

**MINUTES OF MEETING  
EMERALD LAKES  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Emerald Lakes Community Development District held a Public Hearing and Regular Meeting on August 16, 2019 at 1:00 p.m., at 2651 W. Eau Gallie Boulevard, Suite A, Melbourne, Florida 32935.

**Present at the meeting and constituting a quorum were:**

Chris Kasten	Vice Chair
Mel Scott	Assistant Secretary
Alfredo Rodriguez-Walling	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Lisa Dao	Wrathell, Hunt and Associates, LLC
Michelle Rigoni (via telephone)	District Counsel
Jake Wise	District Engineer
Paul Paluzzi	ZONS Development
Brenda Yates	Yates & Company, LLC

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 1:12 p.m. Supervisors Kasten, Scott and Rodriguez-Walling were present, in person. Supervisors Gottlieb and Kramer were not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

**THIRD ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year  
2019/2020 Budget**

**A. Proof/Affidavit of Publication**

The affidavit of publication was included for informational purposes.

**B. Consideration of Resolution 2019-36, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date**

**EMERALD LAKES CDD**

**August 16, 2019**

Mr. Wrathell presented Resolution 2019-36. He reviewed the proposed Fiscal Year 2020 budget, including line item increases, decreases and adjustments compared to Fiscal Year 2019 and explained the reasons for any changes. The proposed Fiscal Year 2020 budget would be Landowner-funded, with expenses being funded as they are actually incurred.

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

No members of the public spoke.

**On MOTION by Mr. Kasten and seconded by Mr. Rodriguez-Walling, with all in favor, the Public Hearing was closed.**

**On MOTION by Mr. Kasten and seconded by Mr. Scott, with all in favor, Resolution 2019-36, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

**FOURTH ORDER OF BUSINESS**

**Consideration of Fiscal Year 2019/2020 Budget Funding Agreement**

Mr. Wrathell presented the Fiscal Year 2019/2020 Budget Funding Agreement.

**On MOTION by Mr. Kasten and seconded by Mr. Rodriguez-Walling, with all in favor, the Fiscal Year 2019/2020 Budget Funding Agreement, was approved.**

**FIFTH ORDER OF BUSINESS**

**ANNOUNCE AUDIT COMMITTEE MEETING/  
PUBLIC HEARING AND REGULAR MEETING  
RECESS**

Mr. Wrathell announced the Audit Committee Meeting and stated the Public Hearing and Regular Meeting would recess.

**SIXTH ORDER OF BUSINESS**

**COMMENCEMENT OF AUDIT COMMITTEE  
MEETING**

**EMERALD LAKES CDD**

**August 16, 2019**

**A. Review/Discussion/Ranking of Response(s) to RFP for Annual Audit Services**

**i. Affidavit of Publication**

The affidavit of publication was provided for informational purposes.

**ii. RFP Package**

The Request for Proposals (RFP) was provided for informational purposes.

**iii. Respondents**

Mr. Wrathell stated that all respondents were qualified and noted the following:

**a. Berger, Toombs, Elam, Gaines & Frank**

The Berger, Toombs, Elam, Gaines & Frank (BTEGF) \$3,365 fee did not include issuance of bonds; at the time of bond issuance, the additional fee could be negotiated.

**b. Carr, Riggs & Ingram, LLC**

Based on overall quality and because the Carr, Riggs & Ingram, LLC (CRI) \$4,000 fee, with a not-to-exceed bond issuance fee of \$2,500, is very competitive, he would rank CRI first.

**c. McDirmit Davis & Company, LLC**

The McDirmit Davis & Company, LLC (MDC) \$4,000 fee did not include issuance of bonds; the additional fee would be \$800.

**iv. Ranking**

Discussion ensued regarding completing the ranking form, each firm's fees, ability and experience. Mr. Wrathell stated if price was the most important factor, he would recommend BTEGF but, for high quality at a reasonable price, he recommends CRI. In response to Mr. Kasten's question regarding the price differences, Mr. Wrathell stated the difference was difficult to calculate without structuring the bonds but estimated the difference between CRI and BTEGF to be about \$500. In response to Mr. Kasten's question regarding whether the CDD Board must follow the recommendation/ranking of the Audit Committee, Ms. Rigoni stated it typically makes sense but, the Board can make its own selection, provided the reason is explained and accepted. Mr. Wrathell stated CRI is the Auditor for Babcock Ranch CDD (BRCCDD), which has solid waste and water and sewer utilities and multiple bonds. CRI does well with complex CDDs, does a very good job at BRCCDD and the fees are reasonable. Mr. Kasten asked whether there were any other respondents. Mr. Wrathell stated that these firms were the only respondents. Mr. Scott stated that his original ranking favored BTEGF, based on price but, in his opinion, CRI has a vast experience and, in his prior experience when CRI served as the County's auditor, they demonstrated incredible competency and high ethics.

**EMERALD LAKES CDD**

**August 16, 2019**

The firms were ranked, as follows, based on total points awarded:

- 1. Berger, Toombs, Elam, Gaines & Frank (BTEGF): 295 points
- 2. Carr, Riggs & Ingram, LLC (CRI): 294 points
- 3. McDirmit Davis & Company: (MDC): 283 points

**v. Recommendation**

Discussion ensued regarding the Audit Committee recommendation. Ms. Rigoni stated, regardless of the Audit Committee ranking/recommendation, the CDD Board could reject any or all respondents.

**SEVENTH ORDER OF BUSINESS**

**ADJOURNMENT OF AUDIT COMMITTEE MEETING/RECONVENE REGULAR MEETING**

The Audit Committee Meeting adjourned and the Regular Meeting reconvened.

**EIGHTH ORDER OF BUSINESS**

**Consider Recommendation of Audit Committee**

Mr. Kasten recommended selecting CRI because of the complexity of the bond issuances the District will have, notwithstanding the rankings by the Audit Committee.

**On MOTION by Mr. Kasten and seconded by Mr. Rodriguez-Walling, with all in favor, rejecting the Audit Committee rankings and selecting Carr, Riggs & Ingram, LLC for Annual Audit Services, based on the complexity of the issues the District will have in the future, was approved.**

**NINTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-37, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2019/2020 and Providing for an Effective Date**

Mr. Wrathell presented Resolution 2019-37.

**On MOTION by Mr. Scott and seconded by Mr. Kasten, with all in favor, Resolution 2019-37, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2019/2020 and Providing for an Effective Date, was adopted.**

**EMERALD LAKES CDD  
TENTH ORDER OF BUSINESS**

**August 16, 2019**

**Acceptance of Unaudited Financial  
Statements as of June 30, 2019**

Mr. Wrathell presented the Unaudited Financial Statements as of June 30, 2019.

**On MOTION by Mr. Scott and seconded by Mr. Rodriguez-Walling, with all in favor, the Unaudited Financial Statements as of June 30, 2019, were accepted.**

**ELEVENTH ORDER OF BUSINESS**

**Approval of June 10, 2019 Regular Meeting  
Minutes**

Mr. Wrathell presented the June 10, 2019 Regular Meeting Minutes.

**On MOTION by Mr. Scott and seconded by Mr. Kasten, with all in favor, the June 10, 2019 Regular Meeting Minutes, as presented, were approved.**

**TWELFTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel: *Hopping Green & Sams, P.A.***

Ms. Rigoni stated that revised Rules of Procedure reflecting 2019 legislative changes would likely be presented at the next meeting. A public hearing would be required.

**B. District Engineer: *Construction Engineering Group***

There being nothing to report, the next item followed.

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

- **NEXT MEETING DATE: September 20, 2019**

**THIRTEENTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

There being no Board Members' comments or requests, the next item followed.

**FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Kasten and seconded by Mr. Scott, with all in favor, the meeting adjourned at 2:02 p.m.**

**EMERALD LAKES CDD**

**August 16, 2019**

DocuSigned by:

*Craig Wrathell*

3DCE50D4F4C7425

Secretary/Assistant Secretary

DocuSigned by:

*A Christopher Kasten, II*

C75AC18D2D46459...

Chair/Vice Chair