stated he was happy with the deal and sold the site. The property does not benefit from any public utilities and contains a zoning of FR, Forestry Resource and a future land use of Forestry Resource. The property is access by a 30-foot side non-exclusive easement for ingress and egress. All of the roadways in the area are dirt/rural roads. The property sold on July 31, 2019 for \$184,500, or \$1,521 per gross acre. The seller stated the property was purchased by the buyer for personal use.</i>						
5	Floral City Wetlands 10941 E. Trails End Rd. Floral City Citrus County	Dec-19 Closed	\$515,500	18,160,164 416.90	Mobile Home	\$0.03	\$1,237
	<i>Comments: This represents the sale of a 416.90± gross acre tract of land located along the north side of East Trails End Road, south of Tsala Apopka Lake, in Floral City, Citrus County, Florida. According to the selling broker, the site was purchased by an investor to establish a wetland mitigation bank. At the time of sale, there were no established credits. The property contains 1± acre of usable land fronting on East Trails End Road. The seller is reportedly dealing with the state in regards to recapturing paid taxes on 36 acres that the state may take back that supposedly is state owned and was transferred with the sale. At the time of confirmation, the 36 acres of wetlands were still being determined for ownership as they fall within in navigable waterway. The property contains a CL, Coastal Lakes zoning on 415± acres and a Coastal Lakes land use, with the 1 acre of usable land area containing a CL-MH, Coastal Lakes - Mobile Home zoning. Public water and sewer are not in the area. The property sold on December 13, 2019 for \$515,000, or \$1,236.50 per acre.</i>						
6	Buckles Road Land 790 Buckles Rd. Pierson Volusia County	Mar-20 Closed	\$230,000	4,476,661 102.77	Resource Corridor	\$0.05	\$2,238
	<i>Comments: This represents a sale of a 102.77± gross acre tract of land located along the west side of Buckles Road, approximately 2.85± miles of State Road 40, in Pierson, Volusia County, Florida. The property contains approximately 60± acres of jurisdictional wetlands scattered throughout the property. According to the selling broker, the property was purchased by an owner user to build a single-family home on the upland acreage. The property does not benefit from public water or sewer. Access to the property is provided via a 60-foot wide access easement along Buckles Road, which is a dirt road at the property that extends south to State Road 40. The access easements provides access to the larger Black Bear Ranch properties. The property is zoned RC, Resource Corridor and contains a future land use of Environmental Service Corridor. The property sold on March 12, 2020 for \$230,000, or \$2,238 per gross acre.</i>						
7	Harmony Mitigation Tract S/S of Old Melbourne Highway, N/O Hwy. 192 St. Cloud Osceola County	May-20 Closed	\$2,000,000	72,236,855 1,658.33	Development	\$0.03	\$1,206
	<i>Comments: This represents the sale of a 1,658.33± gross acre tract of land located along the south side of Old Melbourne Highway, east of Buck Lake and north of U.S. Highway 192, in St. Cloud, Osceola County, Florida. The property contains approximately 63.04 acres (4%) of probable uplands, with the remaining 1,595.29 acres (96%) comprised of jurisdictional wetlands. Although requested, the exact amount of upland acreage was not provided. As such, we have utilized the online public data sources for purposes of delineating the uplands/wetlands. According to the confirming source, the tract was placed under contract in 2018 and over the course of two years, an affiliate of Bio-Tech Consulting worked to secure wetland mitigation/UMAM credits on the property. The property sold on May 18, 2020 for \$2,000,000, or \$1,206 per acre. The same day, the property was flipped to TDC Mitigation, LLC, an affiliate related to Tavistock Development Company with 75 UMAM credits in place for \$3,400,000. The flipped sale excluding 36.22± acres fronting along U.S. Highway 192 that was retained by the seller (Valhalla Initiative, Inc.). This resulted in 1,622 gross acres sold to TDC Mitigation, LLC for \$3,400,000, or \$2,096 per acre. The confirming source reported the sale price reflected the time and capital spent to acquire the credits. The credits will reportedly be utilized to mitigate wetland impacts on several of the developer's on-going and planned projects (Lake Nona/Poitras, Sunbridge). The tract is known as the Harmony Mitigation Tract and is located within the Lake Hart Basin. The property was originally part of the Harmony DRI containing 11,031± acres and part of the larger Harmony master-planned development. The DRI has since been rescinded. The property is zoned PD, Planned Development and contains a future land of Rural/Agricultural and Harmony. Public water and sewer are not located along Old Melbourne Highway and are not located in the immediate area along U.S. Highway 192. The nearest connection is located to the west of the properties frontage along U.S. Highway 192 at the under construction Harmony West single-family development.</i>						
	Subject Stonewater Community Development District Cape Coral, FL			3,890,344 89.31	Residential		

Comparable Land Sales Map –





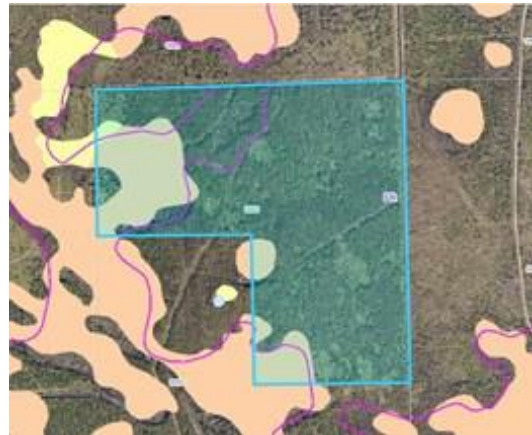
Sale 1
Environmental Protection Land



Sale 2
25370 Rock Lake Rd



Sale 3
Panther Tracts LLC



Sale 4
Lake Harney West Land



Sale 5
Floral City Wetlands



Sale 6
Buckles Road Land



Sale 7
Harmony Mitigation Tract

Analysis and Adjustment of Sales

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Lakes & Wetlands								
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Name	Stonewater Community Development District Dedication Areas	Environmental Protection Land	25370 Rock Lake Rd	Panther Tracts LLC	Lake Harney West Land	Floral City Wetlands	Buckles Road Land	Harmony Mitigation Tract
Address	Tropicana Pky.	State Road 29	25370 Rock Lake Rd.	Doctors Hammock and Mc Clure Rd.	N/O Cedar Hammock Rd., E/O Lake Harney	10941 E. Trails End Rd.	790 Buckles Rd.	S/S of Old Melbourne Highway, N/O Hwy. 192
City	Cape Coral	Naples	Clewiston	Immokalee	Mims	Floral City	Pierson	St. Cloud
County	Lee	Collier	Hendry	Hendry	Volusia	Citrus	Volusia	Osceola
State	Florida	FL	FL	FL	FL	FL	FL	FL
Sale Date		Jan-18	Mar-18	Mar-18	Jul-19	Dec-19	Mar-20	May-20
Sale Status		Closed	Closed	Closed	Closed	Closed	Closed	Closed
Sale Price		\$190,000	\$1,017,000	\$670,100	\$184,500	\$515,500	\$230,000	\$2,000,000
Price Adjustment		-	-	-	-	-	-	-
Description of Adjustment								
Effective Sale Price		\$190,000	\$1,017,000	\$670,100	\$184,500	\$515,500	\$230,000	\$2,000,000
Square Feet	3,890,344	3,419,024	27,882,320	23,703,610	5,284,264	18,160,164	4,476,661	72,236,855
Acres	89.31	78.49	640.09	544.16	121.31	416.90	102.77	1,658.33
Price per Acre		\$2,421	\$1,589	\$1,231	\$1,521	\$1,237	\$2,238	\$1,206
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-	-	-	-
Conditions of Sale								
% Adjustment		-	-	-	-	-	-	-
Market Conditions	1/8/2021	Jan-18	Mar-18	Mar-18	Jul-19	Dec-19	Mar-20	May-20
Annual % Adjustment		-	-	-	-	-	-	-
Cumulative Adjusted Price		\$2,421	\$1,589	\$1,231	\$1,521	\$1,237	\$2,238	\$1,206
Location		-	-	-	-	-	-	-
Access/Exposure		-	-	-	-	-	-	-
Size		-	-	-	-	-	-	-
Shape and Topography		-	-	-	-	-	-	-
Zoning		-	-	-	-	-	-	-
Entitlements		-	-	-	-	-	-	-
Adjustment 7		-	-	-	-	-	-	-
Adjustment 8		-	-	-	-	-	-	-
Net \$ Adjustment		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net % Adjustment		0%	0%	0%	0%	0%	0%	0%
Final Adjusted Price		\$2,421	\$1,589	\$1,231	\$1,521	\$1,237	\$2,238	\$1,206
Overall Adjustment		0%	0%	0%	0%	0%	0%	0%
Range of Adjusted Prices		\$1,206 - \$2,421						
Average		\$1,635						
Indicated Value		\$1,700						



Land Value Conclusion - Lakes

We give equal weight to all sales and arrive at a value conclusion as follows:

Land Value Conclusion

Indicated Value per Acre	\$1,700
Subject Acres	<u>89.31</u>
Indicated Value	\$151,827
Rounded	\$152,000



Summary of Land Values

Based on this analysis, the individual values are combined into a final value as follows:

Summary of Land Values

Parcel	Total SF	Indicated Value per Square Foot	Indicated Value	Rounded
Uplands - CDD Public Rights of Way	72,745	\$1.50	\$109,118	\$109,000
Uplands - Perimeter Buffer Area	46,174	\$1.50	\$69,260	\$69,000
Lake CDD Area	3,890,344	\$0.04	\$151,827	\$152,000
Total	4,009,262			\$330,000

Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable, and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

Value Conclusions			
Parcel	Interest Appraised	Date of Value	Value Conclusion
Uplands - CDD Public Rights of Way	Fee Simple	January 8, 2021	\$109,000
Uplands - Perimeter Buffer Area	Fee Simple	January 8, 2021	\$69,000
Lake CDD Area	Fee Simple	January 8, 2021	\$152,000
Total			\$330,000

All upland areas are interchangeable with the same highest and best use, and accordingly are valued the same, even if the end use is as a roadway, lake, buffer area, etc. Existing lakes, and conservation areas, by contrast, are not interchangeable with uplands and accordingly are valued differently than uplands, and using their own sales comparison data. This valuation method, as applied herein, is an industry standard method that is often used in valuing properties like the appraised lands.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

As of the date of value, the economy (globally, nationally, and locally) was in a state of rapid transition with a widespread expectation of the imminent onset of a significant recession. The outbreak of COVID-19 (coronavirus disease of 2019) in China was declared a global pandemic by the World Health Organization (WHO) on March 11, 2020. Some market deterioration had occurred shortly before this date, but the declaration by the WHO soon led to municipal and statewide orders to “shelter in place,” causing widespread closures of businesses and a massive disruption to general commerce. The status of economic conditions is changing rapidly, creating great uncertainty in the markets. The value expressed herein represents our opinion based on the best available data reflective as of the date of value. While values are always subject to change over time, we caution the reader that in the current economic climate, market volatility creates the potential for a more significant change in value over a relatively short period of time.



Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Based on the concluded market values stated previously, it is our opinion that the probable exposure time is 12 months.

Marketing Period

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. We estimate the subject's marketing period at 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Carlton J. Lloyd, MAI, made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Carlton J. Lloyd, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.



Carlton J. Lloyd, MAI
FL State-Certified General RE Appraiser RZ#2618

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

- covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
 8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
 9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
 10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
 11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
 12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
 13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
 14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
 15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
 16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
 17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

- conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
 19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
 20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Southwest Florida, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
 21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
 22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
 23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
 24. **IRR - Southwest Florida is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Southwest Florida. In addition, it is expressly**

- agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**
25. IRR - Southwest Florida is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. None

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. None

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A
Appraiser Qualifications



Carlton J. Lloyd, MAI

Experience

Senior Managing Director of Integra Realty Resources Southwest Florida

Actively engaged in real estate valuation since 1995. Territories include Collier, Lee, Charlotte, Sarasota, Manatee, Broward, Palm Beach, Miami-Dade, Monroe, Desoto and Hendry Counties. Experienced in Residential Developments (PUDs & Condominiums), Multifamily apartments, Low Income Housing, (LIHTC), office buildings, restaurants, commercial retail centers, industrial warehouse properties, self storage, hotels, net leased properties and subdivisions.

Specialty experience includes marina, golf courses and country clubs, and orange groves.

Clients include, but are not limited to: federally insured lenders, developers, investors, law firms, mortgage banking firms, local, state, and federal agencies, and individuals.

Valuations have been performed for condemnation purposes, estates, financing, equity participation and due diligence and litigation support. Valuations and market studies have been done on proposed, partially completed, renovated and existing structures.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute, Member (#406018), August 2008

Licenses

Florida, State Certified General RE Appraiser, RZ#2618, Expires November 2022

North Carolina, State Certified RE Appraiser, A8292, Expires June 2021

Indiana, Certified General Appraiser, CG42000021, Expires June 2022

Colorado, Certified General Appraiser, CG.200002335, Expires December 2022

New York, State Certified General RE Appraiser, 46000053058, Expires October 2022

Education

Carlton graduated with a Bachelor Of Arts Degree from the State University of N.Y. at Albany in 1989.

Recent real estate courses include :

Valuation of Donated Real Estate, Including

Conservation Easements, June 25, 2020

Transferred Value, June 10, 2020

7-Hour National USPAP Update Course, June 8, 2020

Florida Law Update 2020, June 2, 2020

Appraising Automobile Dealerships Sept 1, 2018

Managing Unusual Appraisal & Litigation Assignments 06/12/2018

Online Business Practices and Ethics 06/08/2018

7-Hour National USPAP Update Course 04/12/2018

Online Real Estate Finance Statistics and Valuation Modeling 06/15-07/15/2016

Reviewing Residential Appraisals and Using Fannie Mae Form 2000 06/01-07/01/2016

Residential Sales Comparison and Income Approach 08/15-09/29/2014

Feasibility, Market Value, Investment Timing: Option Value 08/15-09/14/2012

Integra Realty Resources
Southwest Florida

2770 Horseshoe Drive S
Suite 3
Naples, FL 34104

T 239.643.6888
F 239.643.6871

irr.com

Carlton J. Lloyd, MAI

Education (Cont'd)

Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
02/29-03/01/2012

The Appraiser as an Expert Witness: Preparation & Testimony 06/04-05/2009

Condemnation Appraising: Principles & Applications 05/06-08/2009

Online Small Hotel/Motel Valuation 11/01-12/01/2008

Online Analyzing Distressed Real Estate 10/15-11/14/2008

Online Condominiums, Co-ops and PUDs 10/15-11/14/2008

Online Appraising From Blueprints and Specifications 09/15-10/15/2006

Online Analyzing Operating Expenses 08/15-09/14/2006

Online Small Hotel/Motel Valuation 08/15-09/14/2006

Report Writing and Valuation Analysis 07/11-17/2004

Advanced Applications 03/08-13/2004

Highest & Best Use and Market Analysis 10/06-11/2003

Advanced Sales Comparison & Cost Approaches 10/28-11/02/2002

Advanced Income Capitalization 02/07-13/2002

General Applications 03/19-25/2001

Standards of Professional Practice, Part B 08/30/2000

Standards of Professional Practice, Part A (USPAP) 08/28-29/2000

Basic Income Capitalization 08/15-21/1999

Qualified Before Courts & Administrative Bodies

State Certified General Real Estate Appraiser in Florida, Colorado, New York, North Carolina, and Indiana.

Qualified as an expert witness in U.S. Federal Bankruptcy Court, US District Court-Tampa, Collier County Circuit Court, Lee County Circuit Court and the Tax Appeals Board of Lee County

Integra Realty Resources
Southwest Florida

2770 Horseshoe Drive S
Suite 3
Naples, FL 34104

T 239.643.6888
F 239.643.6871

irr.com



Ron DeSantis, Governor

Halsey Beshears, Secretary



**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

FLORIDA REAL ESTATE APPRAISAL BD

THE CERTIFIED GENERAL APPRAISER HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 475, FLORIDA STATUTES

LLOYD, CARLTON J

2770 HORSESHOE DRIVE S
SUITE 3
NAPLES FL 34104

LICENSE NUMBER: RZ2618

EXPIRATION DATE: NOVEMBER 30, 2022

Always verify licenses online at MyFloridaLicense.com



Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com



Addendum B
Property Information



This Instrument was Prepared By,
Record and Return To:
Matthew R. Pisciotta, Esquire
Nelson Mullins Riley & Scarborough LLP,
dba Nelson Mullins Broad and Cassel LLP
1905 NW Corporate Blvd, Suite 310
Boca Raton, Florida 33431

Property Appraiser Identification Nos:
10-44-23-C2-00003.0000
10-44-23-C1-00002.0000

NOTE TO RECORDER: Documentary stamp taxes in the amount of \$46,711.00 are being paid on \$6,673,000.00 consideration in connection with this Deed as required pursuant to Section 201.02, Florida Statutes.

SPECIAL WARRANTY DEED

This Special Warranty Deed, made this 13th day of November, 2020 between **STONEWATER II LLC**, a Michigan limited liability company, whose post office address is 31500 W. 10 Mile Road, Farmington Hills, Michigan 48336, **Grantor**, and **D.R. HORTON, INC.**, a Delaware corporation, whose post office address is 10541 Ben C. Pratt Six Mile Cypress Parkway, Suite 100, Fort Myers, Florida 33966, **Grantee**:

(Whenever used herein the terms Grantor and Grantee include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, trusts and trustees)

Witnesseth, that said Grantor, for and in consideration of the sum of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, to Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said Grantee and Grantee's heirs and assigns forever, the following described land, situate, lying and being in **Lee County, Florida**, to-wit:

See Exhibit "A" attached hereto and incorporated herein by reference (the "Property")

SUBJECT TO taxes for the year 2020 and subsequent years; and

SUBJECT TO the Permitted Exceptions set forth on the attached Exhibit "B" (but this reference to same is not intended to reimpose same).

Together with all the tenements, hereditaments, appurtenances and easements thereto belonging or in anywise appertaining.

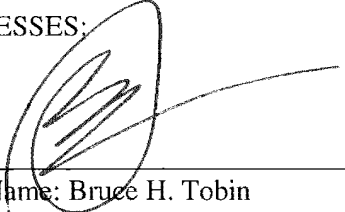
To Have and to Hold, the same in fee simple forever.

And the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of the Property in fee simple; that the Grantor has good right and lawful authority to sell and convey said Property; that the Grantor hereby fully warrants the title to said Property and will defend the same against the lawful claims of all persons claiming by, through or under Grantor.

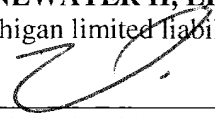
In Witness Whereof, Grantor has executed this Special Warranty Deed as of the day and year first above written.

Signed, sealed and delivered in our presence:

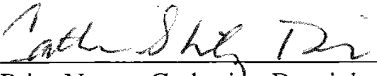
WITNESSES:



Print Name: Bruce H. Tobin

STONEWATER II, LLC,
a Michigan limited liability company
By: 

Michael Tobin, Manager




Print Name: Catherine Dragich

STATE OF MICHIGAN)

COUNTY OF OAKLAND)

The foregoing instrument was acknowledged by me by means of physical presence or () online notarization, this 10th day of November, 2020, by Michael Tobin, as Manager of STONEWATER II, LLC, a Michigan limited liability company, on behalf of the limited liability company. Such person is personally known to me or () has produced _____ as identification.



(Signature of Notary Public, State of Florida)
Catherine Shirley Dragich
Notary, State of Michigan
Oakland County
My commission expires November 28, 2023

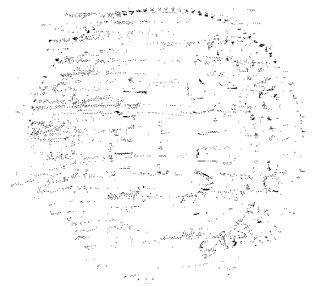


EXHIBIT "A"
Legal Description

The land referred to herein below is situated in the County of Lee, State of Florida, and is described as follows:

A tract or parcel of land lying in Section 10, Township 44 South, Range 23 East, City of Cape Coral, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Commencing at Northeast Corner of said Section 10 run S00°00'02"W along the East line of said Section 10 for 1,370.94 feet; thence run N89°59'58"W for 50.00 feet to an intersection with the West line of the East 50 feet of said Section 10, being the West right of way line of Nelson Road, as described in a deed recorded in Official Records Book 791, at Page 464, Lee County Records, also being the Southeast corner of lands described in deed recorded in Instrument Number 2017000038486, Lee County Records and the POINT OF BEGINNING.

From said Point of Beginning run S00°00'02"W along said West right of way line for 1,321.42 feet to an intersection with the South line of the North Half (N 1/2) of said Section 10; thence run N89°56'37"W along said South line for 3,308.75 feet to an intersection with the Easterly line of lands described in deed recorded in Official Records Book 1763, at Page 3347, Lee County Records; thence run N00°02'12"E along said Easterly line for 2,567.46 feet to an intersection with the Southerly line of lands described in deed recorded in Instrument Number 2017000038486, Lee County Records; thence run along the Southerly and Easterly line of said lands the following two (2) courses: N89°39'59"E for 80.00 feet and N00°02'12"E for 80.00 feet to an intersection with the South line of the North 50 feet of said Section 10, also being the South right of way line of Tropicana Parkway, as described in a deed recorded in Official Records Book 1817, at Page 1072, Lee County Records; thence run along said South line right of way line the following two (2) courses: N89°39'59"E for 586.94 feet and S89°44'21"E for 45.08 feet to a point of cusp; thence run Southwesterly along an arc of a curve to the left of radius 20.00 feet (delta 90°16'37") (chord bearing S45°07'20"W) (chord 28.35 feet) for 31.51 feet to a point of tangency; thence run S00°00'58"E for 15.55 feet to a point of curvature; thence run Southwesterly along an arc of a curve to the right of radius 95.00 feet (delta 90°31'55") (chord bearing S45°14'59"W) (chord 134.97 feet) for 150.11 feet; thence run S00°10'27"W along a non-tangent line for 4.88 feet; thence run S89°49'33"E for 1,072.58 feet to a point of curvature; thence run Southeasterly along an arc of a curve to the right of radius 90.00 feet (delta 131°25'30") (chord bearing S24°06'48"E) (chord 164.07 feet) for 206.44 feet to a point of tangency; thence run S41°35'57"W for 69.72 feet; thence run S48°37'12"E for 121.52 feet to a point on a non-tangent curve; thence run Northerly along an arc of a curve to the left of radius 80.00 feet (delta 52°34'05") (chord bearing N05°38'01"E) (chord 70.85 feet) for 73.40 feet to a point of reverse curvature; thence run Northeasterly along an arc of a curve to the right of radius 65.00 feet (delta 140°54'02") (chord bearing N49°47'59"E) (chord 122.51 feet) for 159.85 feet to a point of tangency; thence run S59°45'00"E for 183.91 feet to a point on a non-tangent curve; thence run Northerly along an arc of a curve to the left of radius 980.00 feet (delta 11°25'02") (chord bearing N19°41'03"E) (chord 194.96 feet) for 195.28 feet to a point of reverse curvature; thence run Northeasterly along an arc of a curve to the right of radius 60.00 feet (delta 76°22'58") (chord bearing N52°10'01"E) (chord 74.19 feet) for 79.99 feet to a point of tangency; thence run S89°38'30"E for 870.76 feet; thence run S54°06'35"E for 35.85 feet; thence run S00°19'29"E for 1,071.60 feet to an intersection with the Northerly line of said lands described in deed recorded in Instrument Number 2017000038486, Lee County Records; thence run along the Northerly, Westerly and Southerly line of said lands the following three (3) courses: N89°59'58"W for 19.88 feet; S00°00'02"W for 100.00 feet and S89°59'58"E for 256.86 feet to the POINT OF BEGINNING.

EXHIBIT "B"
Permitted Exceptions

1. Ordinance No. 24-85 Providing for the Redefinition of City Boundaries recorded April 19, 1985 in Book 1779, Page 1607.
2. Lee County Ordinance No. 86-14 Creating a Municipal Service Benefit Units and a Special District Unit recorded November 30, 1990 in Book 2189, Page 3281; as amended by Lee County Ordinance No. 86-38 recorded November 30, 1990 in Book 2189, Page 3334.
3. City of Cape Coral Resolution No. 76-07 Relating to the Construction of Water Distribution Facilities recorded February 7, 2012 in Instrument No. 2012000026302.
4. Ordinance No. 15-15 Approving a Planned Development Project recorded June 11, 2015 in Instrument No. 2015000126775.
5. Utilities Agreement On-Site Improvements for Water, Wastewater and Irrigation Facilities (Stonewater) by and between the City of Cape Coral and Stonewater II, LLC recorded June 27, 2017 in Instrument No. 2017000140014.
6. Utilities Agreement Off-Site Improvements for Water, Wastewater and Irrigation Facilities (Stonewater) by and between the City of Cape Coral and Stonewater II, LLC recorded June 27, 2017 in Instrument No. 2017000140015.
7. Agreement for Permanent Drainage, Maintenance and Access Easements by and between Stonewater II, LLC and the City of Cape Coral recorded June 27, 2017 in Instrument No. 2017000140016.
8. Ordinance 38 - 17 Amending Ordinance 15 - 15 recorded December 13, 2018 in Instrument No. 2018000291668.

GENERAL NOTES

1. THE SITE CAN BE SAFELY USED FOR BUILDING PURPOSES WITHOUT UNDUE DANGER FROM FLOODS OR ADVERSE SOIL OR FOUNDATION CONDITIONS SUBJECT TO SUBSURFACE SOIL EXPLORATION AND DESIGN OF EACH STRUCTURE BY AN ARCHITECT OR GEOTECHNICAL ENGINEER.
2. THERE ARE NO POTENTIAL IMPACTS TO GROUND AND SURFACE WATERS, WETLANDS OR FLOOD PLAINS/RIVERINE AREAS ANTICIPATED DUE TO CONSTRUCTION OF THIS PROJECT.
3. A VEGETATION REMOVAL PERMIT IS REQUIRED PRIOR TO ANY SITE WORK. PROTECTIVE BARRICADES MUST BE CONSTRUCTED AND INSPECTED PRIOR TO PERMIT ISSUANCE.
4. A PERIMETER WALL OR FENCE MAY BE INSTALLED AT THE OPTION OF THE DEVELOPER. ALL REQUIRED LANDSCAPING MUST BE ON THE SIDE OF THE WALL / FENCE ADJACENT TO THE PROJECT BOUNDARY.
5. PROPOSED BUILDING FOOTPRINTS, PATIOS AND ACCESSORY STRUCTURES MAY BE MODIFIED WITHIN THE ALLOWABLE SETBACKS.
6. THE QUANTITY AND LOCATION OF OPTIONAL PAVER BRICKS UTILIZED FOR ROADWAY AND SIDEWALK SURFACES MAY VARY. SEE TYPICAL SECTIONS AND DETAIL SHEETS.
7. REFUSE AND SOLID WASTE DISPOSAL FOR RESIDENTIAL UNITS AND THE AMENITY CENTER SHALL BE BY CURB SIDE PICK UP.
8. SIDEWALKS WITHIN EACH LOT SHALL BE CONSTRUCTED AT THE TIME OF HOME CONSTRUCTION. COMMON AREA SIDEWALKS SHALL BE CONSTRUCTED WITHIN EACH PHASE AS DEVELOPED.
9. VEHICULAR ENTRY GATES SHALL INCLUDE EVAC SYSTEM FOR FIRE DEPARTMENT ACCESS.
10. AS EVIDENCED BY THE ZONING APPROVAL BY THE LEE COUNTY BOARD OF COMMISSIONERS, THIS PROJECT IS CONSISTENT WITH THE LEE PLAN.
11. THE QUANTITY AND LOCATION OF OPTIONAL PAVER BRICKS UTILIZED FOR ROADWAY AND SIDEWALK SURFACES MAY VARY. SEE TYPICAL SECTIONS AND DETAIL SHEETS.

PROJECT PHASING PLAN:

THE PROJECT INFRASTRUCTURE SHALL BE CONSTRUCTED IN PHASES AS INDICATED BELOW. SEE CONSTRUCTION PLANS FOR ADDITIONAL PHASING NOTES. AFTER COMPLETION OF PHASE 1, PHASES MAY BE CONSTRUCTED IN ANY ORDER IF CONTIGUOUS TO ANOTHER COMPLETED PHASE.

SITE CLEARING MAY COMMENCE FOR ANY PHASE AT THE DISCRETION OF THE OWNER.

TEMPORARY LAKE INTERCONNECT SWALES (NOT SHOWN ON PLANS) MAY BE REQUIRED TO ACCOMPLISH OWNER PHASING SEQUENCING; CONSTRUCT AS NECESSARY.

STREET LIGHTING IS NOT REQUIRED AND MAY BE CONSTRUCTED AT THE DISCRETION OF THE OWNER. AMENITY PARKING LOT LIGHTING IS REQUIRED IN ORDER FOR THOSE AREAS TO BE UTILIZED AT NIGHT.

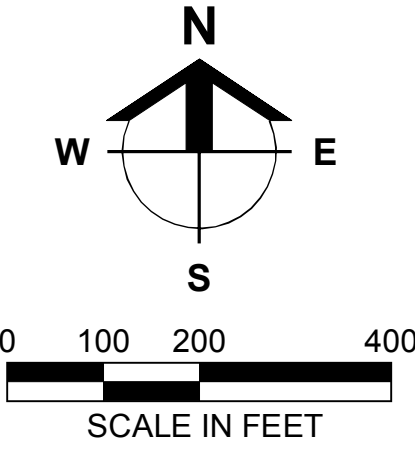
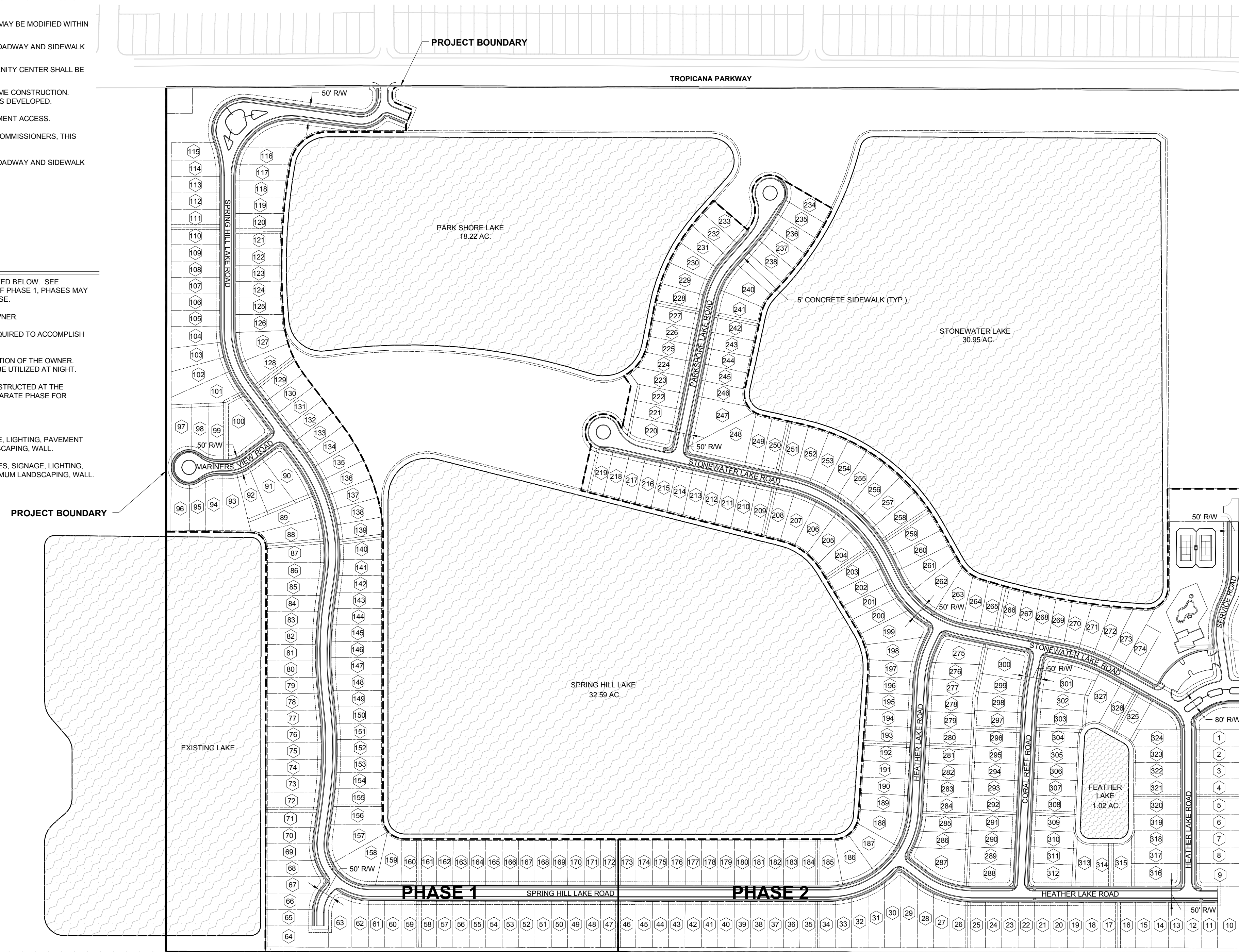
PROJECT ENTRY FEATURES AND SIGNAGE ARE NOT REQUIRED AND MAY BE CONSTRUCTED AT THE DISCRETION OF THE OWNER. EACH ENTRY FEATURE MAY BE CONSIDERED A SEPARATE PHASE FOR PURPOSES OF RECEIVING A CITY OF CAPE CORAL CERTIFICATE OF COMPLETION.

THE FOLLOWING SPECIFIC NOTES APPLY TO THE INDICATED PHASES:

PHASE 1: ROADWAYS, LOTS 47-172, ASSOCIATED DRAINAGE, UTILITIES, SIGNAGE, LIGHTING, PAVEMENT AND PERIMETER BERM, OFF-SITE TURN LANES, CODE MINIMUM LANDSCAPING, WALL.

PHASE 2: ROADWAYS, LOTS 1-46, LOTS 173-327, ASSOCIATED DRAINAGE, UTILITIES, SIGNAGE, LIGHTING, PAVEMENT AND PERIMETER BERM, OFF-SITE TURN LANES, CODE MINIMUM LANDSCAPING, WALL.

LEGEND



PROPOSED DIMENSIONAL REGULATIONS

MINIMUM LOT WIDTH	50 FT
MINIMUM LOT DEPTH	131 FT
MINIMUM LOT AREA	5,000 S.F.
MINIMUM YARDS	
FRONT	20 FT
SIDE	5 FT
REAR PRINCIPAL	10 FT (1)
REAR ACCESSORY (POOL ENCLOSURE)	5 FT (1)
MAXIMUM BUILDING HEIGHT	38 FT
MINIMUM LIVING AREA PER DWELLING UNIT FOR WATERFRONT LOTS	1,200 SF
MINIMUM LIVING AREA PER DWELLING UNIT FOR NON-WATERFRONT LOTS	1,100 SF

NOTE:
1) REAR PRINCIPAL AND ACCESSORY SETBACKS FOR BACK-TO-BACK LOTS SHALL BE INCREASED AS NECESSARY TO ACCOMMODATE REAR YARD DRAINAGE EASEMENTS.

LAND USE

USE	TOTAL
RESIDENTIAL LOTS	42.8 AC
RIGHT OF WAY (*)	10.7 AC
RECREATION TRACTS	1.9 AC
LAKE	74.1 AC
UTILITY/MAINT TRACT	0.3 AC
FUTURE MR	20.1 AC
OPEN SPACE	20.1 AC
TOTAL:	149.9 AC

PRODUCT SUMMARY

	PHASE 1	PHASE 2	LOT TOTAL
40' WIDE SINGLE FAMILY DETACHED	125	202	327
LOT TOTAL	125	202	327

Barraco
and Associates, Inc.

CIVIL ENGINEERING - LAND SURVEYING
LAND PLANNING - LANDSCAPE DESIGN
www.barraco.net
2271 MCGREGOR BLVD., SUITE 100
POST OFFICE DRAWER 2800
FORT MYERS, FLORIDA 33902-2800
PHONE (239) 461-3170
FAX (239) 461-3169

FLORIDA CERTIFICATES OF AUTHORIZATION
ENGINEERING 7995 - SURVEYING LB-6940

PREPARED FOR

WINDHAM DEVELOPMENT

36400 WOODWARD AVENUE
SUITE 205
BLOOMFIELD HILLS, MI 48304

PHONE (248) 290-5300
FAX (248) 290-5306

PROJECT DESCRIPTION

STONESTWATER

CAPE CORAL, FLORIDA

ENGINEER OF RECORD

CARL A. BARRACO, P.E. FOR THE FIRM
FLORIDA P.E. NO. 38536 - CARLB@BARRACO.NET

DRAWING NOT VALID WITHOUT SEAL, SIGNATURE AND DATE
© COPYRIGHT 2016, BARRACO AND ASSOCIATES, INC.
REPRODUCTION, CHANGES OR ASSIGNMENTS ARE PROHIBITED

FILE NAME J:\23305\DWG

LOCATION J:\23305\DWG\DWG

PLOT DATE FRI, 7-22-2016 - 8:48 AM

PLOT BY ERIC FALLON

CROSS REFERENCED DRAWINGS

BASEPLAN = 23305A00.DWG

PLAN REVISIONS

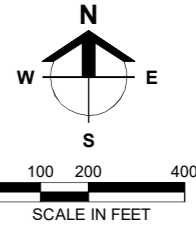
NO.	DESCRIPTION

PLAN STATUS

APPROVAL SUBMITTALS PLANS
NOT FOR CONSTRUCTION

MASTER SITE LAYOUT AND PHASING PLAN

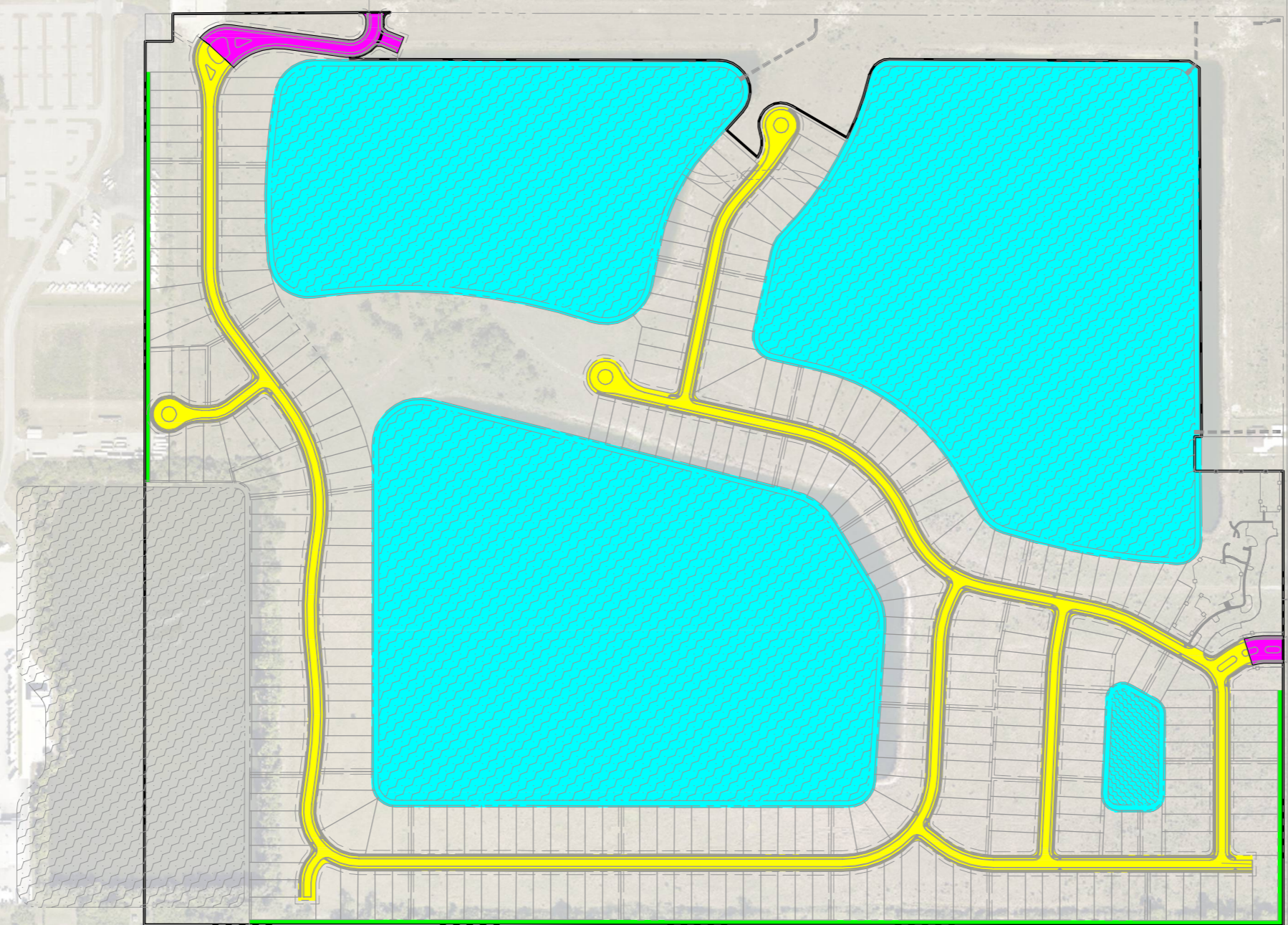
PROJECT / FILE NO.	SHEET NUMBER
23305	C4.0



Barraco
and Associates, Inc.
CIVIL ENGINEERING - LAND SURVEYING
LAND PLANNING
www.barraco.net
2271 MCGREGOR BLVD., SUITE 100
POST OFFICE DRAWER 2800
FORT MYERS, FLORIDA 33902-2800
PHONE (239) 461-3170
FAX (239) 461-3169
FLORIDA CERTIFICATES OF AUTHORIZATION
ENGINEERING 7995 - SURVEYING LB-6940

TROPICANA PKWY.

NELSON RD.



LEGEND

█	CDD PUBLIC RIGHT-OF-WAY AREA = 1.67 ACRES
█	LAKE CDD AREA = 89.31 ACRES
█	PERIMETER BUFFER CDD AREA = 1.06 ACRES
█	HOA PRIVATE RIGHT-OF-WAY AREA = 24.14 ACRES

PREPARED FOR

D.R. HORTON

13880 TREELINE AVENUE SOUTH
SUITE 3
FORT MYERS, FLORIDA 33913
PHONE (239) 561-3200
FAX (239) 561-3225
WWW.DRHORTON.COM

PROJECT DESCRIPTION

STONEWATER

CAPE CORAL, FLORIDA

THIS PLAN IS PRELIMINARY AND
INTENDED FOR CONCEPTUAL
PLANNING PURPOSES ONLY.

SITE LAYOUT AND LAND USE
INTENSITIES OR DENSITIES MAY
CHANGE SIGNIFICANTLY BASED
UPON SURVEY, ENGINEERING,
ENVIRONMENTAL AND / OR
REGULATORY CONSTRAINTS AND /
OR OPPORTUNITIES.

DRAWING NOT VALID WITHOUT SEAL, SIGNATURE AND DATE
© COPYRIGHT 2021, BARRACO AND ASSOCIATES, INC.
REPRODUCTION, CHANGES OR ASSIGNMENTS ARE PROHIBITED

FILE NAME	23238 CDD EXH-1.DWG
LOCATION	J:\23238\DWG\EXHIBITS\
PLOT DATE	WED, 1-6-2021 - 8:20 AM
PLOT BY	JAMIE TODD

CROSS REFERENCED DRAWINGS

PLAN REVISIONS

PLAN STATUS

EXHIBIT

**REQUESTED
AREA
EXHIBIT**

PROJECT / FILE NO.	SHEET NUMBER
23238	EXH.

Addendum C

Comparable Data Land Sales - Uplands



Location & Property Identification

Property Name:	Marquesa Isles of Naples
Sub-Property Type:	Residential, Planned Unit Development
Address:	2301 Ariane Dr.
City/State/Zip:	Naples, FL 34112
County:	Collier
Submarket:	East Naples
Market Orientation:	Suburban
Property Location:	East side of County Barn Rd. approximately 1/2 mile south of Davis Blvd.
IRR Event ID:	2209795



Sale Information

Sale Price:	\$7,000,000
Effective Sale Price:	\$7,000,000
Sale Date:	02/08/2018
Recording Date:	02/13/2018
Sale Status:	Closed
Eff. Price/Unit:	\$44,872 /Apt. Unit
\$/Acre(Gross):	\$175,000
\$/Land SF(Gross):	\$4.02
\$/Acre(Usable):	\$175,000
\$/Land SF(Usable):	\$4.02
\$/Unit:	\$44,872 /Approved Lot
Grantor/Seller:	Alice A. Keller; Jaxe, LLC; Jaxe, LLC
Grantee/Buyer:	County Barn Investors, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale:	This is the sale of 3 parcels of land. 1 sales occurred in 2016 and other 2 in 2018.
Document Type:	Warranty Deed
Recording No.:	5476-2429; 5476-2439; 5319-3259
Verified By:	Julian Stokes, MAI, CCIM

Verification Date:	03/01/2019
Confirmation Source:	Confidential
Verification Type:	Confirmed-Buyer

Sale Analysis

Current Use at T.O.S.:	Vacant land parcel
Former Use:	same
Proposed Use Change:	Yes
Proposed Use Desc.:	156 unit residential home development
Entitlement @ T.O.S.:	Yes
Entitlement Status.:	approved subdivision

Improvement and Site Data

MSA:	Naples/Marco Island
Legal/Tax/Parcel ID:	00402960007, 00402920005, 00403800001
Acres(Usable/Gross):	40.00/40.00
Land-SF(Usable/Gross):	1,742,400/1,742,400
Usable/Gross Ratio:	1.00
No. of Units (Potential):	156
No. of Units/Unit Type:	156/Apt. Units
Shape:	Rectangular
Topography:	Level
Vegetation:	Trees and grasses
Corner Lot:	No

\$350,000 which equates to a 12.8% Land Cost to Retail Price Ratio.

Improvement and Site Data (Cont'd)

Frontage Feet:	1360
Frontage Desc.:	County Barn Rd.
Frontage Type:	2 way, 1 lane each way
Traffic Control at Entry:	None
Traffic Flow:	Moderate
Traffic Count:	5500
AccessibilityRating:	Average
Visibility Rating:	Good
Density-Unit/Gross Acre:	3.90
Density-Unit/Usable Acre:	3.90
Zoning Code:	RPUD
Zoning Desc.:	Residential Planned Unit Development
Easements:	No
Environmental Issues:	No
Flood Plain:	Yes
Flood Area(SF):	1,742,400
Flood Zone Designation:	AE
Comm. Panel No.:	12021C0413H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Water Well Irrigation, Water Well Potable, Sewer, Telephone, CableTV
Utilities Desc.:	All municipal utilities to site
Source of Land Info.:	Public Records

Comments

County Barn Investors, LLC purchased 40 acres of residential land located off the east side of County Barn Rd, south of Davis Blvd in Naples. Three transactions totaling \$7,000,000 took place from October 3, 2016 to February 9, 2018. Neal Home Communities will be building 156 home-sites on the property. The community is named Marquesas Isles of Naples. Villa homes will have a starting price of \$335,990 and feature two to three beds, two baths and two-car garages ranging in size from 1,632 square feet to 1,842 square feet.

Density is 3.9 Units per Acres

Property was acquired subject to zoning approvals at buyers expense. Retail unit pricing is projected to be

Location & Property Identification

Property Name:	CenterPlace Land AKA Esplanade Lake Club
Sub-Property Type:	Residential
Address:	Alico Rd.
City/State/Zip:	Fort Myers, FL 33928
County:	Lee
Submarket:	Estero
Market Orientation:	Suburban
IRR Event ID:	2151259



Sale Information

Sale Price:	\$33,800,000
Effective Sale Price:	\$33,800,000
Sale Date:	06/01/2018
Recording Date:	06/04/2018
Sale Status:	Closed
\$/Acre(Gross):	\$43,395
\$/Land SF(Gross):	\$1.00
\$/Acre(Usable):	\$79,175
\$/Land SF(Usable):	\$1.82
\$/Unit:	\$52,000 /Approved Unit
Grantor/Seller:	Alico West Fund, LLC
Grantee/Buyer:	Taylor Morrison of Florida, Inc.

Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	2018000134994
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	12-46-25-00-00001.0060
Acres(Usable/Gross):	426.90/778.90
Land-SF(Usable/Gross):	18,595,764/33,928,884
Usable/Gross Ratio:	0.55
No. of Units (Potential):	650
Zoning Code:	CCPD

Zoning Desc.:	Community Commercial Planned Development
Source of Land Info.:	Public Records

Comments

Taylor Morrison of Florida, Inc. purchased nearly 800 acres of community commercial planned development zoned land from Alico West Fund, LLC in June of 2018 for \$33,800,000. This is the future site of CenterPlace AKA Esplanade Lake Club, a proposed mixed-use development located on the south side of Alico Road and east of Ben Hill Griffin Parkway, adjacent to Florida Gulf Coast University and Miromar Lakes. The overall community could feature 650 single and multi-family units. About 352 acres will be lakes.

Location & Property Identification

Property Name: Currents CDD
 Sub-Property Type: Residential
 Address: Tamiami Trl.E.
 City/State/Zip: Naples, FL 34114
 County: Collier
 Submarket: Outlying Collier County/Wagon Wheel
 Market Orientation: Suburban
 Property Location: East of Fiddler's Creek, eastern entrance on Sandpiper Drive
 IRR Event ID: 2269694



Sale Information

Sale Price: \$65,454,080
 Effective Sale Price: \$65,454,080
 Sale Date: 10/30/2018
 Recording Date: 11/05/2018
 Sale Status: Closed
 \$/Acre(Gross): \$126,780
 \$/Land SF(Gross): \$2.91
 \$/Acre(Usable): \$126,780
 \$/Land SF(Usable): \$2.91
 \$/Unit: \$52,363 /Potential Unit
 Grantor/Seller: Fiddler's Land Investors, LLC
 Grantee/Buyer: Taylor Morrison of Florida, Inc.

Assets Sold: Real estate only
 Property Rights: Fee Simple
 % of Interest Conveyed: 100.00
 Financing: Cash to seller
 Terms of Sale: This sale involved 2 transactions per above recording documents

Document Type: Warranty Deed
 Recording No.: 5637489/5633311; 5572-457/5568-3814
 Verified By: Julian Stokes, MAI, CCIM
 Verification Date: 09/06/2019

Confirmation Source: Jason Besse, Regional VP, Taylor Morrison
 Verification Type: Confirmed-Buyer

Sale Analysis

Current Use at T.O.S.: Cattle grazing
 Former Use: Cattle grazing
 Proposed Use Change: Yes
 Proposed Use Desc.: Currents CDD
 Entitlement @ T.O.S.: Yes
 Entitlement Status.: Fully entitled for 1,250 Units

Improvement and Site Data

Legal/Tax/Parcel ID: See attached Master Engineer Report, attached
 Acres(Usable/Gross): 516.28/516.28
 Land-SF(Usable/Gross): 22,489,156/22,489,156
 Usable/Gross Ratio: 1.00
 No. of Units (Potential): 1250
 Shape: Irregular
 Topography: Level
 Vegetation: Grass and shrubs
 Corner Lot: No
 Frontage Feet: 4616
 Frontage Desc.: Tamiami Trail East
 Frontage Type: 2 way, 2 lanes each way

Improvement and Site Data (Cont'd)

Traffic Control at Entry:	None
Traffic Flow:	Moderate
AccessibilityRating:	Average
Visibility Rating:	Good
Zoning Code:	Fiddler's Creek/Marco Shores DRI/PUD
Zoning Desc.:	Residential
Easements:	No
Environmental Issues:	No
Flood Plain:	Yes
Flood Zone:	Within 100-year floodplain
Flood Area(SF):	22,489,157
Flood Zone Designation:	AE
Comm. Panel No.:	12021C0620H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Water Well Irrigation, Water Well Potable, Sewer, Telephone, CableTV, Fiber Optics
Utilities Desc.:	All municipal utilities to site
Source of Land Info.:	Engineering Report

Comments

This is the sale of 516.8 acres entitled for 1,250 dwelling units. The sale involved a redemption of 210 acres that was previously part of the TM Oyster Harbor, LLC which was a JV between Fiddler's Creek and Taylor Morrison (TM) originally dated July of 2014 with consideration of \$42,500,000. The JV was broken up under a redemption agreement and TM kept 210 acres and entitlements for 500 dwelling units dated 10/30/2018 and valued at \$29,454,080. On 10/30/2018 TM purchased an additional 306 acres and entitlements for 750 dwelling units for \$36,000,000. Therefore, the total price paid as of 10/30/2018 was \$65,454,080 for 516.28 acres and 1,250 dwelling units. This amounts to \$126,780/acre and \$52,363/Unit.

Location & Property Identification

Property Name:	Timber Creek Lennar
Sub-Property Type:	Other
Address:	NWQ Daniels Parkway and SR 82
City/State/Zip:	Fort Myers, FL 33913
County:	Lee
Submarket:	South Fort Myers/San Carlos
Market Orientation:	Suburban
IRR Event ID:	2492949



Sale Information

Sale Price:	\$30,000,000
Effective Sale Price:	\$30,000,000
Sale Date:	03/18/2019
Contract Date:	09/08/2015
Sale Status:	Closed
\$/Acre(Gross):	\$45,846
\$/Land SF(Gross):	\$1.05
\$/Acre(Usable):	\$45,846
\$/Land SF(Usable):	\$1.05
\$/Unit:	\$22,814 /Unit
Grantor/Seller:	Jared F. Holes as Successor Trustee of Land Trust Number 5018
Grantee/Buyer:	Lennar Homes
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Deed
Recording No.:	2019000062919
Rent Controlled:	No
Verified By:	Carlton J. Lloyd, MAI
Verification Date:	02/01/2020
Confirmation Source:	Seller
Verification Type:	Confirmed-Seller

MSA:	Cape Coral-Fort Myers, FL Metropolitan Statistical Area
Legal/Tax/Parcel ID:	08-45-26-L2-U2747.3999
Acres(Usable/Gross):	654.36/654.36
Land-SF(Usable/Gross):	28,503,921/28,503,921
Usable/Gross Ratio:	1.00
No. of Units (Potential):	1315
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	8624
Frontage Desc.:	SEQ Daniels Parkway and SR 82
Zoning Code:	RPD
Zoning Desc.:	Residential
Flood Plain:	No
Flood Zone Designation:	X
Comm. Panel No.:	12071C0475F
Source of Land Info.:	Past Appraisal

Comments

Lennar Homes completed a contract for purchase agreement for 654.36 acre portion of the subject (northwestern area of the subject; however, this does not include a portion of 39.77 acres that is directly on the northwest corner, which was rezoned for mixed/commercial use), that has reportedly closed as of March 25, 2019. The purchase price for the

Comments (Cont'd)

property is \$30,000,000 and is based on the development potential of 1,315 residential units. It was also noted that the rezoning and development costs are at the sole expense of the buyer.

Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name: Enclaves
Sub-Property Type: Residential
Address: 6704 Bayshore Rd
City/State/Zip: North Fort Myers, FL 33917
County: Lee
Submarket: North Fort Myers
Market Orientation: Suburban

IRR Event ID: 2556272



Sale Information

Sale Price: \$3,008,000
Effective Sale Price: \$3,008,000
Sale Date: 08/05/2019
Recording Date: 08/07/2019
Listing Price: \$3,008,000
Sale Status: Closed
\$/Acre(Gross): \$52,772
\$/Land SF(Gross): \$1.21
\$/Unit: \$17,287 /Unit
Grantor/Seller: YA Eagles Nest Landholdings, LLC

Grantee/Buyer: Pulte Home Company
Property Rights: Fee Simple
% of Interest Conveyed: 100.00
Exposure Time: 86 (months)
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 000000183526
Verification Type: Secondary Verification
Secondary Verific. Source: CoStar

Operating Data and Key Indicators

Operating Expenses: \$1

Sale Analysis

Proposed Use Desc.: MultiFamily

Improvement and Site Data

MSA: Southwest Florida
Legal/Tax/Parcel ID: Parcel Number(s):
30-43-25-04-00002.0000,
30-43-25-04-00006.0000

Acres(Gross): 57.00
Land-SF(Gross): 2,482,920
No. of Units (Potential): 174
Frontage Desc.: 2368 feet on Donald
Zoning Code: RPD
Zoning Desc.: Residential Planned Development

Source of Land Info.: Other

Comments

57 acres located at 6704 Bayshore Rd sold on August 5th, 2019 for \$3,008,000. The subject site lies in the 78.03+/- acre Enclaves of Eagles Nest planned development. 20.93 acres of the development is planned for commercial and is owned by a different entity, leaving the subject 57.1+/- acres for residential development. The subject portion is zoned for 174 single family homes

The subject site lies in the 78.03+/- acre Enclaves of Eagles Nest planned development. 20.93 acres of the development is planned for commercial and is owned by a different entity, leaving the subject 57.1+/- acres for residential development. The subject portion is zoned for 174 single family homes.



Comments (Cont'd)

30-43-25-04-00003.0000

30-43-25-04-00005.0000

30-43-25-04-00006.0000

30-43-25-04-00002.0000

Location & Property Identification

Property Name:	Journey's End Property
Sub-Property Type:	Residential
Address:	1158 Pisa Ln.
City/State/Zip:	Naples, FL 34114
County:	Collier
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Suburban
Property Location:	located on S side of Manatee Rd
IRR Event ID:	2122020



Sale Information

Sale Price:	\$9,500,000
Effective Sale Price:	\$9,500,000
Sale Date:	01/16/2020
Contract Date:	08/01/2018
Sale Status:	Closed
Eff. Price/Unit:	\$31,879 /Apt. Unit
\$/Acre(Gross):	\$144,202
\$/Land SF(Gross):	\$3.31
\$/Acre(Usable):	\$144,202
\$/Land SF(Usable):	\$3.31
\$/Unit:	\$31,879 /Approved Lot
Grantor/Seller:	Rimar Enterprises
Grantee/Buyer:	DR Horton (Forestar USA Real Estate)
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Contract of Sale
Rent Controlled:	No
Verified By:	Carlton J. Lloyd, MAI
Verification Date:	09/24/2018
Confirmation Source:	Buyer
Verification Type:	Confirmed-Buyer

MSA: Naples-Marco Island, FL
Metropolitan Statistical Area

Legal/Tax/Parcel ID:	00736200103, 00736200404
Acres(Usable/Gross):	65.88/65.88
Land-SF(Usable/Gross):	2,869,732/2,869,732
Usable/Gross Ratio:	1.00
No. of Units (Potential):	298
No. of Units/Unit Type:	298/Apt. Units
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	1105
Frontage Desc.:	Manatee Road
Frontage Type:	2 way, 1 lane each way
Traffic Control at Entry:	None
Traffic Flow:	Low
Traffic Count:	40500
Visibility Rating:	Average
Density-Unit/Gross Acre:	4.52
Density-Unit/Usable Acre:	4.52
Zoning Code:	RMF-16 (8)
Zoning Desc.:	Residential Multifamily
Easements:	No
Environmental Issues:	No
Flood Plain:	Yes
Flood Zone:	1200670615E Zone AE 8/3/92
Flood Area(SF):	2,875,396

Improvement and Site Data

Improvement and Site Data (Cont'd)

Flood Zone Designation:	AE
Comm. Panel No.:	12021C0612H
Date:	05/16/2012
Utilities:	Electricity, Water Public, Sewer, Telephone, CableTV
Utilities Desc.:	Set up to Collier County Utilities
Source of Land Info.:	Owner

Comments

Site has entitlements in place including SDPA permits, Army corps Permits FDEP water and wastewater permits & SWFMD permits. Additional consideration of \$901,036.50 to be paid within two years for impact fee credits in place at the property. The closing is projected for November 11, 2019 but is contingent upon rezoning to RPUD at the buyers expense. Buyer plans to build 298 twin villas similar to their Naples Preserve project which is priced from \$299,990 and up.

Land Sales -



Location & Property Identification

Property Name: Environmental Protection Land
Sub-Property Type: Specialty, Conservation/Preservation
Address: State Road 29
City/State/Zip: Naples, FL 34117
County: Collier
Submarket: Outlying Collier County/Wagon Wheel
Market Orientation: Rural

IRR Event ID: 2137231



Sale Information

Sale Price: \$190,000
Effective Sale Price: \$190,000
Sale Date: 01/23/2018
Recording Date: 02/02/2018
Sale Status: Closed
\$/Acre(Gross): \$2,421
\$/Land SF(Gross): \$0.06
Grantor/Seller: Christopher L. Wilson
Grantee/Buyer: Board of Trustees of the Internal Improvement Trust Fund of the State of Florida

Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 5473-2193
Verification Type: Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID: 00522280007
Acres(Gross): 78.49
Land-SF(Gross): 3,419,024
Zoning Code: A-ACSC/ST
Zoning Desc.: A-ACSC/ST
Source of Land Info.: Public Records

Comments

Board of Trustees of the Internal Improvement Trust Fund of the State of Florida purchased one parcel of A-ACSC/ST zoned land in November of 2017. The price was \$190,000. The property consists of about 78 acres located west of Highway 29 and south of Interstate 75 in the Naples area of Collier County.

Location & Property Identification

Property Name: 25370 Rock Lake Rd
Sub-Property Type: Specialty,
Conservation/Preservation
Address: 25370 Rock Lake Rd.
City/State/Zip: Clewiston, FL 33440
County: Hendry
Market Orientation: Rural
IRR Event ID: 2137222



Sale Information

Sale Price: \$1,017,000
Effective Sale Price: \$1,017,000
Sale Date: 03/24/2018
Recording Date: 04/13/2018
Sale Status: Closed
\$/Acre(Gross): \$1,589
\$/Land SF(Gross): \$0.04
Grantor/Seller: J.A. Belcher Jr. and Jewel Lee
Minter as Successor
Co-Trustees of the J.A. Belcher
Trust
Grantee/Buyer: Hickx LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Warranty Deed
Recording No.: 936-1042
Verification Type: Secondary Verification

Comments

Hickx LLC purchased one parcel of A-2 zoned land in March of 2018. The price was \$1,017,000. The property consists of about 640 acres located towards the southern end of Rock Lake Road in the Clewiston area of Hendry County.

Improvement and Site Data

Legal/Tax/Parcel ID: 1-32-47-16-A00-0001.0000
Acres(Gross): 640.09
Land-SF(Gross): 27,882,320
Zoning Code: A-2
Zoning Desc.: A-2
Source of Land Info.: Public Records

Location & Property Identification

Property Name:	Panther Tracts LLC
Sub-Property Type:	Specialty, Conservation/Preservation
Address:	Doctors Hammock and Mc Clure Rd.
City/State/Zip:	Immokalee, FL 34142
County:	Hendry
Submarket:	Outlying Collier County/Wagon Wheel
Market Orientation:	Rural
IRR Event ID:	2137263



Source of Land Info.: Public Records

Sale Information

Sale Price:	\$670,100
Effective Sale Price:	\$670,100
Sale Date:	03/27/2018
Recording Date:	03/29/2018
Sale Status:	Closed
\$/Acre(Gross):	\$1,231
\$/Land SF(Gross):	\$0.03
Grantor/Seller:	Wolf Island, Inc.
Grantee/Buyer:	Panther Tracts, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Warranty Deed
Recording No.:	935-1078
Verification Type:	Secondary Verification

Comments

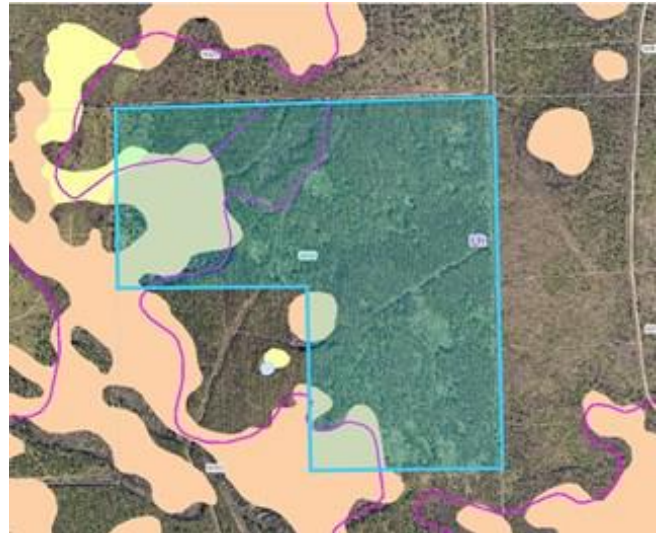
Panther Tracts, LLC purchased three parcels of agricultural zoned land in March of 2018. The price was \$670,100. The property consists of about 544 acres located along Doctors Hammock Road and McClure Road in the Immokalee area of Hendry County.

Improvement and Site Data

Legal/Tax/Parcel ID:	1-31-48-28-A00-0005.0000; 1-31-48-32-A00-0001.0000; 1-31-48-33-A00-0005.0000; 1-31-48-34-A00-0005.0000
Acres(Gross):	544.16
Land-SF(Gross):	23,703,609
Zoning Code:	A-1
Zoning Desc.:	Agricultural

Location & Property Identification

Property Name:	Lake Harney West Land
Sub-Property Type:	Specialty, Wetland/Marshland
Address:	N/O Cedar Hammock Rd., E/O Lake Harney
City/State/Zip:	Mims, FL 32754
County:	Volusia
Market Orientation:	Rural
IRR Event ID:	2469841



Sale Information

Sale Price:	\$184,500
Effective Sale Price:	\$184,500
Sale Date:	07/31/2019
Sale Status:	Closed
\$/Acre(Gross):	\$1,521
\$/Land SF(Gross):	\$0.03
\$/Acre(Usable):	\$1,956
\$/Land SF(Usable):	\$0.04
Grantor/Seller:	James F. Outlaw
Grantee/Buyer:	Shaun Yule
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	7729/2459
Verified By:	Byron R. Todd
Verification Date:	06/24/2020
Confirmation Source:	Jim Outlaw (407) 341-8730
Verification Type:	Confirmed-Seller

Topography:	Level
Zoning Code:	FR
Zoning Desc.:	Forestry Resource
Source of Land Info.:	Other

Comments

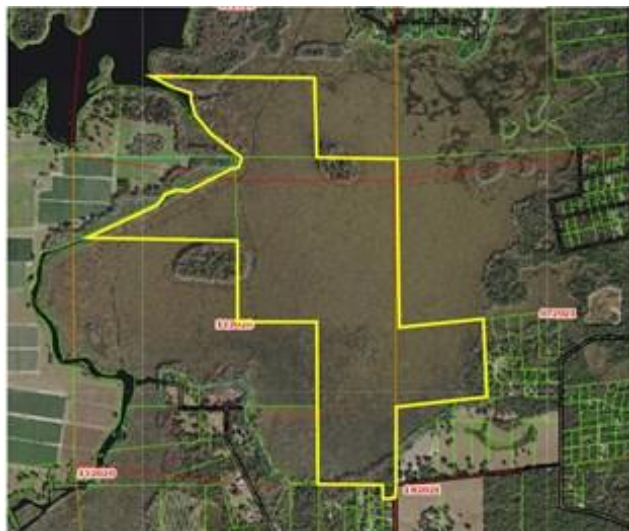
This represents the sale of a 121.31± gross acre tract of land located north of Cedar Hammock Road and east of Lake Harney, in a rural area of Mims, Volusia County, Florida. The property contains 27± acres of jurisdictional wetlands located along the northwest and southern areas of the property, resulting in 94.31± acres (77%) of probable uplands. According to the seller, the purchase was arm's length but he felt he may have been able to obtain a little higher price but he didn't feel like leaving the property on the market for an extended period of time. He stated he was happy with the deal and sold the site. The property does not benefit from any public utilities and contains a zoning of FR, Forestry Resource and a future land use of Forestry Resource. The property is access by a 30-foot side non-exclusive easement for ingress and egress. All of the roadways in the area are dirt/rural roads. The property sold on July 31, 2019 for \$184,500, or \$1,521 per gross acre. The seller stated the property was purchased by the buyer for personal use.

Improvement and Site Data

Legal/Tax/Parcel ID:	0314-00-00-0030
Acres(Usable/Gross):	94.31/121.31
Land-SF(Usable/Gross):	4,108,143/5,284,263
Usable/Gross Ratio:	0.78
Shape:	Irregular

Location & Property Identification

Property Name:	Floral City Wetlands
Sub-Property Type:	Specialty, Wetland/Marshland
Address:	10941 E. Trails End Rd.
City/State/Zip:	Floral City, FL 34436
County:	Citrus
Market Orientation:	Coastal-Waterfront
IRR Event ID:	2466090



Sale Information

Sale Price:	\$515,500
Effective Sale Price:	\$515,500
Sale Date:	12/13/2019
Sale Status:	Closed
\$/Acre(Gross):	\$1,237
\$/Land SF(Gross):	\$0.03
\$/Acre(Usable):	\$515,500
\$/Land SF(Usable):	\$11.83
Grantor/Seller:	Richard McNally
Grantee/Buyer:	Southern States Land & Timber
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	3024/1838
Verified By:	Byron R. Todd
Verification Date:	06/18/2020
Confirmation Source:	Jeremy Lasseigne - Coldwell Banker Investors (352) 586-9009
Verification Type:	Confirmed-Seller Broker

Land-SF(Usable/Gross):	43,560/18,160,164
Shape:	Irregular
Topography:	Other
Zoning Code:	CL & CL MH
Zoning Desc.:	Coastal Lakes and Coastal Lakes Mobile Home
Utilities:	Electricity, Telephone
Source of Land Info.:	Public Records

Comments

This represents the sale of a 416.90± gross acre tract of land located along the north side of East Trails End Road, south of Tsala Apopka Lake, in Floral City, Citrus County, Florida. According to the selling broker, the site was purchased by an investor to establish a wetland mitigation bank. At the time of sale, there were no established credits. The property contains 1± acre of usable land fronting on East Trails End Road. The seller is reportedly dealing with the state in regards to recapturing paid taxes on 36 acres that the state may take back that supposedly is state owned and was transferred with the sale. At the time of confirmation, the 36 acres of wetlands were still being determined for ownership as they fall within in navigable waterway. The property contains a CL, Coastal Lakes zoning on 415± acres and a Coastal Lakes land use, with the 1 acre of usable land area containing a CL-MH, Coastal Lakes - Mobile Home zoning. Public water and sewer are not in the area. The property sold on December 13, 2019 for \$515,000, or \$1,236.50 per

Improvement and Site Data

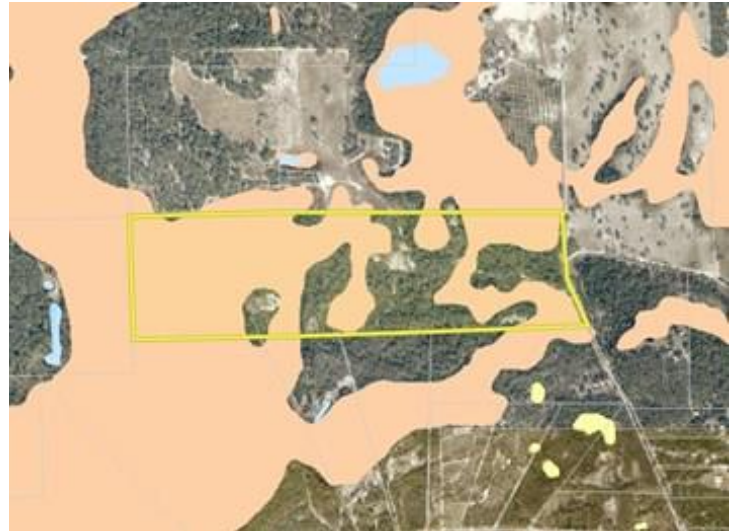
Legal/Tax/Parcel ID:	1844941, 1851441, 1851521, 1892431, 2414430
Acres(Usable/Gross):	1.00/416.90

Comments (Cont'd)

acre.

Location & Property Identification

Property Name:	Buckles Road Land
Sub-Property Type:	Specialty, Wetland/Marshland
Address:	790 Buckles Rd.
City/State/Zip:	Pierson, FL 32180
County:	Volusia
Market Orientation:	Rural
IRR Event ID:	2469829



Sale Information

Sale Price:	\$230,000
Effective Sale Price:	\$230,000
Sale Date:	03/12/2020
Listing Price:	\$250,000
Sale Status:	Closed
\$/Acre(Gross):	\$2,238
\$/Land SF(Gross):	\$0.05
\$/Acre(Usable):	\$5,378
\$/Land SF(Usable):	\$0.12
Grantor/Seller:	Norman K. Roberts and Kandy S. Roberts
Grantee/Buyer:	Spurgeon Crawford and Sherry Crawford
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	7831/4019
Verified By:	Byron R. Todd
Verification Date:	06/24/2020
Confirmation Source:	Tracy Jenson - Realtor (386) 747-4914
Verification Type:	Confirmed-Seller Broker

Land-SF(Usable/Gross):	1,863,061/4,476,661
Usable/Gross Ratio:	0.42
Shape:	Rectangular
Topography:	Level
Zoning Code:	RC
Zoning Desc.:	Resource Corridor
Utilities:	Electricity, Telephone
Source of Land Info.:	Other

Comments

This represents a sale of a 102.77± gross acre tract of land located along the west side of Buckles Road, approximately 2.85± miles of State Road 40, in Pierson, Volusia County, Florida. The property contains approximately 60± acres of jurisdictional wetlands scattered throughout the property. According to the selling broker, the property was purchased by an owner user to build a single-family home on the upland acreage. The property does not benefit from public water or sewer. Access to the property is provided via a 60-foot wide access easement along Buckles Road, which is a dirt road at the property that extends south to State Road 40. The access easements provides access to the larger Black Bear Ranch properties. The property is zoned RC, Resource Corridor and contains a future land use of Environmental Service Corridor. The property sold on March 12, 2020 for \$230,000, or \$2,238 per gross acre.

Improvement and Site Data

Legal/Tax/Parcel ID:	4931-00-00-0040
Acres(Usable/Gross):	42.77/102.77

Location & Property Identification

Property Name:	Harmony Mitigation Tract
Sub-Property Type:	Specialty, Wetland/Marshland
Address:	S/S of Old Melbourne Highway, N/O Hwy. 192
City/State/Zip:	St. Cloud, FL 34771
County:	Osceola
Market Orientation:	Rural
IRR Event ID:	2465426



Sale Information

Sale Price:	\$2,000,000
Effective Sale Price:	\$2,000,000
Sale Date:	05/18/2020
Contract Date:	05/01/2018
Sale Status:	Closed
\$/Acre(Gross):	\$1,206
\$/Land SF(Gross):	\$0.03
\$/Acre(Usable):	\$31,726
\$/Land SF(Usable):	\$0.73
Grantor/Seller:	Harmony Florida Land, LLC
Grantee/Buyer:	Valhalla Initiative, Inc.
Property Rights:	Fee Simple
Financing:	Cash to seller
Document Type:	Deed
Recording No.:	5723/2952
Verified By:	Byron R. Todd
Verification Date:	06/18/2020
Confirmation Source:	James Downey - Bio-Tech Consulting
Verification Type:	Confirmed-Seller

Legal/Tax/Parcel ID:	04-27-32-0000-0013-0000, 5-27-32-0000-1116-0000, 17-26-32-0000-0024-0000, 20-26-32-0000-0013-0000, 21-26-32-0000-0023-0000, 28-26-32-0000-0020-0000, 29-26-32-0000-0015-0000, 32-26-32-0000-0014-0000, 33-26-32-0000-0010-0000, etc.
Acres(Usable/Gross):	63.04/1,658.33
Land-SF(Usable/Gross):	2,746,022/72,236,854
Usable/Gross Ratio:	0.04
Shape:	Irregular
Topography:	Other
Zoning Code:	PD
Zoning Desc.:	Planned Development
Utilities:	Electricity, Telephone
Source of Land Info.:	Public Records

Comments

This represents the sale of a 1,658.33± gross acre tract of land located along the south side of Old Melbourne Highway, east of Buck Lake and north of U.S. Highway 192, in St. Cloud, Osceola County, Florida. The property contains approximately 63.04 acres (4%) of probable uplands, with the remaining 1,595.29 acres (96%) comprised of jurisdictional wetlands. Although

Comments (Cont'd)

requested, the exact amount of upland acreage was not provided. As such, we have utilized the online public data sources for purposes of delineating the uplands/wetlands. According to the confirming source, the tract was placed under contract in 2018 and over the course of two years, an affiliate of Bio-Tech Consulting worked to secure wetland mitigation/UMAM credits on the property. The property sold on May 18, 2020 for \$2,000,000, or \$1,206 per acre. The same day, the property was flipped to TDC Mitigation, LLC, an affiliate related to Tavistock Development Company with 75 UMAM credits in place for \$3,400,000. The flipped sale excluding 36.22± acres fronting along U.S. Highway 192 that was retained by the seller (Valhalla Initiative, Inc.). This resulted in 1,622 gross acres sold to TDC Mitigation, LLC for \$3,400,000, or \$2,096 per acre. The confirming source reported the sale price reflected the time and capital spent to acquire the credits. The credits will reportedly be utilized to mitigate wetland impacts on several of the developer's on-going and planned projects (Lake Nona/Poitras, Sunbridge). The tract is known as the Harmony Mitigation Tract and is located within the Lake Hart Basin. The property was originally part of the Harmony DRI containing 11,031± acres and part of the larger Harmony master-planned development. The DRI has since been rescinded. The property is zoned PD, Planned Development and contains a future land of Rural/Agricultural and Harmony. Public water and sewer are not located along Old Melbourne Highway and are not located in the immediate area along U.S. Highway 192. The nearest connection is located to the west of the properties frontage along U.S. Highway 192 at the under construction Harmony West single-family development.

Full parcel IDs: 04-27-32-0000-0013-0000,
5-27-32-0000-1116-0000, 17-26-32-0000-0024-0000,
20-26-32-0000-0013-0000, 21-26-32-0000-0023-0000,
28-26-32-0000-0020-0000, 29-26-32-0000-0015-0000,
32-26-32-0000-0014-0000, 33-26-32-0000-0010-0000,
05-27-32-0000-1111-0000, 32-26-32-0000-0015-0000,
04-27-32-0000-0010-0000

Addendum D
Engagement Letter





PROPOSAL/ENGAGEMENT LETTER

January 7, 2021

Stonewater CDD
c/o Chuck Adams
Wrathell, Hunt and Associates, LLC
9220 Bonita Beach Road
Suite 214
Bonita Springs, FL 34135
(239) 464-7114 Phone
adamsc@whhassociates.com

SUBJECT: Proposal/Authorization for Valuation and Consulting Services
Stonewater CDD
Lee County Tax parcel ID 10-44-23-C2-U0087.4950
Tropicana Parkway, Cape Coral, Lee County, Florida (the "Subject Property")

Dear Mr. Adams:

Upon your acceptance of this letter agreement, Integra Realty Resources –Southwest Florida ("IRR – Southwest Florida"), will prepare an appraisal of the Subject Property.

The purpose of the appraisal is to estimate the market value of the fee simple estate in the subject property which consists of CDD ROW, Public ROW, existing lake areas, and buffer areas within the Stonewater CDD parent tract. The intended use of the appraisal is to assist the client with a transfer to the CDD. The report may not be used for any other purpose. The appraisal will be prepared in conformance with and subject to, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation. The Ethics Rule of USPAP requires us to disclose to you any prior services we have performed regarding the Subject Property within a three year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity. We represent that we have analyzed not analyzed Stonewater Community Development District for the current client within the past three years.

Mr. Adams
January 7, 2021
Page 2

In accordance with our correspondence, the scope of this assignment will require IRR – Southwest Florida consider all relevant and applicable approaches to value as determined during the course of our research, Subject Property analysis and preparation of the report.

The appraisal will be communicated in a summary report. All work will be performed under the direct supervision of the undersigned, together with other staff members. The appraisal and this letter agreement will be subject to our standard assumptions and limiting conditions a copy of which is attached as Attachment I.

The fee for this assignment will be \$3,000 with delivery within three weeks. If the assignment is cancelled by either party prior to completion, you agree to pay us for all our expenses and our time to date based upon the percentage of work completed.

If required, post analysis services which include testimony at any court hearings, additional valuation scenarios, review of the opposition expert's report(s), additional research and conference calls or meetings with any party which exceed the time allotted for an assignment of this nature. Court appearances, expert witness testimony, etc., will be billed at an hourly rate of \$275.00/hour plus travel expenses for MAI's and principal appraisers and \$90-\$175/hour for associate appraisers depending on their background and experience

Please be advised that we are not experts in the areas of building inspection (including mold), environmental hazards, ADA compliance or wetlands. Therefore, unless we have been provided with appropriate third party expert reports, the appraisals will assume that there are no environmental, wetlands, or ADA compliance problems. The agreed upon fees for our services assume the absence of such issues inasmuch as additional research and analysis may be required. If an expert is required, you are responsible for their selection, payment and actions.

In the event that we receive a subpoena or are called to testify in any litigation, arbitration or administrative hearing of any nature whatsoever or as a result of this engagement or the related report, to which we are not a party, you agree to pay our then current hourly rates for such preparation and presentation of testimony. You agree that: (i) the data collected by us in this assignment will remain our property; and (ii) with respect to any data provided by you, Integra City and its partner companies may utilize, sell and include such data (either in the aggregate or individually), in our marketing materials, database and derivative products so long as your identity is kept confidential. You agree that all data already in the public domain may be utilized on an unrestricted basis.

Mr. Adams
January 7, 2021
Page 3

If you are in agreement with the terms set forth in this letter and wish us to proceed with the engagement, please sign below and return one copy to us. Thank you for this opportunity to be of service and we look forward to working with you.

Sincerely,

INTEGRA REALTY RESOURCES – SOUTHWEST FLORIDA

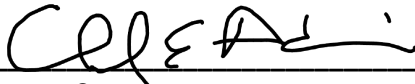


Carlton J Lloyd, MAI
Florida State-Certified General Real Estate Appraiser RZ#2618
Senior Managing Director-Southwest Florida

Attachments

AGREED & ACCEPTED THIS 8th **DAY OF** January, **2021.**

BY:



AUTHORIZED SIGNATURE

Chesley E Adams jr. Manager
NAME (PRINT)

ATTACHMENT I

ASSUMPTIONS & LIMITING CONDITIONS

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved

during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. Integra – Southwest Florida is not a building or environmental inspector. Integra - Southwest Florida does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusion for an appraisal assumes the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
24. It is expressly acknowledged that in any action which may be brought against Integra Realty Resources – Southwest Florida, Integra Realty Resources, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that

the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. Integra – Southwest Florida, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future. As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.

As will be determined during the course of the assignment, additional extraordinary or hypothetical conditions may be required in order to complete the assignment. The appraisal shall also be subject to those assumptions.

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

9

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

Master Special Assessment Methodology Report

February 25, 2021



Provided by:

Wrathell, Hunt and Associates, LLC

2300 Glades Road, Suite 410W

Boca Raton, FL 33431

Phone: 561-571-0010

Fax: 561-571-0013

Website: www.whhassociates.com

Table of Contents

1.0	Introduction	
1.1	Purpose	1
1.2	Scope of the Report	1
1.3	Special Benefits and General Benefits	1
1.4	Organization of the Report	2
2.0	Development Program	
2.1	Overview	2
2.2	The Development Program	2
3.0	The Project	
3.1	Overview	3
3.2	Project	3
4.0	Financing Program	
4.1	Overview	3
4.2	Types of Bonds Proposed	4
5.0	Assessment Methodology	
5.1	Overview	4
5.2	Benefit Allocation	5
5.3	Assigning Bond Assessment	6
5.4	Lienability Test: Special and Peculiar Benefit to the Property	7
5.5	Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay	8
5.6	True-Up Mechanism	8
5.7	Preliminary Assessment Roll	10
5.8	Additional Items Regarding Bond Assessment Imposition and Allocation.....	10
6.0	Additional Stipulations	
6.1	Overview	11
7.0	Appendix	
	Table 1	11
	Table 2	12
	Table 3	12
	Table 4	13
	Table 5	13

1.0 Introduction

1.1 Purpose

This Master Special Assessment Methodology Report (the “Report”) was developed to provide a master financing plan and a master special assessment methodology for the Stonewater Community Development District (the “District”), located in City of Cape Coral, Lee County, Florida, as related to funding the costs of the acquisition and construction of public infrastructure improvements contemplated to be provided by the District.

1.2 Scope of the Report

This Report presents projections for financing the District’s public infrastructure improvements (the “Project”) as described in the Master Engineer’s Report of Barraco and Associates, Inc. dated February 25, 2021 (the “Engineer’s Report”), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of the Project.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded by the District as part of the Project create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to property within the District. The District’s Project enables properties within its boundaries to be developed.

There is no doubt that the general public, property owners, and property outside the District will benefit from the provision of the Project. However, these benefits are only incidental since the Project is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the Project and do not depend upon the Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District’s boundaries.

The Project will provide infrastructure and improvements which are all necessary in order to make the lands within the District developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the Project. Even though the exact value of the benefits provided by the Project is hard to estimate at this point, it is without doubt greater than the costs associated with providing same.

1.4 Organization of the Report

Section Two describes the development program as proposed by the Developer, as defined below.

Section Three provides a summary of the Project as determined by the District Engineer.

Section Four discusses the current financing program for the District.

Section Five discusses the special assessment methodology for the District.

2.0 Development Program

2.1 Overview

The District serves the Stonewater development (the "Development" or "Stonewater"), a master planned, residential development located in in City of Cape Coral, Lee County, Florida. The land within the District consists of approximately 185 +/- acres and is generally located west of Nelson Road N, south of Tropicana Parkway W, east of the Mariner High School, and generally south of Embers Parkway W.

2.2 The Development Program

The development of Stonewater is anticipated to be conducted by the DR Horton, Inc. or its associates (the "Developer"). Based upon the information provided by the Developer, the current development plan envisions a total of 327 Single-Family residential units developed in two (2) phases, although land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the development plan for the District.

3.0 The Project

3.1 Overview

The public infrastructure costs to be funded by the District are described by the District Engineer in the Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

3.2 Project

The Project needed to serve the Development is projected to consist of drainage and surface water management system, onsite roadways, including hardscape and landscaping as roadway entry features, as well as onsite utilities, all as set forth in more detail in the Engineer's Report.

All of the infrastructure included in the Project will comprise an interrelated system of improvements, which means that all of the improvements will serve the entire District and all improvements will be interrelated such that they will reinforce one another. At the time of this writing, the total costs of the Project are estimated at \$7,131,162. Table 2 in the *Appendix* illustrates the specific components of the Project and their costs.

4.0 Financing Program

4.1 Overview

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within the District. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure has not yet been made at the time of this writing, and the District may either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

Even though the actual financing plan may change to include multiple series of bonds, it is likely that in order to fully fund the costs of the Project as described in *Section 3.2* in one financing transaction, the District would have to issue approximately

\$9,375,000 in par amount of special assessment bonds (the "Bonds").

Please note that the purpose of this Report is to allocate the benefit of the Project to the various land uses in the District and based on such benefit allocation to apportion the maximum debt necessary to fund the Project. The discussion of the structure and size of the indebtedness is based on various estimates and is subject to change.

4.2 Types of Bonds Proposed

The proposed financing plan for the District provides for the issuance of the Bonds in the principal amount of \$9,375,000 to finance Project costs at \$7,131,162. The Bonds as projected under this master financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would be made every May 1 and November 1, and principal payments on the Bonds would be made every November 1.

In order to finance the improvement costs, the District would need to borrow more funds and incur indebtedness in the total amount of \$9,375,000. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

Please note that the structure of the Bonds as presented in this Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Bonds provides the District with funds necessary to construct/acquire the infrastructure improvements which are part of the Project outlined in *Section 3.2* and described in more detail by the District Engineer in the Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to properties within the boundaries of the

District. General benefits accrue to areas outside the District, but are only incidental in nature. The debt incurred in financing the public infrastructure will be secured by assessing properties that derive special and peculiar benefits from the Project. All properties that receive special benefits from the Project will be assessed for their fair share of the debt issued in order to finance the Project.

5.2 Benefit Allocation

The current development plan for the District envisions the development of a total of 327 Single-Family residential units developed in two (2) phases, although unit numbers and land use types may change throughout the development period.

The public infrastructure included in the Project will comprise an interrelated system of improvements, which means that all of the improvements will serve the entire District and such public improvements will be interrelated such that they will reinforce each other and their combined benefit will be greater than the sum of their individual benefits. All of the land uses within the District will benefit from each infrastructure improvement category, as the improvements provide basic infrastructure to all land within the District and benefit all land within the District as an integrated system of improvements.

As stated previously, the public infrastructure improvements included in the Project have a logical connection to the special and peculiar benefits received by the land within the District, as without such improvements, the development of the properties within the District would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land within the District, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the land receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

This Report proposes to allocate the benefit associated with the Project uniformly to all 327 Single-Family residential units proposed to be developed in the District by assigning all units a uniform Equivalent Residential Unit ("ERU") value of 1, based on the reasonably anticipated identical density of development of and intensity of use of infrastructure by all Single-Family units. Table 4

in the *Appendix* illustrates the uniform ERU weight that is proposed to be assigned to the Single-Family residential units and the total ERU count, which at 327 is identical to the total unit count.

The rationale behind the uniform ERU weight is supported by the fact that generally and on average units of identical product type can be reasonably expected to use and benefit from the District's public infrastructure improvements about the same, as generally and on average all units of identical product type will need about the same water and sewer capacity and will produce about the same amount of storm water runoff. Additionally, the value of units of identical product type is likely to appreciate about the same in terms of dollars as a result of the implementation of the Project. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of the uniform ERU measure serves as a reasonable approximation of the uniform relative amount of benefit received by all units contemplated to be developed within the District from the District's improvements.

Table 5 in the *Appendix* presents the apportionment of the assessment associated with the Bonds (the "Bond Assessment") to the Single-Family residential units contemplated to be developed within the District in accordance with the ERU benefit allocation method presented in Table 4. Table 5 also presents the annual levels of the Bond Assessment annual debt service assessments per unit.

No Bond Assessment is allocated herein to the private amenities or other common areas planned for the development. Such amenities and areas will be owned and operated by a master homeowner's association, will be available for use by all of the residents of the District, and are considered a common element for the exclusive benefit of lot owners. Accordingly, any benefit to the amenities and common areas flows directly to the benefit of all platted lots in the District. As such, no Bond Assessment will be assigned to the amenities and common areas.

5.3 Assigning Bond Assessment

As the land in the District is not yet platted for its intended final use and the precise location of the various product types by lot or parcel is unknown, the Bond Assessment will initially be levied on all of the land in the District on an equal pro-rata gross acre basis and thus the total bonded debt in the amount of \$9,375,000 will be preliminarily levied on approximately 185 +/- gross acres at a rate of \$50,675.68 per gross acre.

When the land is platted, the Bond Assessment will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 5 in the *Appendix*. Such allocation of Bond Assessment from unplatted gross acres to platted parcels will reduce the amount of Bond Assessment levied on unplatted gross acres within the District.

In the event unplatted land (the “Transferred Property”) is sold to a third party not affiliated with the Developer, the Bond Assessment will be assigned to such Transferred Property at the time of the sale based on the maximum total number of ERUs assigned by the Developer to that Transferred Property, subject to review by the District’s methodology consultant, to ensure that any such assignment is reasonable, supported by current development rights and plans, and otherwise consistent with this Report. The owner of the Transferred Property will be responsible for the total Bond Assessment applicable to the Transferred Property, regardless of the total number of ERUs ultimately actually platted. This total Bond Assessment is fixed to the Transferred Property at the time of the sale. If the Transferred Property is subsequently sub-divided into smaller parcels, the total Bond Assessment initially allocated to the Transferred Property will be re-allocated to the smaller parcels pursuant to the Methodology as described herein (i.e. equal assessment per acre until platting).

5.4 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District create special and peculiar benefits to certain properties within the District. The District's improvements benefit assessable properties within the District and accrue to all such assessable properties on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The improvements which are part of the Project make the land in the District developable and saleable and when implemented jointly as parts of the Project, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay

A reasonable estimate of the proportion of special and peculiar benefits received by the Twin Villa product type from the improvements is delineated in Table 4 (expressed as the ERU factor) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the District according to reasonable estimates of the special and peculiar benefits derived from the Project.

Accordingly, no acre or parcel of property within the District will be lienied for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

5.6 True-Up Mechanism

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs it is possible that the number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessment on a per ERU basis never exceeds the initially allocated assessment as contemplated in the adopted assessment methodology. Bond Assessment per ERU preliminarily equals \$28,669.72 (\$9,375,000 in Bond Assessment divided by 327 ERUs) and may change based on the final bond sizing. If such changes occur, the Methodology is applied to the land based on the number of and type of units of particular product type within each and every parcel as signified by the number of ERUs.

As the land in the District is platted, the Bond Assessment is assigned to platted parcels based on the figures in Table 5 in the *Appendix*. If as a result of platting and apportionment of the Bond Assessment to the platted parcels, the Bond Assessment per ERU for land that remains unplatted remains equal to \$28,669.72, then no true-up adjustment will be necessary.

If as a result of platting and apportionment of the Bond Assessment to the platted parcels the Bond Assessment per ERU for land that remains unplatted equals less than \$28,669.72 (for instance as a result of a larger number of units) then the per ERU Bond Assessment for all parcels within the District will be lowered if that state persists at the conclusion of platting of all land within the District.

If, in contrast, as a result of platting and apportionment of the Bond Assessment to the platted parcels, the Bond Assessment per ERU for land that remains unplatted equals more than \$28,669.72¹ (for instance as a result of a smaller number of units), taking into account any future development plans for the unplatted lands – in the District's sole discretion and to the extent such future development plans are feasible, consistent with existing entitlements and governmental requirements, and reasonably expected to be implemented, then the difference in Bond Assessment plus accrued interest will be collected from the owner(s) of the property which platting caused the increase of assessment per ERU to occur, in accordance with the assessment resolution and/or a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessment per ERU and \$28,669.72, multiplied by the actual number of ERUs plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of Bonds secured by the Bond Assessment).

¹ For example, if the first platting includes 50 Single-Family lots, which equates to a total allocation of \$1,433,486.24 in Bond Assessment, then the remaining unplatted land would be required to absorb 277 Single-Family lots, or \$7,941,513.76 in Bond Assessment. If the remaining unplatted land would only be able to absorb 269 Single-Family lots, or \$7,712,155.96 in Bond Assessment, then a true-up, payable by the owner of the unplatted land, would be due in the amount of \$229,357.80 in Bond Assessment plus accrued interest.

In addition to platting of property within the District, any planned sale of an unplatted parcel to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessment per ERU for land that remains unplatted within the District remains equal to \$28,669.72. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessment transferred at sale.

5.7 Preliminary Assessment Roll

Based on the per gross acre assessment proposed in Section 5.2, the Bond Assessment of \$9,375,000 is proposed to be levied uniformly over the area described in Exhibit "A". Excluding any capitalized interest period, debt service assessment shall be paid in thirty (30) annual installments.

5.8 Additional Items Regarding Bond Assessment Imposition and Allocation

This master assessment allocation methodology is intended to establish, without the need for a further public hearing, the necessary benefit and fair and reasonable allocation findings for a master assessment lien, which may give rise to one or more individual assessment liens relating to individual bond issuances necessary to fund all or a portion of the project(s) referenced herein. All such liens shall be within the benefit limits established herein and using the allocation methodology described herein, and shall be described in one or more supplemental reports.

As set forth in any supplemental report, and for any particular bond issuance, the land developer may opt to "buy down" the Bond Assessment on particular product types and/or lands using a contribution of cash, infrastructure or other consideration, and in order for Bond Assessment to reach certain target levels. Note that any "true-up," as described herein, may require a payment to satisfy "true-up" obligations as well as additional contributions to maintain such target assessment levels. Any amounts contributed by the developer to pay down Bond Assessments will not be eligible for "deferred costs," if any are provided for in connection with any particular bond issuance.

In the event that the CIP is not completed, required contributions are not made, additional benefitted lands are added to the District

and/or assessment area(s), or under certain other circumstances, the District may elect to reallocate the special assessments, and the District expressly reserves the right to do so, provided however that any such reallocation shall not be construed to relieve any party of contractual or other obligations to the District.

6.0 Additional Stipulations

6.1 Overview

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's Project. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation Methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.

7.0 Appendix

Table 1

Stonewater

Community Development District

Development Plan

Product Type	Number of Units
Single-Family	327
Total	327

Table 2

Stonewater

Community Development District

Project Costs

Improvement	Total Costs
Drainage and Surface Water Management System	\$1,474,563.00
Onsite Roadways	\$125,798.00
Hardscape and Landscaping as Roadway Entry Features	\$750,000.00
Onsite Utilities	\$2,737,274.00
Land Acquisition	\$330,000.00
Professional Fees	\$580,000.00
Contingency	\$1,133,527.00
Total	\$7,131,162.00

Table 3

Stonewater

Community Development District

Preliminary Sources and Uses of Funds

Sources

Bond Proceeds:	
Par Amount	\$9,375,000.00
Total Sources	\$9,375,000.00

Uses

Project Fund Deposits:	
Project Fund	\$7,131,162.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$681,083.55
Capitalized Interest Fund	\$1,125,000.00
Delivery Date Expenses:	
Costs of Issuance	\$437,500.00
Rounding	\$254.45
Total Uses	\$9,375,000.00

Table 4

Stonewater Community Development District

Benefit Allocation

Product Type	Number of Units	ERU Weight	Total ERU
Single-Family	327	1.00	327.00
Total	327		327.00

Table 5

Stonewater Community Development District

Assessment Apportionment

Product Type	Number of Units	Total Cost Allocation*	Total Bond Assessment Apportionment	Bond Assessment Apportionment per Unit	Annual Bond Assessment Debt Service per Unit - paid in March**
Single-Family	327	\$7,131,162.00	\$9,375,000.00	\$28,669.72	\$2,172.21
Total	327	\$7,131,162.00	\$9,375,000.00		

* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4

** Includes costs of collection, early payment discount and assumes payment in **March**

Exhibit "A"

Bond Assessment in the amount of \$9,375,000 is proposed to be levied over the area as described below:

DESCRIPTION

Parcel in
Section 10, Township 44 South, Range 23 East
City of Cape Coral, Lee County, Florida

A tract or parcel of land lying in Section 10, Township 44 South, Range 23 East, City of Cape Coral, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Commencing at Northeast Corner of said Section 10 run $S00^{\circ}00'02''W$ along the East line of said Section 10 for 1,370.94 feet; thence run $N89^{\circ}59'58''W$ for 50.00 feet to an intersection with the West line of the East 50 feet of said Section 10, being the West right of way line of Nelson Road, as described in a deed recorded in Official Records Book 791, at Page 464, Lee County Records, also being the Southeast corner of lands described in deed recorded in Instrument Number 2017000038486, Lee County Records and the POINT OF BEGINNING.

From said Point of Beginning run $S00^{\circ}00'02''W$ along said West right of way line for 1,321.42 feet to an intersection with the South line of the North Half (N 1/2) of said Section 10; thence run $N89^{\circ}56'37''W$ along said South line for 3,308.75 feet to an intersection with the Easterly line of lands described in deed recorded in Official Records Book 1763, at Page 3347, Lee County Records; thence run $N00^{\circ}02'12''E$ along said Easterly line for 2,567.46 feet to an intersection with the Southerly line of lands described in deed recorded in Instrument Number 2017000038486, Lee County Records; thence run along the Southerly and Easterly line of said lands the following two (2) courses: $N89^{\circ}39'59''E$ for 80.00 feet and $N00^{\circ}02'12''E$ for 80.00 feet to an intersection with the South line of the North 50 feet of said Section 10, also being the South right of way line of Tropicana Parkway, as described in a deed recorded in Official Records Book 1817, at Page 1072, Lee County Records; thence run along said South line right of way line the following two (2) courses: $N89^{\circ}39'59''E$ for 586.94 feet and $S89^{\circ}44'21''E$ for 45.08 feet to a point of cusp; thence run Southwesterly along an arc of a curve to the left of radius 20.00 feet (delta $90^{\circ}16'37''$) (chord bearing $S45^{\circ}07'20''W$) (chord 28.35 feet) for 31.51 feet to a point of tangency; thence run $S00^{\circ}00'58''E$ for 15.55 feet to a point of curvature; thence run Southwesterly along an arc of a curve to the right of radius 95.00 feet (delta $90^{\circ}31'55''$) (chord bearing $S45^{\circ}14'59''W$) (chord 134.97 feet) for 150.11 feet; thence run $S00^{\circ}10'27''W$ along a non-tangent line for 4.88 feet; thence run $S89^{\circ}49'33''E$ for 1,072.58 feet to a point of curvature; thence run Southeasterly along an arc of a curve to the right of radius 90.00 feet (delta $131^{\circ}25'30''$) (chord bearing $S24^{\circ}06'48''E$) (chord 164.07 feet) for 206.44 feet to a point of tangency; thence run $S41^{\circ}35'57''W$ for 69.72 feet; thence run $S48^{\circ}37'12''E$ for 121.52 feet to a point on a non-tangent curve; thence run Northerly along an arc of a curve to the left of radius 80.00 feet (delta $52^{\circ}34'05''$) (chord bearing $N05^{\circ}38'01''E$) (chord 70.85 feet) for 73.40 feet to a point of reverse curvature; thence run Northeasterly along an arc of a curve to the right of radius 65.00 feet (delta $140^{\circ}54'02''$) (chord bearing $N49^{\circ}47'59''E$) (chord 122.51 feet) for 159.85 feet to a point of tangency; thence run

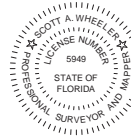
DESCRIPTION (CONTINUED)

S59°45'00"E for 183.91 feet to a point on a non-tangent curve; thence run Northerly along an arc of a curve to the left of radius 980.00 feet (delta 11°25'02") (chord bearing N19°41'03"E) (chord 194.96 feet) for 195.28 feet to a point of reverse curvature; thence run Northeasterly along an arc of a curve to the right of radius 60.00 feet (delta 76°22'58") (chord bearing N52°10'01"E) (chord 74.19 feet) for 79.99 feet to a point of tangency; thence run S89°38'30"E for 870.76 feet; thence run S54°06'35"E for 35.85 feet; thence run S00°19'29"E for 1,071.60 feet to an intersection with the Northerly line of said lands described in deed recorded in Instrument Number 2017000038486, Lee County Records; thence run along the Northerly, Westerly and Southerly line of said lands the following three (3) courses: N89°59'58"W for 19.88 feet; S00°00'02"W for 100.00 feet and S89°59'58"E for 256.86 feet to the POINT OF BEGINNING.

Containing 184.82 acres, more or less.

Bearings hereinabove mentioned are State Plane for the Florida West Zone (1983/NSRS 2007) and are based on the East line of the Northeast Quarter (NE 1/4) of said Section 10 to bear S00°00'02"W.

Digitally signed
by Scott A.
Wheeler, PSM
Date: 2020.06.25
'10:32:44 -04'00



Scott A. Wheeler (For The Firm)
Professional Surveyor and Mapper
Florida Certificate No. 5949

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

10

RESOLUTION 2021-26

[DECLARING SPECIAL ASSESSMENTS]

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Stonewater Community Development District ("**District**") is a local unit of special-purpose government organized and existing under and pursuant to Chapter 190, *Florida Statutes*; and

WHEREAS, the District is authorized by Chapter 190, *Florida Statutes*, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, stormwater management, utilities (water and sewer), offsite improvements, amenity, hardscaping/landscaping/irrigation/lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within, the District; and

WHEREAS, the District hereby determines to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, and acquire all or a portion ("**Project**") of the infrastructure improvements comprising the District's capital improvement plan for the District as described in the *Master Engineer's Report*, dated February 25, 2021, which is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, it is in the best interest of the District to pay for all or a portion of the cost of the Project by the levy and imposition of separate special assessment liens ("**Assessments**"), using the methodology set forth in that *Special Assessment Methodology Report*, dated February 25, 2021, which is attached hereto as **Exhibit B**, incorporated herein by reference, and on file with the District Manager at c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Ph: (561) 571-0010 ("**District Records Office**");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT:

1. **AUTHORITY FOR THIS RESOLUTION; INCORPORATION OF RECITALS.** This Resolution is adopted pursuant to the provisions of Florida law, including without limitation Chapters 170, 190 and 197, *Florida Statutes*. The recitals stated above are incorporated herein and are adopted by the Board as true and correct statements.

2. **DECLARATION OF ASSESSMENTS.** The Board hereby declares that it has determined to make the Project as detailed in **Exhibit A**, and to defray all or a portion of the cost thereof by the Assessments.

3. **DESIGNATING THE NATURE AND LOCATION OF IMPROVEMENTS.** The nature and general location of, and plans and specifications for, the Project and its component public infrastructure projects are described in **Exhibit A**, which is on file at the District Records Office. **Exhibit B** is also on file and available for public inspection at the same location.

4. **DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID.**

- A. The total estimated cost of the Project is \$7,131,162.00 (“Estimated Cost”).
- B. The Assessments will defray approximately \$9,375,000.00, which is the anticipated maximum par value of any bonds and which includes all or a portion of the Estimated Cost, as well as other financing-related costs, as set forth in **Exhibit B**, and which is in addition to interest and collection costs. On an annual basis, Assessments will defray no more than \$710,313.59 per year, again as set forth in **Exhibit B**.
- C. The manner in which the Assessments shall be apportioned and paid is set forth in **Exhibit B**, as may be modified by supplemental assessment resolutions. The Assessments may be imposed without further public hearing in one or more separate liens each securing a series of bonds, and each as determined by supplemental assessment resolution. With respect to each lien securing a series of bonds, the special assessments shall be paid in not more than (30) thirty yearly installments. The special assessments may be payable at the same time and in the same manner as are ad-valorem taxes and collected pursuant to Chapter 197, *Florida Statutes*; provided, however, that in the event the uniform non ad-valorem assessment method of collecting the Assessments is not available to the District in any year, or if determined by the District to be in its best interest, the Assessments may be collected as is otherwise permitted by law, including but not limited to by direct bill. 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.

5. **DESIGNATING THE LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED.**

The Assessments securing the Project shall be initially levied on all benefitted lands within the District as described in **Exhibit B**, and as further designated by the assessment plat hereinafter provided for.

6. **ASSESSMENT PLAT.** Pursuant to Section 170.04, *Florida Statutes*, there is on file, at the

District Records Office, an assessment plat showing the areas to be assessed, with certain plans and specifications describing the Project and the estimated cost of the Project, all of which shall be open to inspection by the public.

7. **PRELIMINARY ASSESSMENT ROLL.** Pursuant to Section 170.06, *Florida Statutes*, the

District Manager has caused to be made a preliminary assessment roll, in accordance with the method of assessment described in **Exhibit B** hereto, which shows the lots and lands assessed, the amount of benefit to and the assessment against each lot or parcel of land and the number of annual installments into which the assessment may be divided, which assessment roll is hereby adopted and approved as the District's preliminary assessment roll.

8. **PUBLIC HEARINGS DECLARED; DIRECTION TO PROVIDE NOTICE OF THE HEARINGS.**

Pursuant to Sections 170.07 and 197.3632(4)(b), *Florida Statutes*, among other provisions of Florida law, there are hereby declared two public hearings to be held as follows:

NOTICE OF PUBLIC HEARINGS

DATE:	
TIME:	
LOCATION:	

The purpose of the public hearings is to hear comment and objections to the proposed special assessment program for District improvements as identified in the preliminary assessment roll, a copy of which is on file and as set forth in **Exhibit B**. Interested parties may appear at that hearing or submit their comments in writing prior to the hearings at the District Records Office.

Notice of said hearings shall be advertised in accordance with Chapters 170, 190 and 197, *Florida Statutes*, and the District Manager is hereby authorized and directed to place said notice in a newspaper of general circulation within Lee County (by two publications one week apart with the first publication at least twenty (20) days prior to the date of the hearing established herein). The District Manager shall file a publisher's affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give thirty (30) days written notice by mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the District Records Office. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

9. **PUBLICATION OF RESOLUTION.** Pursuant to Section 170.05, *Florida Statutes*, the District Manager is hereby directed to cause this Resolution to be published twice (once a week for two (2) weeks) in a newspaper of general circulation within Lee County and to provide such other notice as may be required by law or desired in the best interests of the District.

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

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

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

PASSED AND ADOPTED this 25th day of February, 2021.

ATTEST:

**STONEWATER COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: *Master Engineer's Report*, dated February 25, 2021

Exhibit B: *Special Assessment Methodology Report*, dated _____

Exhibit A: *Master Engineer's Report*, dated February 25, 2021

Exhibit B: *Special Assessment Methodology Report*, dated _____

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

11

RESOLUTION 2021-29

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2021-18 TO RE-SET THE DATE AND TIME OF THE PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2020/2021; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Stonewater Community Development District (“District”) is a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

WHEREAS, on January 19, 2021, at a duly noticed public meeting, the District’s Board of Supervisors (“Board”) adopted Resolution 2021-18, approving the proposed budget for Fiscal Year 2020/2021 and setting a public hearing on the proposed budget for _____, 2021 at _____ a/p.m. at the _____; and

WHEREAS, the Board now desires to reschedule and reset the public hearing on the proposed budget for _____, 2021 at _____ a/p.m. at the _____.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE STONEWATER COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. PUBLIC HEARING DATE, TIME AND LOCATION. Resolution 2021-18 is hereby amended to reflect that the public hearing as declared in Resolution 2021-18 is reset to _____, 2021 at _____ a/p.m. at the _____.

SECTION 2. RESOLUTION 2021-18 OTHERWISE REMAINS IN FULL FORCE AND EFFECT. Except as otherwise provided herein, all of the provisions of Resolution 2021-18 continue in full force and effect.

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

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect upon its passage and adoption by the Board.

PASSED AND ADOPTED this 25th day of February, 2021.

ATTEST:

**STONEWATER COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____

Its: _____

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

12

ACQUISITION AGREEMENT

THIS ACQUISITION AGREEMENT (“Agreement”) is made and entered into, by and between:

Stonewater Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the City of Cape Coral, Florida, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

D.R Horton, Inc., the primary developer of lands within the boundary of the District, and whose address is 10541 Ben C. Pratt Six Mile Cypress Parkway, Fort Myers, Florida 33966 (together with its permitted successors and assigns, “**Developer**”).

RECITALS

WHEREAS, the District was established by ordinance adopted by the City Council of the City of Cape Coral, Florida, and pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (“**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the Developer is the primary owner of lands within the boundaries of the District; and

WHEREAS, the District presently intends to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services known as the “**Project**” and as detailed in the *Master Engineer’s Report*, which is dated February 25, 2021 (“**Engineer’s Report**”), attached to this Agreement as **Exhibit A**; and

WHEREAS, the District intends to finance all or a portion of the Project through the use of proceeds from future special assessment bonds (“**Bonds**”); and

WHEREAS, the District has not had sufficient monies on hand to allow the District to contract directly for: (i) the preparation of the surveys, testing, reports, drawings, plans, permits, specifications, and related documents necessary to complete the Project (“**Work Product**”); or (ii) construction and/or installation of the improvements comprising the Project (“**Improvements**”); and

WHEREAS, the District acknowledges the Developer’s need to commence development of the lands within the District in an expeditious and timely manner; and

WHEREAS, in order to avoid a delay in the commencement of the development of the Work Product and/or the Improvements, the Developer has advanced, funded, commenced, and completed and/or will complete certain of the Work Product and/or Improvements; and

WHEREAS, the Developer and the District are entering into this Agreement to set forth the process by which the District may acquire the Work Product, the Improvements, and any related real property interests ("**Real Property**") and in order to ensure the timely provision of the infrastructure and development.

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

1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and by this reference are incorporated as a material part of this Agreement.

2. ADVANCED FUNDING. [RESERVED.]

3. WORK PRODUCT AND IMPROVEMENTS. The parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date or dates as the parties may jointly agree upon (each, an "**Acquisition Date**"). Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), and the requirements of this Agreement, the District agrees to acquire completed Work Product and Improvements that are part of the Project.

- a. ***Request for Conveyance and Supporting Documentation*** – When Work Product or Improvements are ready for conveyance by the Developer to the District, the Developer shall notify the District in writing, describing the nature of the Work Product and/or Improvement and estimated cost. Additionally, Developer agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid, (ii) instruments of conveyance such as bills of sale or such other instruments as may be requested by the District, and (iii) any other releases, warranties, indemnifications or documentation as may be reasonably requested by the District.
- b. ***Costs*** – Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), the availability of proceeds from the Bonds, and the requirements of this Agreement, the District shall pay the lesser of (i) the actual cost creation/construction of the Work Product or Improvements, and (ii) the fair market value of the Work Product or Improvements. The Developer shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Developer for any Work Product and/or Improvements. The District Engineer shall review all evidence of cost and shall certify to the District's Board of Supervisors ("**Board**") whether the cost being paid is the lesser of (i) the actual cost of creation/construction of the Work Product or Improvements, and (ii) the fair market value of the Work Product or Improvements. The District Engineer's opinion as to cost shall be set forth in an Engineer's Certificate which shall accompany the requisition for the funds from the District's Trustee for the Bonds ("**Trustee**").
- c. ***Conveyances on "As Is" Basis.*** Unless otherwise agreed, all conveyances of Work

Product and/or Improvements shall be on an “as is” basis. That said, the Developer agrees to assign, transfer and convey to the District any and all rights against any and all firms or entities which may have caused any latent or patent defects, including, but not limited to, any and all warranties and other forms of indemnification.

- d. ***Right to Rely on Work Product and Releases*** – The Developer agrees to release to the District all right, title, and interest which the Developer may have in and to any Work Product conveyed hereunder, as well as all common law, statutory, and other reserved rights, including all warranties and copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised. To the extent determined necessary by the District, the Developer shall reasonably obtain all releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. The District agrees to allow the Developer access to and use of the Work Product without the payment of any fee by the Developer. However, to the extent the Developer’s access to and use of the Work Product causes the District to incur any cost or expense, such as copying costs, the Developer agrees to pay such cost or expense.
- e. ***Transfers to Third Party Governments; Payment for Transferred Property*** – If any item acquired is to be conveyed to a third-party governmental body, then the Developer agrees to cooperate and provide such certifications, documents, bonds, warranties, and/or forms of security as may be required by that governmental body, if any. Further, the Developer shall make reasonable efforts to transfer such Work Product and/or Improvements to the District pursuant to the terms of this Agreement, and prior to the transfer of such Work Product and/or Improvements to the third-party governmental entity. Regardless, and subject to the terms of this Agreement, any transfer, dedication, conveyance, or assignment of such Work Product and/or Improvements directly to a third-party governmental entity prior to the District’s acquisition of the Work Product and/or Improvements shall be deemed a transfer to the District of such Work Product and/or Improvements and then a re-transfer to the third-party governmental entity.
- f. ***Permits*** – The Developer agrees to cooperate fully in the transfer of any permits to the District or a governmental entity with maintenance obligations for any Improvements conveyed pursuant to this Agreement.
- g. ***Engineer’s Certification*** – The District shall accept any completed Work Product and/or Improvements where the District Engineer (or other consulting engineer reasonably acceptable to the District), in his/her professional opinion, is able to certify that, in addition to any other requirements of law: (i) the Work Product and/or Improvements are part of the Project; (ii) the price for such Work Product and/or Improvements did not exceed the lesser of the cost of creating the Work Product and/or Improvements or the fair market value of the Work Product and/or Improvements; (iii) as to Work Product, the Work Product is capable of being used

for the purposes intended by the District, and, as to any Improvements, the Improvements were installed in accordance with their specifications, and are capable of performing the functions for which they were intended; and (iv) as to any Improvements, all known plans, permits and specifications necessary for the operation and maintenance of the Improvements are complete and on file with the District, and have been transferred, or are capable of being transferred, to the District for operations and maintenance responsibilities.

- h. **Engineering Work from Prior Developer** - As described in the Engineer's Report, the District intends to acquire certain Work Product, including engineering design plans, permits, surveys, geotechnical studies, etc., from the Developer, certain of which the Developer acquired in connection with the Developer's acquisition of the project from a prior developer. Subject to the terms of this Agreement, the District agrees to (i) acquire such Work Product created at the direction of the prior developer to the extent that it is within the scope of the Project, and (ii) pay the Developer the actual cost of such Work Product, to the extent that the Developer is able to provide invoices documenting what costs were paid by the prior developer for creation of the Work Product.

4. CONVEYANCE OF REAL PROPERTY. The Developer agrees that it will convey to the District at or prior to the applicable Acquisition Date as determined solely by the District, by a special warranty deed or other instrument acceptable to the Board together with a metes and bounds or other description, the Real Property upon which any Improvements are constructed or which are necessary for the operation and maintenance of, and access to, the Improvements.

- a. **Cost** – The parties agree that all Real Property shall be provided to the District at no cost, unless (i) the costs for the Real Property are expressly included as part of the Project, as described in the Engineer's Report, and (ii) the purchase price for the Real Property is the lesser of the appraised value of the Real Property, based on an appraisal obtained by the District for this purpose, or the cost basis of the Real Property to the Developer.
 - i. **Anticipated Land Acquisition for Value** – As a point of clarification, the Engineer's Report contemplates that the Developer will sell to the District certain Real Property to the District upon which any Improvements are constructed or which are necessary for the operation and maintenance of, and access to, the Improvements. While the parties anticipate that a plat dedication will be made to dedicate such tracts to the District, the parties agree that fee simple title shall pass to the District only upon the District's acquisition of the Real Property by deed and other documentation required hereunder, and the District's payment for the Real Property at a price set forth in Section 4.a. The Real Property acquisition pricing will be based on the lesser of the Developer's cost basis in the Real Property or the appraised value, as established by that certain *Appraisal of Real Property*, issued by Integra Realty Resources and effective January 8, 2021.
- b. **Fee Title and Other Interests** – The District may determine in its reasonable discretion that fee title for Real Property is not necessary and in such cases shall

accept such other interest in the lands upon which the Improvements are constructed as the District deems acceptable.

- c. **Developer Reservation** – Any conveyance of Real Property hereunder by special warranty deed or other instrument shall be subject to a reservation by Developer of its right and privilege to use the area conveyed to construct any Improvements and any future improvements to such area for any related purposes (including, but not limited to, construction traffic relating to the construction of the Development) not inconsistent with the District's use, occupation or enjoyment thereof.
- d. **Fees, Taxes, Title Insurance** – The Developer shall pay the cost for recording fees and documentary stamps required, if any, for the conveyance of the lands upon which the Improvements are constructed. The Developer shall be responsible for all taxes and assessments levied on the lands upon which the Improvements are constructed until such time as the Developer conveys all said lands to the District. At the time of conveyance, the Developer shall provide, at its expense, an owner's title insurance policy or other evidence of title in a form satisfactory to the District.
- e. **Boundary Adjustments** – Developer and the District agree that reasonable future boundary adjustments may be made as deemed necessary by both parties in order to accurately describe lands conveyed to the District and lands which remain in Developer's ownership. The parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the party requesting such adjustment shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs. Developer agrees that if a court or other governmental entity determines that a re-platting of the lands within the District is necessary, Developer shall pay all costs and expenses associated with such actions.

5. TAXES, ASSESSMENTS, AND COSTS.

- a. **Taxes and Assessments on Property Being Acquired.** The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Developer agrees to place in escrow with the County tax collector an amount equal to the current ad valorem taxes and non-ad valorem assessments (with the exception of those ad valorem taxes and non-ad valorem assessments levied by the District) prorated to the date of transfer of title, based upon the expected assessment and millage rates giving effect to the greatest discount available for early payment.
 - i. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Developer agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed.

ii. Nothing in this Agreement shall prevent the District from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.

b. **Notice.** The parties agree to provide notice to the other within thirty (30) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes, assessments, or costs imposed on the property acquired by the District as described in subsection a. above. The Developer covenants to make any payments due hereunder in a timely manner in accord with Florida law. In the event that the Developer fails to make timely payment of any such taxes, assessments, or costs, the Developer acknowledges the District's right to make such payment. If the District makes such payment, the Developer agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

c. **Tax liability not created.** Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Developer or the District. Furthermore, the parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

6. **ACQUISITIONS AND BOND PROCEEDS.** The District may in the future, and in its sole discretion, elect to issue Bonds that may be used to finance portions of work acquired hereunder. In the event that the District issues the Bonds and has bond proceeds available to pay for any portion of the Project acquired by the District, and subject to the terms of the applicable documents relating to the Bonds, then the District shall promptly make payment for any such acquired Work Product, Improvements or Real Property, pursuant to the terms of this Agreement; provided, however, that no such obligation shall exist where the Developer is in default on the payment of any debt service assessments due on any property owned by the Developer, or is in default under any agreements between the Developer and the District, or, further, in the event the District's bond counsel determines that any such acquisitions are not properly compensable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing. Interest shall not accrue on any amounts owed for any prior acquisitions. In the event the District does not or cannot issue sufficient bonds within five (5) years from the date of this Agreement to pay for all acquisitions hereunder, and, thus does not make payment to the Developer for any unfunded acquisitions, then the parties agree that the District shall have no payment or reimbursement obligation whatsoever for those unfunded acquisitions. The Developer acknowledges that the District may convey some or all of the Work Product and/or Improvements in the Engineer's Report to a general purpose unit of local government (e.g., the County) and consents to the District's conveyance of such Work Product and/or Improvements prior to any payment being made by the District.

7. **CONTRIBUTIONS.** In connection with the issuance of the Bonds, the District will levy debt service special assessments to secure the repayment of Bonds. As described in more detail in the District's applicable assessment report(s) ("**Assessment Report**"), and prior to the issuance of Bonds, the

Developer may request that such debt service special assessments be reduced for certain product types. To accomplish any such requested reduction, and pursuant to the terms of this Agreement, the Developer agrees to provide a contribution of Improvements, Work Product and/or Real Property based on appraised value, comprising a portion of the Project and to meet the minimum requirements set forth in the Assessment Report, if any. Any such contributions shall not be eligible for payment hereunder.

8. IMPACT FEE CREDITS. In connection with the District's capital improvement plan, the District may finance certain infrastructure that may generate impact fee credits. As set forth in the District's assessment proceedings, and in recognition of the uncertain market for such credits, and limited value, and as consideration for the District and the Developer undertaking the transactions involved with the District's capital improvement plan and financing arrangements, the District and the Developer agree that the Developer may retain any such impact fee credits, provided that the Developer contributes a corresponding amount of Improvements, Work Product and/or Real Property based on appraised value as part of the District's capital improvement plan and/or reduces the cost of such Improvements, Work Product or Real Property to be acquired by the District by a corresponding amount of such impact fee credits. Alternatively, the Developer may provide the proceeds of the impact fee credits to the District for deposit into the applicable acquisition and construction account for the Bonds, and for use in acquiring and/or constructing the Project.

9. DEFAULT. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance. Any default under an applicable trust indenture for the Bonds caused by the Developer and/or its affiliates shall be a default hereunder, and the District shall have no obligation to fund the Project in the event of such a default. Notwithstanding the foregoing, neither the District nor the Developer shall be liable for any consequential, special, indirect or punitive damages due to a default hereunder. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide written notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

10. ATTORNEYS' FEES AND COSTS. 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 fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

11. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer.

12. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

13. NOTICES. All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at

the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

14. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

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

16. ASSIGNMENT. Neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other.

17. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Lee County, Florida.

18. PUBLIC RECORDS. The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

19. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

20. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by sovereign immunity or by other operation of law.

21. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

22. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[THIS SPACE INTENTIONALLY LEFT BLANK]

WHEREFORE, the parties below execute the *Acquisition Agreement* to be effective as of the 25th day of February, 2021.

**STONEWATER
COMMUNITY DEVELOPMENT DISTRICT**

By: _____
Its: _____

D.R. HORTON, INC.

By: _____
Its: _____

Exhibit A: *Master Engineer's Report*, dated February 25, 2021

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

13A

DRAFT

**MINUTES OF MEETING
STONEWATER
COMMUNITY DEVELOPMENT DISTRICT**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

A Landowners' Meeting of the Stonewater Community Development District was held on January 19, 2021, at 1:00 p.m., at the offices of D.R. Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966.

Present at the meeting were:

Chuck Adams	District Manager
Jere Earlywine (via telephone)	District Counsel
Wayne Everett	Proxy Holder

FIRST ORDER OF BUSINESS **Call to Order/Roll Call**

Mr. Adams called the meeting to order at 1:04 p.m.

SECOND ORDER OF BUSINESS **Affidavit/Proof of Publication**

The affidavit of publication was included for informational purposes.

THIRD ORDER OF BUSINESS **Election of Chair to Conduct Landowners' Meeting**

All in attendance agreed to Mr. Adams serving as Chair to conduct the Landowners' Meeting.

FOURTH ORDER OF BUSINESS **Election of Supervisors [All Seats]**

A. Nominations

Mr. Everett nominated the following:

Seat 1	Wayne Everett
Seat 2	Chris Quarles
Seat 3	Landon Thomas

37 Seat 4 Mark Brumfield

38 Seat 5 Gary Barlow

39 No other nominations were made.

40 **B. Casting of Ballots**

41 **I. Determine Number of Voting Units Represented**

42 A total of 185 voting units were represented.

43 **II. Determine Number of Voting Units Assigned by Proxy**

44 A total of 185 voting units were assigned by proxy to Mr. Everett by D.R. Horton, Inc.

45 Mr. Everett cast the following votes:

46 Seat 1 Wayne Everett 185 votes

47 Seat 2 Chris Quarles 185 votes

48 Seat 3 Landon Thomas 184 votes

49 Seat 4 Mark Brumfield 184 votes

50 Seat 5 Gary Barlow 184 votes

51 **C. Ballot Tabulation and Results**

52 Mr. Adams reported the following ballot tabulation, results and term lengths:

53 Seat 1 Wayne Everett 185 votes Four-year Term

54 Seat 2 Chris Quarles 185 votes Four-year Term

55 Seat 3 Landon Thomas 184 votes Two-year Term

56 Seat 4 Mark Brumfield 184 votes Two-year Term

57 Seat 5 Gary Barlow 184 votes Two-year Term

58

59 **FIFTH ORDER OF BUSINESS**

Landowners' Questions/Comments

60

61 There being no Landowners' questions of comments, the next item followed.

62

63 **SIXTH ORDER OF BUSINESS**

Adjournment

64

65 There being no further business to discuss, the meeting adjourned at 1:06 p.m.

66

67
68
69
70
71
72
73

Secretary/Assistant Secretary

Chair/Vice Chair

STONEWATER

COMMUNITY DEVELOPMENT DISTRICT

13B

DRAFT

**MINUTES OF MEETING
STONEWATER
COMMUNITY DEVELOPMENT DISTRICT**

The Stonewater Community Development District held an Organizational Meeting on January 19, 2021, *immediately following the adjournment of the 1:00 p.m., Landowners' Meeting*, at the offices of D.R. Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966.

Present were:

Landon Thomas	Chair
Wayne Everett	Vice Chair
Chris Quarles	Assistant Secretary
Mark Brumfield	Assistant Secretary

Also present, were:

Chuck Adams	District Manager
Jere Earlywine (via telephone)	District Counsel
Carl Barraco	District Engineer
Peter Dame	Bond Counsel, Akerman, LLP

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 1:08 p.m. He recapped the results of the Landowner's Election, held just prior to this meeting.

Supervisors Wayne Everett, Chris Quarles, Landon Thomas and Mark Brumfield were present. Supervisor Gary Barlow was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

GENERAL DISTRICT ITEMS

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Initial Board of Supervisors (*the following will be provided in a separate package*)

41 Mr. Adams, a Notary of the State of Florida and duly authorized, administered the Oath
42 of Office to Supervisors Wayne Everett, Chris Quarles, Landon Thomas and Mark Brumfield. The
43 Oath of Office would be administered to Supervisor Gary Barlow at a future meeting.

44 Mr. Adams noted that the Supervisors declined compensation.

45 Mr. Adams and Mr. Earlywine discussed email and the District Manager’s role as the
46 custodian of public records and explained the following items:

- 47 **A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- 48 **B. Membership, Obligations and Responsibilities**
- 49 **C. Chapter 190, Florida Statutes**
- 50 **D. Financial Disclosure Forms**
 - 51 **I. Form 1: Statement of Financial Interests**
 - 52 **II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - 53 **III. Form 1F: Final Statement of Financial Interests**
- 54 **E. Form 8B: Memorandum of Voting Conflict**

55

56 **FOURTH ORDER OF BUSINESS** **Consideration of Resolution 2020-01,**
57 **Canvassing and Certifying the Results of**
58 **the Landowners’ Election of Supervisors**
59 **Held Pursuant to Section 190.006(2),**
60 **Florida Statutes, and Providing for an**
61 **Effective Date**
62

63 Mr. Adams presented Resolution 2021-01 and recapped the results of the Landowners’
64 Election, as follows:

65	Seat 1	Wayne Everett	185 votes	Four-year Term
66	Seat 2	Chris Quarles	185 votes	Four-year Term
67	Seat 3	Landon Thomas	184 votes	Two-year Term
68	Seat 4	Mark Brumfield	184 votes	Two-year Term
69	Seat 5	Gary Barlow	184 votes	Two-year Term

70

71 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
72 **Resolution 2021-01, Canvassing and Certifying the Results of the Landowners’**
73 **Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes,**
74 **and Providing for an Effective Date, was adopted.**

75 **FIFTH ORDER OF BUSINESS** **Consideration of Resolution 2021-02,**
 76 **Designating a Chair, a Vice Chair, a**
 77 **Secretary, Assistant Secretaries, a**
 78 **Treasurer and an Assistant Treasurer of the**
 79 **Stonewater Community Development**
 80 **District, and Providing for an Effective Date**
 81

82 Mr. Adams presented Resolution 2021-02. Mr. Everett nominated Mr. Thomas as Chair.
 83 Mr. Thomas nominated Mr. Everett as Vice Chair. There were no other nominations.

84 Mr. Adams stated the slate of officers would be as follows:

85	Chair	Landon Thomas
86	Vice Chair	Wayne Everett
87	Secretary	Chesley (Chuck) E. Adams, Jr.
88	Assistant Secretary	Chris Quarles
89	Assistant Secretary	Mark Brumfield
90	Assistant Secretary	Gary Barlow
91	Assistant Secretary	Craig Wrathell
92	Treasurer	Craig Wrathell
93	Assistant Treasurer	Jeff Pinder

94 No other nominations were made.
 95

96 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
 97 **Resolution 2021-02, Designating a Chair, a Vice Chair, a Secretary, Assistant**
 98 **Secretaries, a Treasurer and an Assistant Treasurer of the Stonewater**
 99 **Community Development District, as nominated, and Providing for an Effective**
 100 **Date, was adopted.**

101
 102
 103 **ORGANIZATIONAL MATTERS**

104 **SIXTH ORDER OF BUSINESS** **Consideration of the Following**
 105 **Organizational Matters:**
 106

- 107 **A. Resolution 2021-03, Appointing and Fixing the Compensation of the District Manager;**
 108 **Appointing a Methodology Consultant; and Providing an Effective Date**
 109 **• Agreement for District Management Services: *Wrathell, Hunt and Associates,***
 110 ***LLC***

111 Mr. Adams presented Resolution 2021-03. The Management Agreement and proposed
 112 fee and rates were consistent with those of other Districts.

113

114 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
 115 **Resolution 2021-03, Appointing and Fixing the Compensation of Wrathell, Hunt**
 116 **and Associates, LLC, as the District Manager; Appointing a Methodology**
 117 **Consultant; and Providing an Effective Date, was adopted.**

118

119

120 **B. Resolution 2021-04, Appointing District Counsel for the District, and Authorizing**
 121 **Compensation; and Providing for an Effective Date**

- **Fee Agreement: *Hopping Green & Sams, P.A.***

123 Mr. Adams presented Resolution 2021-04. Mr. Earlywine presented the Hopping Green
 124 & Sams, P.A., Engagement Letter. The Agreement and proposed fee and rates were consistent
 125 with those of other Districts.

126

127 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
 128 **Resolution 2021-04, Appointing Hopping Green & Sams, P.A., as Counsel for**
 129 **the District, and Authorizing Compensation; and Providing for an Effective**
 130 **Date, was adopted.**

131

132

133 **C. Resolution 2021-05, Designating a Registered Agent and Registered Office of the**
 134 **District, and Providing for an Effective Date**

Mr. Adams presented Resolution 2021-05.

136

137 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
 138 **Resolution 2021-05, Designating Jere Earlywine as Registered Agent and the**
 139 **Office of Hopping Green & Sams, P.A., 119 South Monroe Street, Suite 300,**
 140 **Tallahassee, Florida 32301, as the Registered Office of the District; and**
 141 **Providing for an Effective Date, was adopted.**

142

143

144 **D. Resolution 2021-06, Appointing an Interim District Engineer for the Stonewater**
 145 **Community Development District, Authorizing its Compensation and Providing for an**
 146 **Effective Date**

- **Interim Engineering Services Agreement: *Barraco & Associates, Inc.***

147

148 Mr. Adams presented Resolution 2021-06.

149 Mr. Barraco presented the Interim Engineering Services Agreement and Fee Schedule.
150 The District must appoint an Interim District Engineer and then go through the Request for
151 Qualifications (RFQ) process, as the District Engineer's expenses would exceed \$35,000.

152 Mr. Earlywine noted that the attached Work Authorization for items related to bond
153 validation work would be approved along with the Resolution.

154

155 **On MOTION by Mr. Everett and seconded by Mr. Quarles, with all in favor,**
156 **Resolution 2021-06, Appointing Barraco & Associates, Inc., as Interim District**
157 **Engineer for the Stonewater Community Development District, Authorizing its**
158 **Compensation and Providing for an Effective Date, was adopted.**

159

160

161 **E. Authorization of Request for Qualifications (RFQ) for Engineering Services**

162 Mr. Adams presented the RFQ for District Engineering Services and the Competitive
163 Selection Criteria.

164

165 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor, the**
166 **Request for Qualifications for District Engineering Services, Competitive**
167 **Selection Criteria and authorizing Staff to advertise, was approved.**

168

169

170 **F. Board Member Compensation: 190.006 (8), F.S.**

171 Mr. Adams stated, as discussed earlier in the meeting, all Board Members waived
172 compensation.

173 **G. Resolution 2021-07, Designating the Primary Administrative Office and Principal**
174 **Headquarters of the District and Providing an Effective Date**

175 Mr. Adams presented Resolution 2021-07.

176

177 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
178 **Resolution 2021-07, Designating Wrathell, Hunt and Associates, LLC, 2300**
179 **Glades Road, Suite 410W, Boca Raton, Florida 33431 as the Primary**
180 **Administrative Office and Barraco and Associates, Inc., 2271 McGregor**
181 **Boulevard, Fort Myers, Florida 33901 as the Principal Headquarters of the**
182 **District and Providing an Effective Date, was adopted.**

183

184 H. **Resolution 2021-08, Setting Forth the Policy of the Stonewater Community**
185 **Development District Board of Supervisors with Regard to the Support and Legal**
186 **Defense of the Board of Supervisors and District Officers and Providing for an Effective**
187 **Date**

188 Mr. Adams presented Resolution 2021-08.

189 • **Authorization to Obtain General Liability and Public Officers' Insurance**

190 Mr. Earlywine stated this insurance would cover Board Members for actions taken
191 pursuant to their duties as CDD Board Members. He noted that any notice, complaint or
192 lawsuit must be provided to the District Manager within 30 days. Mr. Adams and Staff would
193 obtain General Liability and Public Officers' Insurance, as directed.

194

195 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
196 **Resolution 2021-08, Setting Forth the Policy of the Stonewater Community**
197 **Development District Board of Supervisors with Regard to the Support and**
198 **Legal Defense of the Board of Supervisors and District Officers and Providing**
199 **for an Effective Date and authorization to obtain General Liability and Public**
200 **Officers' Insurance, was adopted.**

201

202

203 I. **Resolution 2021-09, Providing for the Public's Opportunity to Be Heard; Designating**
204 **Public Comment Periods; Designating a Procedure to Identify Individuals Seeking To**
205 **Be Heard; Addressing Public Decorum; Addressing Exceptions; and Providing for**
206 **Severability and an Effective Date**

207 Mr. Adams presented Resolution 2021-09. This Resolution sets forth the District's policy
208 and procedures for public comments.

209

210 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
211 **Resolution 2021-09, Providing for the Public's Opportunity to Be Heard;**
212 **Designating Public Comment Periods; Designating a Procedure to Identify**
213 **Individuals Seeking to Be Heard; Addressing Public Decorum; Addressing**
214 **Exceptions; and Providing for Severability and an Effective Date, was adopted.**

215

216

217 J. **Resolution 2021-10, Providing for the Appointment of a Records Management Liaison**
218 **Officer; Providing the Duties of the Records Management Liaison Officer; Adopting a**
219 **Records Retention Policy; and Providing for Severability and Effective Date**

220 Mr. Adams presented Resolution 2021-10.

221

222 **On MOTION by Mr. Everett and seconded by Mr. Quarles, with all in favor,**
223 **Resolution 2021-10, Providing for the Appointment of Wrathell, Hunt and**
224 **Associates, LLC, as the Records Management Liaison Officer; Providing the**
225 **Duties of the Records Management Liaison Officer; Adopting a Records**
226 **Retention Policy; and Providing for Severability and Effective Date, was**
227 **adopted.**

228

229

230 **K. Resolution 2021-11, Granting the Chair the Authority to Execute Real and Personal**
231 **Property Conveyance and Dedication Documents, Plats and Other Documents Related**
232 **to the Development of the District's Improvements; Approving the Scope and Terms**
233 **of Such Authorization; Providing a Severability Clause; and Providing an Effective Date**

234 Mr. Adams presented Resolution 2021-11. This grants the Chair authority to work with
235 District Counsel, the District Engineer and District Staff and to execute certain documents,
236 between meetings, to avoid delays in construction.

237

238 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
239 **Resolution 2021-11, Granting the Chair the Authority to Execute Real and**
240 **Personal Property Conveyance and Dedication Documents, Plats and Other**
241 **Documents Related to the Development of the District's Improvements;**
242 **Approving the Scope and Terms of Such Authorization; Providing a Severability**
243 **Clause; and Providing an Effective Date, was adopted.**

244

245

246 **L. Resolution 2021-12, Ratifying, Confirming and Approving the Recording of the Notice**
247 **of Establishment for the Stonewater Community Development District**

248 Mr. Adams presented Resolution 2021-12.

249

250 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
251 **Resolution 2021-12, Ratifying, Confirming and Approving the Recording of the**
252 **Notice of Establishment for the Stonewater Community Development District,**
253 **was adopted.**

254

255

256 **M. Authorization of Request for Proposals (RFP) for Annual Audit Services**

257 • **Designation of Board of Supervisors as Audit Committee**

258 Mr. Adams presented the RFP for Annual Audit Services. The Board would be designated
 259 as the Audit Committee.

260

261 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
 262 **authorizing the District Manager to advertise the Request for Proposals for**
 263 **Annual Audit Services, designating the Board of Supervisors as the Audit**
 264 **Selection Committee and approving the ranking criteria, was approved.**

265

266

267 **N. Strange Zone, Inc., Quotation #M20-1017 for District Website Design, Maintenance**
 268 **and Domain**

269 Mr. Adams presented the Strange Zone, Inc. (SZI) proposal for website creation, annual
 270 maintenance, hosting, email domain registration and SSL certificates.

271

272 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor, the**
 273 **Strange Zone, Inc., Quotation #M20-1017 for District Website Design,**
 274 **Maintenance and Domain, in the amount of \$1,679.99, was approved.**

275

276

277 **O. ADA Site Compliance Proposal for Website Compliance Shield, Accessibility Policy and**
 278 **One (1) Annual Technological Audit**

279 Mr. Adams presented the ADA Site Compliance (ADASC) proposal for services to bring
 280 the CDD’s website into compliance with the American with Disabilities Act (ADA) requirements
 281 and to affix an ADA Compliance seal to the homepage indicating that steps are underway to
 282 make the website ADA compliant.

283

284 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor, the**
 285 **ADA Site Compliance Proposal for Website Compliance Shield, Accessibility**
 286 **Policy and One (1) Annual Technological Audit, in the amount of \$210 per year,**
 287 **was approved.**

288

289

290 **P. Resolution 2021-13, To Designate Date, Time and Place of Public Hearing and**
 291 **Authorization to Publish Notice of Such Hearing for the Purpose of Adopting Rules of**
 292 **Procedure; and Providing an Effective Date**

293 Mr. Adams presented Resolution 2021-13.

294 **I. Rules of Procedure**

295 Mr. Earlywine presented the Rules of Procedure, which meet statutory requirements
 296 and allow for smooth operation of the District and efficiency.

297 **II. Notices**

- 298 • **Notice of Rule Development**
- 299 • **Notice of Rulemaking**

300

301 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
 302 **Resolution 2021-13, To Designate Date, Time and Place of Public Hearing as**
 303 **February 25, 2021 at 4:00 p.m., the offices of D.R. Horton, 10541 Ben C Pratt**
 304 **Six Mile Cypress Pkwy., Fort Myers, FL 33966, and Authorization to Publish**
 305 **Notice of Such Hearing for the Purpose of Adopting Rules of Procedure of the**
 306 **District; and Providing an Effective Date, was adopted.**

307

308 **Q. Resolution 2021-14, Adopting the Annual Meeting Schedule for Fiscal Year 2020-2021**
 309 **and Providing for an Effective Date**

310 Mr. Adams presented Resolution 2021-14.

311 The following would be inserted into the Fiscal Year 2021 Meeting Schedule:

312 DATES: Fourth Thursday of each month

313 TIME: 4:00 p.m.

314 LOCATION: Offices of D.R. Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers,
 315 FL 33966.

316

317 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
 318 **Resolution 2021-14, Adopting the Annual Meeting Schedule for Fiscal Year**
 319 **2020-2021 and Providing for an Effective Date, was adopted.**

320

321

322 **R. Resolution 2021-15, Approving the Florida Statewide Mutual Aid Agreement;**
 323 **Providing for Severability; and Providing for an Effective Date**

324 Mr. Adams presented Resolution 2021-15. He explained the purpose of the Agreement
 325 and potential benefit to the District in an emergency or disaster, such as a hurricane.

326

327
328
329
330
331

On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor, Resolution 2021-15, Approving the Florida Statewide Mutual Aid Agreement; Providing for Severability; and Providing for an Effective Date, was adopted.

BANKING MATTERS

333
334
335

SEVENTH ORDER OF BUSINESS

Consideration of the Following Banking Matters:

336
337

A. Resolution 2021-16, Designating a Public Depository for Funds of the Stonewater Community Development District and Providing an Effective Date

338
339

Mr. Adams presented Resolution 2021-16. Management recommended Truist Bank, as the Qualified Public Depository for the District’s accounts.

340

341
342
343
344

On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor, Resolution 2021-16 , Designating Truist Bank as the Public Depository for Funds of the Stonewater Community Development and Providing an Effective Date, was adopted.

345
346

347
348

B. Resolution 2021-17, Directing Wrathell, Hunt and Associates, LLC, to Establish a Local Bank Account for the District and Appointing Signatories on the Account and Providing an Effective Date

350
351

Mr. Adams presented Resolution 2021-17. The Chair, Treasurer and Assistant Treasurer would be authorized signatories on the account.

352

353
354
355
356
357

On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor, Resolution 2021-17, Directing Wrathell, Hunt and Associates, LLC, to Establish a Local Bank Account for the District at Truist Bank and Appointing the Chair, Treasurer and Assistant Treasurer as Signatories on the Account and Providing an Effective Date, was adopted.

358
359

BUDGETARY MATTERS

361
362
363

EIGHTH ORDER OF BUSINESS

Consideration of the Following Budgetary Matters:

364 **A. Resolution 2021-18, Approving the Proposed Budget for Fiscal Year 2020/2021 and**
365 **Setting a Public Hearing Thereon Pursuant to Florida Law; and Providing an Effective**
366 **Date**

367 Mr. Adams presented Resolution 2021-18. He reviewed the proposed Fiscal Year 2021
368 budget. Expenses would be Developer-funded when costs are incurred. Once bonds are issued,
369 the Developer would be reimbursed from the bond proceeds for advance funding expenses
370 incurred for bond-related work.

371

372 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
373 **Resolution 2021-18, Approving the Proposed Budget for Fiscal Year 2020/2021**
374 **and Setting a Public Hearing Thereon Pursuant to Florida Law for March 25,**
375 **2021 at 4:00 p.m., at the offices of D.R. Horton, 10541 Ben C Pratt Six Mile**
376 **Cypress Pkwy., Fort Myers, FL 33966; and Providing an Effective Date, was**
377 **adopted.**

378

379

380 **B. Fiscal Year 2021 Budget Funding Agreement**

381 Mr. Adams presented the Fiscal Year 2021 Budget Funding Agreement. The Developer
382 would provide funding on an as-needed basis, as funding requests are submitted. Funding
383 requests would be forwarded to Supervisor Everett.

384

385 **On MOTION by Mr. Everett and seconded by Mr. Quarles, with all in favor, the**
386 **Fiscal Year 2021 Budget Funding Agreement, was approved.**

387

388

389 **C. Resolution 2021-19, Adopting the Alternative Investment Guidelines for Investing**
390 **Public Funds in Excess of Amounts Needed to Meet Current Operating Expenses, in**
391 **Accordance with Section 218.415(17), Florida Statutes**

392 Mr. Adams presented Resolution 2021-19.

393

394 **On MOTION by Mr. Everett and seconded by Mr. Quarles, with all in favor,**
395 **Resolution 2021-19, Adopting the Alternative Investment Guidelines for**
396 **Investing Public Funds in Excess of Amounts Needed to Meet Current**
397 **Operating Expenses, in Accordance with Section 218.415(17), Florida Statutes,**
398 **was adopted.**

399

- 400 **D. Resolution 2021-20, Authorizing the Disbursement of Funds for Payment of Certain**
401 **Continuing Expenses Without Prior Approval of the Board of Supervisors; Authorizing**
402 **the Disbursement of Funds for Payment of Certain Non-Continuing Expenses Without**
403 **Prior Approval of the Board of Supervisors; Providing for a Monetary Threshold; and**
404 **Providing for an Effective Date**

405 Mr. Adams presented Resolution 2021-20.

406

407 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor,**
408 **Resolution 2021-20, Authorizing the Disbursement of Funds for Payment of**
409 **Certain Continuing Expenses Without Prior Approval of the Board of**
410 **Supervisors; Authorizing the Disbursement of Funds for Payment of Certain**
411 **Non-Continuing Expenses Without Prior Approval of the Board of Supervisors;**
412 **Providing for a Monetary Threshold; and Providing for an Effective Date, was**
413 **adopted.**

414

415

- 416 **E. Resolution 2021-21, Adopting a Policy for Reimbursement of District Travel Expenses;**
417 **and Providing for Severability and an Effective Date**

418 Mr. Adams presented Resolution 2021-21.

419

420 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor,**
421 **Resolution 2021-21, Adopting a Policy for Reimbursement of District Travel**
422 **Expenses; and Providing for Severability and an Effective Date, was adopted.**

423

424

- 425 **F. Resolution 2021-22, Adopting Prompt Payment Policies and Procedures Pursuant to**
426 **Chapter 218, Florida Statutes; Providing a Severability Clause; and Providing an**
427 **Effective Date**

428 Mr. Adams presented Resolution 2021-22.

429

430 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor,**
431 **Resolution 2021-22, Adopting Prompt Payment Policies and Procedures**
432 **Pursuant to Chapter 218, Florida Statutes; Providing a Severability Clause; and**
433 **Providing an Effective Date, was adopted.**

434

435

436 **G. Resolution 2021-23, Adopting an Internal Controls Policy Consistent with Section**
 437 **218.33, Florida Statutes; Providing an Effective Date**

438 Mr. Adams presented Resolution 2021-23. Recent legislative changes require
 439 governmental entities to adopt an internal controls policy, by Resolution, to prevent fraud,
 440 waste and abuse. Management has policies in place, as part of the annual audit process.

441

442 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor,**
 443 **Resolution 2021-23, Adopting an Internal Controls Policy Consistent with**
 444 **Section 218.33, Florida Statutes; Providing an Effective Date, was adopted.**

445

446

447 **BOND FINANCING RELATED MATTERS**

448 **NINTH ORDER OF BUSINESS**

**Consideration of the Following Bond
 Financing Related Matters:**

449

450

451 **A. Bond Financing Team Funding Agreement**

452 Mr. Earlywine presented the Bond Financing Team Funding Agreement, which would
 453 allow the Developer to provide advance funding for bond-related work and activities and for
 454 the District to reimburse those expenses to the Developer from the bond proceeds.

455

456 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor, the**
 457 **Bond Financing Team Funding Agreement between the Stonewater Community**
 458 **Development District and D.R. Horton, Inc., was approved.**

459

460

461 **B. Engagement of Bond Financing Professionals**

462 **I. Underwriter/Investment Banker: *FMSbonds, Inc.***

463 Mr. Adams presented the FMSbonds, Inc., Engagement Letter for Underwriter Services
 464 and G-17 Disclosure.

465

466 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor, the**
 467 **FMSbonds, Inc., Engagement Letter for Underwriter Services and G-17**
 468 **Disclosure, was approved.**

469

470

471 **II. Bond Counsel: *Akerman, LLP***

472 Mr. Dame presented the Akerman, LLP Engagement Letter to serve as Bond Counsel.
473 The fee would be \$44,000 for the initial series of bonds.

474

475 **On MOTION by Mr. Thomas and seconded by Mr. Quarles, with all in favor, the**
476 **Akerman, LLP Engagement Letter for Bond Counsel Services, was approved.**

477

478

479 **III. Trustee, Paying Agent and Registrar: *U.S. Bank, N.A.***

480 Mr. Adams presented the U.S. Bank, N.A., Engagement Letter to serve as Trustee, Paying
481 Agent and Registrar.

482

483 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor, the**
484 **U.S. Bank, N.A., Engagement Letter, with Fee Schedule, to serve as Trustee,**
485 **Paying Agent, and Registrar, was approved.**

486

487

488 **C. Resolution 2021-24, Designating a Date, Time, and Location of a Public Hearing**
489 **Regarding the District's Intent to Use the Uniform Method for the Levy, Collection,**
490 **and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section**
491 **197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing;**
492 **and Providing an Effective Date**

493 Mr. Adams presented Resolution 2021-24.

494

495 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
496 **Resolution 2021-24, Designating a Date, Time, and Location of February 25,**
497 **2021 at 4:00 p.m., at the offices of D.R. Horton, 10541 Ben C Pratt Six Mile**
498 **Cypress Pkwy., Fort Myers, FL 33966, for a Public Hearing Regarding the**
499 **District's Intent to Use the Uniform Method for the Levy, Collection, and**
500 **Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section**
501 **197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such**
502 **Hearing; and Providing an Effective Date, was adopted.**

503

504

505 **D. Engineer's Report**

506 This item was deferred to the next meeting.

507 **E. Master Special Assessment Methodology Report**

508 This item was deferred to the next meeting.

509 **F. Resolution 2021-25, Declaring Special Assessments; Designating the Nature and**
510 **Location of the Proposed Improvements; Declaring the Total Estimated Cost of the**
511 **Improvements, the Portion to be Paid by Assessments, and the Manner and Timing in**
512 **Which the Assessments are to be Paid; Designating the Lands Upon Which the**
513 **Assessments Shall be Levied; Providing for an Assessment Plat and a Preliminary**
514 **Assessment Roll; Addressing the Setting of Public Hearings; Providing for Publication**
515 **of this Resolution; and Addressing Conflicts, Severability and an Effective Date**

516 This item was deferred to the next meeting.

517 **G. Resolution 2021-26, Authorizing the Issuance of Not Exceeding \$_____ Principal**
518 **Amount Stonewater Community Development District Special Assessment Revenue**
519 **Bonds In One or More Series, for the Purpose of Financing the Construction and/or**
520 **Acquisition By the District of the Public Improvements and Community Facilities**
521 **Permitted By the Provisions of Chapter 190, Florida Statutes and the Ordinance**
522 **Creating the District; Approving a Form of a Master Trust Indenture; Approving And**
523 **Appointing A Trustee; Authorizing the Commencement of Validation Proceedings**
524 **Relating to the Foregoing Bonds; Authorizing and Approving Other Matters Relating to**
525 **the Foregoing Bonds; and Providing an Effective Date**

526 Mr. Earlywine suggested inserting the cost estimate included in the Engineer's Report.
527 Discussion ensued regarding the Engineer's Report.

528 Mr. Adams stated that Resolution 2021-26 sets the ceiling amount not to be exceeded.
529 The Resolution would be updated to reflect a not-to-exceed amount of \$13,500,000.

530 Mr. Dame presented Resolution 2021-26. This Resolution accomplishes the following:

- 531 ➤ Initiates the bond validation process.
- 532 ➤ Authorizes the issuance of bonds not to exceed \$13,500,000.
- 533 ➤ Appoints U.S. Bank, N.A. as the Bond Trustee.
- 534 ➤ Endorses the Master Trust Indenture and any Supplemental Indenture for every series
535 of bonds issued.

536 The following changes were made to Resolution 2021-26:

537 Resolution Title and Section 1: Change "\$_____" to "\$13,500,000"

538

539 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor,**
540 **Resolution 2021-26, was adopted.**

541
542

543 **TENTH ORDER OF BUSINESS**

Staff Reports

544
545

A. District Counsel: *Hopping Green & Sams, P.A.*

546 Mr. Earlywine stated a validation complaint would be filed shortly; a hearing would be
547 scheduled for February or March and bonds may be issued in April. Discussion ensued
548 regarding the need to validate assessments and the need for an appraisal.

549

550 **On MOTION by Mr. Everett and seconded by Mr. Thomas, with all in favor,**
551 **authorization to obtain an appraisal of property the District is anticipated to**
552 **acquire, in a not-too-exceed amount of \$3,500, was approved.**

553
554

555 **B. District Engineer (Interim): *Barraco & Associates, Inc.***

556 There being nothing further to report, the next item followed.

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

558 There being nothing further to report, the next item followed.

559

560 **ELEVENTH ORDER OF BUSINESS**

Board Members' Comments/Requests

561
562

There being no Board Members' comments or requests, the next item followed.

563

564 **TWELFTH ORDER OF BUSINESS**

Public Comments

565
566

There being no public comments, the next item followed.

567

568 **THIRTEENTH ORDER OF BUSINESS**

Adjournment

569
570

There being nothing further to discuss, the meeting adjourned.

571

572 **On MOTION by Mr. Thomas and seconded by Mr. Everett, with all in favor, the**
573 **meeting adjourned at 2:18 p.m.**

574
575
576
577
578
579

Secretary/Assistant Secretary

Chair/Vice Chair

STONEWATER
COMMUNITY DEVELOPMENT DISTRICT

14C

STONEWATER COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2020/2021 MEETING SCHEDULE

LOCATION

offices of D R Horton, 10541 Ben C Pratt Six Mile Cypress Pkwy., Fort Myers, FL 33966

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
February 25, 2021	Regular Meeting	4:00 PM
March 25, 2021	Regular Meeting	4:00 PM
April 22, 2021	Regular Meeting	4:00 PM
May 27, 2021	Regular Meeting	4:00 PM
June 24, 2021	Regular Meeting	4:00 PM
July 22, 2021	Public Meeting	4:00 PM
August 26, 2021	Regular Public Hearing & Meeting	4:00 PM
September 23, 2021	Regular Meeting	4:00 PM