

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT
DISTRICT**

October 10, 2022

BOARD OF SUPERVISORS

PUBLIC HEARINGS

AND REGULAR MEETING

AGENDA

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

**AGENDA
LETTER**

Preserve at Savannah Lakes Community Development District

OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

October 3, 2022

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors

Preserve at Savannah Lakes Community Development District

Dear Board Members:

The Board of Supervisors of the Preserve at Savannah Lakes Community Development District will hold Public Hearings and a Regular Meeting on October 10, 2022, at 2:00 p.m., at the offices of Culpepper & Terpening, Inc., 2960 South 25th Street, Fort Pierce, Florida 34981. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Public Hearing Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District's Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date
 - A. Affidavit/Proof of Publication
 - B. Consideration of Resolution 2023-01, Expressing its Intent to Utilize the Uniform Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be Levied by the Preserve at Savannah Lakes Community Development District in Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date
4. Public Hearing to Consider the Adoption of an Assessment Roll and the Imposition of Special Assessments Relating to the Financing and Securing of Certain Public Improvements
 - *Hear testimony from the affected property owners as to the propriety and advisability of making the improvements and funding them with special assessments on the property.*

- *Thereafter, the governing authority shall meet as an equalizing board to hear any and all complaints as to the special assessments on a basis of justice and right.*
 - A. Affidavit/Proof of Publication
 - B. Mailed Notice to Property Owner(s)
 - C. Engineer’s Report (*for informational purposes*)
 - D. Master Special Assessment Methodology Report (*for informational purposes*)
 - E. Consideration of Resolution 2023-02, Making Certain Findings; Authorizing a Capital Improvement Plan; Adopting an Engineer’s Report; Providing an Estimated Cost of Improvements; Adopting an Assessment Report; Equalizing, Approving, Confirming and Levying Debt Assessments; Addressing the Finalization of Special Assessments; Addressing the Payment of Debt Assessments and the Method of Collection; Providing for the Allocation of Debt Assessments and True-Up Payments; Addressing Government Property, and Transfers of Property to Units of Local, State and Federal Government; Authorizing an Assessment Notice; and Providing for Severability, Conflicts and an Effective Date
5. Consideration of Resolution 2023-03, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors for Fiscal Year 2022/2023 and Providing for an Effective Date
 6. Acceptance of Unaudited Financial Statements as of August 31, 2022
 7. Approval of August 16, 2022 Public Hearings and Regular Meeting Minutes
 8. Staff Reports
 - A. District Counsel: *KE Law Group, PLLC*
 - B. District Engineer: *Culpepper & Terpening, Inc.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*

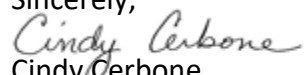
- NEXT MEETING DATE: TBD

- QUORUM CHECK

| | | | |
|-----------------------|---|---------------------------------------|------------------------------------|
| JON SEIFEL | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| MICHAEL CAPUTO | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| TIMOTHY SMITH | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| CANDICE SMITH | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| GREG MEATH | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |

9. Board Members' Comments/Requests
10. Public Comments
11. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (561) 346-5294.

Sincerely,

Cindy Cerbone
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL-IN NUMBER: 1-888-354-0094

PARTICIPANT PASSCODE: 801 901 3513

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

3A

Miscellaneous Notices



Published in St. Lucie News Tribune on September 12, 2022

Location

St. Lucie County,

Notice Text

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT NOTICE OF THE DISTRICT'S INTENT TO USE THE UNIFORM METHOD OF COLLECTION OF NON-AD VALOREM ASSESSMENTS [EXPANSION PARCEL] Notice is hereby given that the Preserve at Savannah Lakes Community Development District ("District") intends to use the uniform method of collecting non-ad valorem assessments to be levied by the District pursuant to Section 197.3632, Florida Statutes. The Board of Supervisors of the District will conduct a public hearing on October 10, 2022, at 2:00 p.m., at Culpepper & Terpening, Inc., 2960 S. 25th Street, Fort Pierce, Florida 34981. The purpose of the public hearing is to consider the adoption of a resolution authorizing the District to use the uniform method of collecting non-ad valorem assessments to be levied by the District on the Expansion Parcel, which was added to the District pursuant to an Ordinance adopted by the County Commissioners of St. Lucie County, Florida. The District may levy non-ad valorem assessments for the purpose of financing, acquiring, maintaining and/or operating community development facilities, services and improvements within and without the boundaries of the District. Owners of the properties to be assessed and other interested parties may appear at the public hearing and be heard regarding the use of the uniform method of collecting such non-ad valorem assessments. The public hearing is open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing may be continued to a date, time, and place to be specified on the record. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone. Any person requiring special accommodations at this hearing because of a disability or physical impairment should contact the District Manager, c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Phone (561) 571-0010, at least forty-eight (48) hours prior to the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager. Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearing is advised that person will need a record of 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 such appeal is to be based. District Manager Pub: Sept.12,19,26,Oct.3,2022 TCN5406302

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

3B

RESOLUTION 2023-01

[EXPANSION PARCEL]

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT EXPRESSING ITS INTENT TO UTILIZE THE UNIFORM METHOD OF LEVYING, COLLECTING, AND ENFORCING NON-AD VALOREM ASSESSMENTS WHICH MAY BE LEVIED BY THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT IN ACCORDANCE WITH SECTION 197.3632, FLORIDA STATUTES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Preserve at Savannah Lakes Community Development District (“**District**”) was established pursuant to the provisions of Chapter 190, Florida Statutes, which authorizes the District to levy certain assessments which include benefit and maintenance assessments and further authorizes the District to levy special assessments pursuant to Chapter 170, Florida Statutes, for the acquisition, construction, or reconstruction of assessable improvements authorized by Chapter 190, Florida Statutes; and

WHEREAS, the above referenced assessments are non-ad valorem in nature and, therefore, may be collected under the provisions of Section 197.3632, Florida Statutes, in which the State of Florida has provided a uniform method for the levying, collecting, and enforcing such non-ad valorem assessments; and

WHEREAS, effective May 16, 2022, the boundaries of the District were amended by Ordinance #22-013 of the City Commission of the City of Fort Pierce, Florida, to include approximately 7.17 acres of land to those lands within the boundaries of the District (“**Expansion Parcel**”); and

WHEREAS, the District desires to express its intent to use the uniform method of collecting assessments imposed by the District as provided in Chapters 170 and 190, Florida Statutes, each of which are non-ad valorem assessments which may be collected annually pursuant to the provisions of Chapter 190, Florida Statutes, for the purpose of paying the cost of operating and maintaining its assessable improvements on lands located within the Expansion Parcel; and

WHEREAS, pursuant to Section 197.3632, Florida Statutes, the District has caused notice of a public hearing to be advertised weekly in a newspaper of general circulation within St. Lucie County for four (4) consecutive weeks prior to such hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The District, upon conducting its public hearing as required by Section 197.3632, Florida Statutes, hereby expresses its intent to use the uniform method of collecting assessments imposed by the District as provided in Chapters 170 and 190, Florida Statutes, each of which are non-ad valorem assessments which may be collected annually pursuant to the provisions of Chapter 190, Florida Statutes, for the purpose of paying principal and interest on any and all of its indebtedness and for the purpose of paying the cost of operating and maintaining its assessable improvements. The legal description of the boundaries of the real property subject to a levy of assessments located within the Expansion Parcel is attached and made a part of this Resolution as **Exhibit A**. The non-ad valorem assessments and the District's use of the uniform method of collecting its non-ad valorem assessment(s) may continue in any given year when the Board of Supervisors determines that use of the uniform method for that year is in the best interests of the District.

SECTION 2. The District's Secretary is authorized to provide the Property Appraiser and Tax Collector of St. Lucie County and the Department of Revenue of the State of Florida with a copy of this Resolution and enter into any agreements with the Property Appraiser and/or Tax Collector necessary to carry out the provisions of this Resolution.

SECTION 3. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 4. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 10th day of October, 2022.

ATTEST:

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Legal Description

**Exhibit A
Property Description**

**LEGAL DESCRIPTION OF
EXPANSION PARCEL**

Parcel 3:

That part of the South 275.00 feet of the SW 1/4 of the SE 1/4 of Section 27, Township 35 South, Range 40 East, lying East of U.S. Highway No. 1, less the North 25.00 feet and the East 15.00 feet for Right-Of-Way, all lying and being in St. Lucie County, Florida.

Overall parcel 3 contains 7.17 acres, more or less.

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

4A

Treasure Coast Newspapers

PART OF THE USA TODAY NETWORK

St. Lucie News-Tribune
1939 SE Federal Highway, Stuart, FL 34994
AFFIDAVIT OF PUBLICATION

PRESERVE AT SAVANNAH LAKES CDD
2300 GLADES RD #410W
BOCA RATON, FL 33431-8556
ATTN

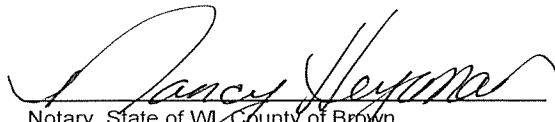
STATE OF WISCONSIN
COUNTY OF BROWN

Before the undersigned authority personally appeared, said legal clerk, who on oath says that he is a legal clerk Manager of the St. Lucie News-Tribune, a daily newspaper published at Fort Pierce in St. Lucie County, Florida: that the attached copy of advertisement was published in the St. Lucie News-Tribune in the following issues below. Affiant further says that the said St Lucie News-Tribune is a newspaper published in Fort Pierce, in said St. Lucie County, Florida, and that said newspaper has heretofore been continuously published in said St. Lucie County, Florida, daily and distributed in St. Lucie County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement ; and affiant further says that she has neither paid or 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. The St. Lucie News-Tribune has been entered as Periodical Matter at the Post Offices in Fort Pierce, St. Lucie County, Florida and has been for a period of one year next preceding the first publication of the attached copy of advertisement.

9/14/2022; 9/21/2022



Subscribed and sworn to before on the 21st of September, 2022



Notary, State of WI, County of Brown
My commission expires: 5.15.23

Publication Cost: \$1,890.00
Ad No: GCI0942255
Customer No: 804443
PO#: PUBLIC NOTICE
THIS IS NOT AN INVOICE

NANCY HEYRMAN
Notary Public
State of Wisconsin

NOTICE OF PUBLIC HEARINGS TO CONSIDER THE IMPOSITION OF SPECIAL ASSESSMENTS PURSUANT TO SECTIONS 170.07 AND 197.20, FLORIDA STATUTES, BY THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF SPECIAL MEETINGS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

In accordance with Chapters 170, 190 and 197, Florida Statutes, the Preserve at Savannah Lakes Community Development District ("District") Board of Supervisors ("Board") hereby provides notice of the following public hearings and special meeting:

NOTICE OF PUBLIC HEARINGS

DATE: October 10, 2022
TIME: 2:00 p.m.
LOCATION: Eaglepress & Topography, Inc. 2905 S. 27th Street Fort Pierce, Florida 34911

The purpose of the public hearings announced above is to consider the imposition of special assessments ("Debt Assessments"), and adoption of assessment rules to repair, reconstruct, and improve lands within the District and known as the "Expansion Parcel" (located between and to the south of the Preserve at Savannah Lakes Community Development District). The proposed Debt Assessments are intended to finance certain public, structural, and other improvements, including but not limited to, stormwater management, water conservation, landscaping, irrigation, lighting, and other infrastructure improvements ("Project") benefiting certain lands within the District. The Project is described in more detail in the Engineer's Report dated January 10, 2022 ("Engineer's Report").

On March 21, 2022, and after notice and a public hearing, the District's Board of Supervisors adopted Resolution 2022-29 and levied the Debt Assessments on all benefited property within the District. The District's boundaries existed at that time. On May 16, 2022, and at the request of the District's Board of Supervisors, the City Commission of the City of Fort Pierce, Florida adopted Ordinance No. 22-013 expanding the District's boundaries to include an "Expansion Parcel" which is an approximately 7.17-acre parcel located on the eastern side of the District. The purpose of the public hearings announced above is to levy and impose the Debt Assessments on the Expansion Parcel.

The Debt Assessments are proposed to be levied on one or more assessment lots and allocated to the benefited lots within the assessment area as set forth in the Master Special Assessment Microbiology Report dated January 10, 2022 ("Assessment Report") at the conclusion of the public hearing. The Board will, by resolution, levy and impose the Debt Assessments as fully approved by the Board. A special meeting of the District will also be held where the Board may consider any other matters that may properly come before the Board.

The District is located entirely within St. Lucie County, Florida, and includes approximately 122.03 acres of land, including the Expansion Parcel which comprises approximately 7.17 acres. A geographic description of the District is shown below. All lands within the District are expected to be improved in accordance with the reports identified above.

A description of the property to be assessed and the amount to be assessed to each piece or parcel of property may be ascertained at the "Districts Office" located at 2905 South 27th Street, Suite 410B, Boca Raton, Florida 33431. Also, a copy of the opinion and other documents referenced herein may be obtained from the District Office.

Proposed Debt Assessments

The proposed Debt Assessments for all properties, including the Expansion Parcel (which includes 43 Townhomes, and 4 Duplex Villa Homes), are as follows:

| Product Type | EAU | Units | Maximum Total Debt Assessment Allocation per Unit* | Maximum Annual Debt Assessment per Unit* |
|--------------|-----|-------|--|--|
| Townhomes | 0.8 | 309 | \$34,059.95 | \$2,474.42 |
| Villa Homes | 1.0 | 240 | \$47,574.93 | \$3,039.02 |

*Excludes estimated 2% early payment discount and collection fees, which may vary.

*Excludes interest and collection costs.

The statements shall be paid in not more than thirty (30) annual installments subsequent to the issuance of debt to finance the improvements. These annual assessments will be collected on the County tax roll by the Tax Collector. Alternatively, the District may choose to directly collect and enforce these assessments.

The public hearings and meeting open to the public and will be conducted in accordance with Florida law. The public hearings and meeting may be continued to a date, time, and place to be later set by the Board. There may be assessments when debt or levied amounts may be payable by advance reference. Any person requesting a modification, including a disability or physical impairment, should contact the District Office at least for forty (40) days prior to the meeting. If you are having any questions, please contact the District Office at 2905 South 27th Street, Suite 410B, Boca Raton, Florida 33431. Telephone: (561) 995-8770. TDD: (561) 995-8770. Email: info@psl.com.

Please note that all affected parties are urged to appear at the public hearings and meeting and may also file written objections with the District Office within twenty (20) days of issuance of this notice. Written objections should be filed with the District Office in person or by mail. The person making such objections should be prepared to provide evidence in support of such objections. The person may need to ensure that a written record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

District Manager

RESOLUTION 2022-35

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS FOR A BOUNDARY AMENDMENT PARCEL, DESIGNATING THE NATURE AND LOCATION OF THE PROJECT 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; AND AUTHORIZING THE DISTRICT MANAGER TO PREPARE AN ASSESSMENT ROLL, ADDRESSING THE SETTING OF PUBLIC HEARINGS, PROVISIONS FOR PUBLICATION OF THIS RESOLUTION, AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Preserve at Savannah Lakes Community Development District ("District") is a local special purpose government organized and created 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, maintain, operate, repair, reconstruct, or reconstruct, improve, and maintain public utility systems, stormwater management infrastructure, landscaping, irrigation and other utilities, recreation and mitigation, street lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within the District; and

WHEREAS, on March 21, 2022, and after notice and a public hearing, the District's Board of Supervisors adopted Resolution 2022-29 and determined to undertake certain public, structural, and other improvements, including but not limited to, stormwater management, water conservation, landscaping, irrigation and other utilities, recreation and mitigation, street lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within the District; and

WHEREAS, as part of Resolution 2022-29, the District determined that 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 of special assessments ("Assessments") using the methodology set forth in that Master Special Assessment Microbiology Report, dated January 10, 2022, which is attached hereto by reference, and authorize the District Manager at 2905 South 27th Street, Suite 410B, Boca Raton, Florida 33431 ("District Manager Office"); and

WHEREAS, on May 16, 2022, and at the request of the District's Board of Supervisors, the City Commission of the City of Fort Pierce, Florida adopted Ordinance No. 22-013, expanding the District's boundaries to include a "Boundary Amendment Parcel" which is described herein as Exhibit B; and

WHEREAS, the District now desires to levy the Assessments on the Boundary Amendment Parcel, which is part of the District's Project as set forth in Exhibit A;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT:

- AUTHORITY FOR THIS RESOLUTION: INCORPORATION OF REGALS.** This Resolution is adopted pursuant to the provisions of Florida law, including but not limited to Chapters 170, 190 and 197, Florida Statutes. The necessary standards are incorporated herein and are adopted by the Board as true and correct statements.
- DECLARATION OF ASSESSMENTS.** The Board hereby declares that, with respect to the Boundary Amendment Parcel, the Board has determined to undertake the Project and to levy all or a portion of the cost thereof by the Assessments.
- DESIGNATING THE NATURE AND LOCATION OF IMPROVEMENTS.** The nature and general location of the Project and specifications for the Project including the certain that relates to the Boundary Amendment Parcel, are described in Exhibit A, which is on file in the District Records Office. Exhibit B is also on file and available for public inspection at the same location.
- 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.**
 - The total estimated cost of the Project including the portion that relates to the Boundary Amendment Parcel is \$16,400,000 ("Estimated Cost").
 - The Assessments, including the portion that relates to the Boundary Amendment Parcel, will total approximately \$25,000,000, which is the estimated total cost of the Project and which includes all of 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, the Assessments will collect no more than approximately \$1,465,000 per year, again as set forth in Exhibit B.
 - The manner in which the Assessments shall be assessed and paid is set forth in Exhibit B. It may be modified by supplemental assessment resolutions. The Assessments will constitute a "master lien" which may be imposed without further public hearing in one or more separate lots each within a series of bonds, and each as determined by supplemental assessment resolutions. With respect to each lot forming a series of bonds, the special assessments shall be paid in not more than (10) thirty yearly installments. The special assessments may be paid at the same time and in the same manner as set forth in Exhibit B and collected pursuant to Chapter 197, Florida Statutes, provided, however, that in the event the uniform lien assessment method of collecting the Assessments is not available to the District at any time or if determined by the District to be in the best interest, the Assessments may be collected as is otherwise permitted by law, including but not limited to, by direct bill. The District may, by resolution, 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 to collect special assessments in any given year, regardless of the method used.
- DESIGNATING THE LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED.** The Assessments covering the Project shall be levied on the lands within the District, including the Boundary Amendment Parcel, as described in Exhibit B, and as further designated by the assessment roll hereinafter provided for.
- ASSESSMENT PLAN.** Pursuant to Section 170.04, Florida Statutes, there is an "at" of the District (Private Office), an assessment plan allowing the area to be assessed, 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.
- 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 to be levied on the assessment against each lot or parcel of land and the number of annual installments to which the assessment may be divided, which assessment roll is hereby adopted and approved as the District's preliminary assessment roll.
- PUBLIC HEARINGS DECLARED, DIRECTION TO PROVIDE NOTICE OF THE HEARINGS.** Pursuant to Sections 170.07 and 197.20(2)(b), Florida Statutes, announce the provisions of Florida law, and hereby declare and direct public hearings to be held as follows:

NOTICE OF PUBLIC HEARINGS

DATE: October 10, 2022
TIME: 2:00 p.m.
LOCATION: Eaglepress & Topography, Inc. 2905 S. 27th Street Fort Pierce, Florida 34911

Note: The public hearing was rescheduled from August 16, 2022 at 11:00 a.m. to the new date/time listed above.

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 and to take any such comments and objections into account. Interested parties may appear at the hearing to submit their comments in writing prior to the hearing at the District Records Office.

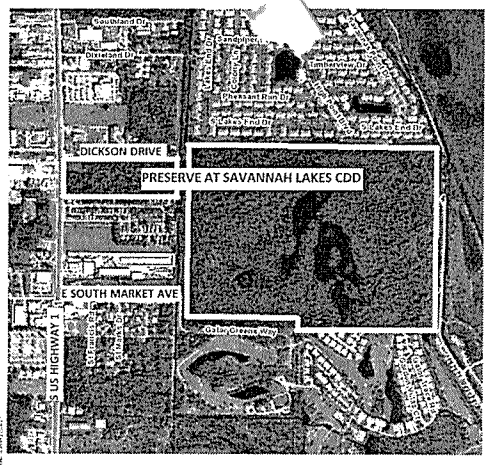
- Notice of said hearings shall be advertised in accordance with Chapters 170, 190 and 197, Florida Statutes, and the District Manager is hereby authorized and directed to file notices, a copy of a general circulation within St. Lucie County by two publications one week apart with the first publication at least twenty (20) days prior to the date of the hearing established herein. The District Manager shall file a public or certified with the District Secretary meeting with publication of notice. The District Manager is further authorized and directed to open forty (40) days written notice by mail of the time and place of the hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property, with a description of the area to be assessed and the nature of the improvements to be assessed as set forth in the District's Assessment Roll. The District Manager shall file proof of such notices by mail with the District Secretary.
- PUBLICATION OF RESOLUTIONS.** Pursuant to Section 170.05, Florida Statutes, the District Manager is hereby directed to cause the Resolution to be published once a week for two (2) weeks in a newspaper of general circulation within St. Lucie County and to provide such other notice as may be required by law or custom in the best interests of the District.
 - CONFLICTS.** All conflicts or parts thereof in conflict herewith are, in the event of such conflict, repealed and revised. As a part of this Resolution, Resolution 2022-29 remains in full force and effect, and the entire of this Resolution is solely to add the Boundary Amendment Parcel to the property subject to the Assessments as provided pursuant to Resolution 2022-29.
 - SEVERABILITY.** If any section or part of a section of this Resolution is 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 validity or effect of a section to be so declared unconstitutional.
 - EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED: This 1st day of June, 2022

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Attest: **Debra Costello**, District Secretary
Michael Clapp, District Manager
Chas. Board of Supervisors

Exhibit A: Engineer's Report, dated January 10, 2022
 Exhibit B: Master Special Assessment Microbiology Report dated January 10, 2022
 Exhibit C: Legal Description of Boundary Amendment Parcel



**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

4B

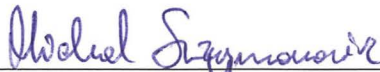
STATE OF FLORIDA)
COUNTY OF PALM BEACH)

AFFIDAVIT OF MAILING

BEFORE ME, the undersigned authority, this day personally appeared Michal Szymonowicz, who by me first being duly sworn and deposed says:

1. I am over eighteen (18) years of age and am competent to testify as to the matters contained herein. I have personal knowledge of the matters stated herein.
2. I, Michal Szymonowicz, am employed by Wrathell, Hunt and Associates, LLC, and, in the course of that employment, serve as Assessment Roll Coordinator for the Preserve at Savannah Lakes Community Development District.
3. Among other things, my duties include preparing and transmitting correspondence relating to the Preserve at Savannah Lakes Community Development District.
4. I do hereby certify that on September 10, 2022 and in the regular course of business, I caused the letter, in the form attached hereto as Exhibit A, to be sent notifying affected landowners in the Preserve at Savannah Lakes Community Development District of their rights under Chapters 170, 190 and 197, *Florida Statutes*, with respect to the District's anticipated imposition of assessments.
5. I have personal knowledge of having sent the letters to the addressees, and those records are kept in the course of the regular business activity for my office.

FURTHER AFFIANT SAYETH NOT.



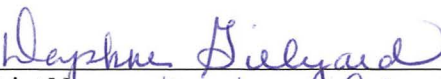
Michal Szymonowicz

SWORN TO (OR AFFIRMED) AND SUBSCRIBED before me by means of physical presence or online notarization, this 10th day of September, 2022, by Michal Szymonowicz, for Wrathell, Hunt and Associates, LLC, who is personally known to me or has provided _____ as identification, and who did ___ / did not take an oath.

NOTARY PUBLIC



DAPHNE GILLYARD
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG327647
Expires 8/20/2023



Print Name: Daphne Gillyard
Notary Public, State of Florida
Commission No.: GG327647
My Commission Expires: 8/20/2023

EXHIBIT A: Mailed Notice

EXHIBIT A

DAKINE GILYARD
NOTARY PUBLIC
STATE OF FLORIDA
Commission Expires 03/31/23



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SK SAVANNAH LAKES LLC
14025 RIVEREDGE DR 175
TAMPA FL 33637

**Preserve at Savannah Lakes
Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013**

September 10, 2022

Via First Class U.S. Mail

SK SAVANNAH LAKES LLC
14025 RIVEREDGE DR 175
TAMPA FL 33637

**RE: *Preserve at Savannah Lakes Community Development District (“District”)
Notice of Hearings on Debt Assessments (Expansion Parcel)***

Dear Property Owner:

In accordance with Chapters 170, 190 and 197, *Florida Statutes*, the District’s Board of Supervisors (“**Board**”) hereby provides notice of the following public hearings, and public meeting:

NOTICE OF PUBLIC HEARINGS

| | |
|-----------|--|
| DATE: | October 10, 2022 |
| TIME: | 2:00 p.m. |
| LOCATION: | Culpepper & Terpening, Inc. 2980 S. 25 th Street Fort Pierce, Florida 34981 |

The purpose of the public hearings announced above is to consider the imposition of special assessments (“**Debt Assessments**”), and adoption of assessment rolls to secure proposed bonds, on benefited lands within the District and known as the “Expansion Parcel” (defined below), and, to provide for the levy, collection and enforcement of the Debt Assessments. The proposed bonds secured by the Debt Assessments are intended to finance certain public infrastructure improvements, including, but not limited to, stormwater management, water and sewer utilities, landscape, irrigation, lighting, and other infrastructure improvements (together, “**Project**”), benefitting certain lands within the District. The Project is described in more detail in the *Engineer’s Report*, dated January 10, 2022 (“**Engineer’s Report**”).

On March 21, 2022, and after notice and a public hearing, the District’s Board of Supervisors adopted Resolution 2022-29 and levied the Debt Assessments on all benefitted property within the District, as the District’s boundaries existed at that time. On May 16, 2022, and at the request of the District’s Board of Supervisors, the City Commission of the City of Fort Pierce, Florida adopted Ordinance No. 22-013, expanding the District’s boundaries to include an “**Expansion Parcel**,” which is an approximately 7.17 acre parcel located near the entry of the District. The purpose of the public hearings announced above is to levy and impose the Debt Assessments on the Expansion Parcel.

The Debt Assessments are proposed to be levied as one or more assessment liens and allocated to the benefitted lands within the assessment area, as set forth in the *Master Special Assessment Methodology Report*, dated January 10, 2022 (“**Assessment Report**”). Copies of the Engineer’s Report and Assessment Report are attached hereto. As required by Chapters 170, 190 and 197, *Florida Statutes*, the Assessment Report, together with the Engineer’s Report, describe in more detail the purpose of the Debt Assessments; the total amount to

be levied against each parcel of land within the Expansion Parcel within the District; the units of measurement to be applied against each parcel to determine the Debt Assessments; the number of such units contained within each parcel; and the total revenue the District will collect by the Debt Assessments. At the conclusion of the public hearings, the Board will, by resolution, levy and impose the Debt Assessments as finally approved by the Board. A special meeting of the District will also be held where the Board may consider any other business that may properly come before it.

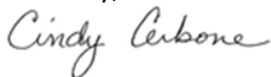
The Debt Assessments constitute a lien against benefitted property located within the District just as do each year's property taxes. For the Debt Assessments, the District may elect to have the County Tax Collector collect the assessments, or alternatively may collect the assessments by sending out an annual bill. For delinquent assessments that were initially directly billed by the District, the District may initiate a foreclosure action or may place the delinquent assessments on the next year's county tax bill. IT IS IMPORTANT TO PAY YOUR ASSESSMENT BECAUSE FAILURE TO PAY WILL CAUSE A TAX CERTIFICATE TO BE ISSUED AGAINST THE PROPERTY WHICH MAY RESULT IN LOSS OF TITLE, OR FOR DIRECT BILLED ASSESSMENTS, MAY RESULT IN A FORECLOSURE ACTION, WHICH ALSO MAY RESULT IN A LOSS OF TITLE. The District's decision to collect assessments on the tax roll or by direct billing does not preclude the District from later electing to collect those or other assessments in a different manner at a future time.

The District is located entirely within St. Lucie County, Florida, and includes approximately 132.69 acres of land. The lands comprising the Expansion Parcel within the District are expected to be improved in accordance with the reports identified above. A geographic description of the property to be assessed and the amount to be assessed to each piece or parcel of property may be ascertained at the "**District's Office**" located at c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431. Also, a copy of the agendas and other documents referenced herein may be obtained from the District Office.

The public hearings and meeting are open to the public and will be conducted in accordance with Florida law. The public hearings and meeting may be continued to a date, time, and place to be specified on the record. There may be occasions when staff or board members may participate by speaker telephone. Any person requiring special accommodations because of a disability or physical impairment should contact the District Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

Please note that all affected property owners have the right to appear and comment at the public hearings and meeting and may also file written objections with the District Office within twenty (20) days of issuance of this notice. Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearings or meeting is advised that person will need a record of 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 such appeal is to be based. If you have any questions, please do not hesitate to contact the District Office.

Sincerely,



Cindy Carbone
District Manager

ATTACHMENTS: Engineer's Report and Assessment Report (with Legal Descriptions of Lands)

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

FORT PIERCE, FLORIDA



ENGINEERS REPORT

January 10, 2022
C&T Project No. 21-054
Certificate of Authorization No. 4286

PREPARED BY
Culpepper & Terpening, Inc.
2980 S. 25th Street
Fort Pierce, FL 34981
Tel. 772-464-3537
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Kolter Land, LLC
105 NE 1st Street
Delray, FL 33444
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PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

ENGINEER'S REPORT

1. INTRODUCTION

The purpose of this report is to provide a description of the capital improvement plan (“CIP”) and estimated costs of the CIP, for the Preserve at Savannah Lakes Community Development District (“District”).

2. GENERAL SITE DESCRIPTION

The District is located entirely within the City of Fort Pierce (“City”), Florida, and will cover approximately 132.69 acres of land, more or less.¹ **Exhibit A** depicts the general location of the project. The site is generally located east of US Highway 1, south of High Pointe, west of Savanna’s Preserve County Park and north of Gator Trace PUD. The metes and bounds description of the external boundary of the District is also set forth in **Exhibit A**.

The property is currently unimproved. The proposed vehicular access to the property is at the existing signalized intersection at US 1 (a four-lane paved federal highway with sidewalk) and Dickson Drive (a two-lane paved county road). A proposed emergency access is at South Market Avenue (a two-lane paved county road). An existing Fort Pierce Utility Authority (“FPUA”) 12’ water main and an existing FPUA 8” sanitary sewer force main is located along the east side of the US 1 ROW. Connections to these existing mains will be made to provide water and sanitary sewer services to the property. An existing St. Lucie County drainage canal flows north to south through an existing County ROW that bisects the property. Two (2) proposed outfalls to this canal will drain the property.

| TABLE 1 | |
|---------------------------------------|---------------|
| PRODUCT TYPE | |
| Product Type | Units* |
| Townhomes (4 to 8 units per building) | 309 |
| Duplex Villa Homes | 340 |
| TOTAL | 649 |

*Of the 649 units, 43 townhomes and 4 duplex villas are planned to be located in the approximately 7-acre boundary amendment expansion parcel.

| TABLE 2 | |
|--------------------|----------------|
| LAND USES | |
| Land Use | Acreage |
| Lot Development | 35.25 |
| Roads | 7.84 |
| Common Areas | 47.45 |
| Stormwater Ponds | 8.40 |
| Conservation Areas | <u>33.75</u> |
| TOTAL | 132.69 |

¹ At the time of this Report, the District presently encompasses 125.52 acres of land. That said, the District’s Board has authorized staff to file a petition with the City to expand the District’s boundaries to include a total of 132.69 acres. This report assumes that the boundary amendment will occur.

3. PROPOSED CAPITAL IMPROVEMENT PLAN

The CIP is intended to provide public infrastructure improvements for the lands within the District, which are planned for 649 residential units and an amenity area.

Roadway Improvements:

The CIP includes subdivision roads within the District and within existing public road rights of ways. Roadway sections include the roadway asphalt, base, and subgrade, roadway curb and gutter, striping and signage and sidewalks within rights-of-way abutting or easements. Sidewalks abutting lots will be constructed by the homebuilders and will not be considered part of the CIP.

All internal roadways are not gated and may be financed by the District, and dedicated to the District for ownership, operation, and maintenance. The portion, approximately 350 feet of Dickson Drive, lying within the County ROW will be dedicated to the County for ownership, operation, and maintenance.

Alternatively, the developer may elect to finance the internal roads, gate them, and turn them over to a homeowners association for ownership, operation and maintenance (in such an event, the District would be limited to financing only utilities, conservation/mitigation and stormwater improvements behind such gated areas).

The proposed roadway improvements are not eligible for roadway impact fee credits.

Stormwater Management System:

The stormwater collection and outfall system is a combination of roadway curbs, curb inlets, pipe, control structures, open lakes, pretreatment ponds, and existing wetlands designed to treat and attenuate stormwater runoff from District lands. The stormwater system within the project discharges to the County's Canal which routes the flow south to Platt's Creek. The stormwater system will be designed consistent with the criteria established by the South Florida Water Management District ("SFWMD") and the City for stormwater/floodplain management systems. The District will finance, own, operate and maintain the stormwater system, lying within the District boundaries.

NOTE: Earthwork is included in the CIP. The District will fund the costs of excavation and disposal of the material generated by the construction of the stormwater treatment areas; this, however, excludes mass grading of any lots, or the costs of distributing any fill to any private lots.

Water, Wastewater and Reclaim Utilities:

As part of the CIP, the District intends to construct and water and wastewater infrastructure to serve the District. In particular, the on-site water supply improvements include water mains that will be located within rights-of-way (ROW) or easements and used for potable water service and fire protection. Water main connections will be made at two (2) locations, one to the existing FPUA 12" water main within the US 1 ROW and the second at US 1 & South Market Avenue.

Wastewater improvements for the project will include an onsite 8" diameter gravity collection system, offsite and onsite 6" forcemain and two onsite lift stations. The offsite forcemain connection will be made to the existing FPUA 8" forcemain within US 1 ROW at the Dickson Avenue intersection.

The proposed water and wastewater improvements are not eligible for impact fee credits. The CIP

does not include any lateral lines to the private lots. The District may also finance utility connection fees as part of the project, subject to the terms of an applicable acquisition agreement.

Hardscape, Landscape, and Irrigation:

The District will construct and/or install landscaping, irrigation and entrance hardscaping within District common areas and ROWs. The irrigation system will consist of an onsite shallow well supplied system.

The City has distinct design criteria requirements for planting and irrigation design. Therefore, this project will at a minimum meet those requirements but in most cases exceed the requirements with enhancements for the benefit of the community.

All such landscaping, irrigation and hardscaping will be owned, maintained and funded by the District. Such infrastructure, to the extent that it is located in ROWs owned by the County will be maintained by the District, pursuant to a right-of-way agreement to be entered into with the County.

Street Lights / Undergrounding of Electrical Utility Lines

The District intends to lease street lights through an agreement with the FPUA, who will own and operate the lighting improvements. As such, street lights are not included as part of the CIP.

The CIP does however include the undergrounding of electrical utility lines within right-of-way or utility easements throughout the community. Any lines and transformers located in such areas would be constructed and owned by FPUA and not paid for by the District as part of the CIP. Instead, the District can only finance the differential cost on undergrounding the electrical utilities. Any such costs are included within the contingency line item of the cost estimate.

Recreational Amenities:

In conjunction with the construction of the CIP, the District intends to construct an amenity area consisting of a pool house, swimming pool, and parking. The District may or may not also finance additional amenities, parks and other common areas for the benefit of the District. These improvements will be funded, owned and maintained by the District. If financed by the District, all such improvements will be open to the general public, but, if financed by the developer and owned by a homeowner's association, all such improvements will be considered common elements for the exclusive benefit of the District landowners.

Environmental Conservation/Mitigation

There are 2.11 acres of direct forested and herbaceous wetland impacts associated with the proposed construction of the District's infrastructure which will require approximately 1 unit of wetland mitigation credit. The District will be responsible for the design, permitting, construction, maintenance, and government reporting of the environmental mitigation. These costs are included within the CIP.

Off-Site Improvements

The proposed off-site improvements include utility connections within the US 1 ROW, a roadway crossing through the existing county canal ROW, intersection improvements at US 1 and Dickson Drive, as well as a partial re-alignment of Dickson Drive at the US 1 intersection.

These proposed roadway improvements are not eligible for roadway impact fee credits.

Professional Services

The CIP also includes various professional services. These include: (i) engineering, surveying and architectural fees, (ii) permitting and plan review costs, and (iii) development/construction management services fees that are required for the design, permitting, construction, and maintenance acceptance of the public improvements and community facilities.

All of the foregoing improvements are required by applicable development approvals. Note that, except as stated herein, there are no impact fee or similar credits available from the construction of any such improvements.

Table No 3 “District Funding and Ownership” depicts the financing, ownership and operation the proposed improvements funded in the CIP:

| TABLE 3 | | |
|---------------------------------------|-------------------------|---|
| DISTRICT FUNDING AND OWNERSHIP | | |
| Facility Description | Financing Entity | Operation & Maintenance Entity |
| Roadways | CDD | CDD |
| Stormwater Management | CDD | CDD |
| Utilities (Water, Sewer) | CDD | FPUA |
| Hardscape/Landscape/Irrigation | CDD | CDD |
| Street Lighting | FPUA | FPUA |
| Recreational Amenities | CDD | CDD |
| Environmental Conservation/Mitigation | CDD | CDD |
| Off-Site Master Improvements | CDD | FDOT / St. Lucie County |

4. PERMITTING/CONSTRUCTION COMMENCEMENT

All necessary permits for the construction of the CIP have either been obtained or are currently under review by respective governmental authorities, Table 4 “Project Permitting” depicts the required permits and their status:

| TABLE 4 | |
|--|-----------------|
| PROJECT PERMITTING | |
| Required Permits | Status |
| City of Fort Pierce PUD | Under Review |
| SFWMD Environmental Resource Permit | Under Review |
| FPUA Water Permit | Under Review |
| FPUA Sewer Permit | Under Review |
| St. Lucie County Engineering Permit | To be Submitted |
| City of Fort Pierce Engineering Permit | To be Submitted |
| Florida Department of Transportation - Driveway Permit | To be Submitted |

| | |
|---|-----------------|
| Florida Department of Environmental Protection - Water Permit | To be Submitted |
| Florida Department of Environmental Protection - Sewer Permit | To be Submitted |

5. OPINION OF PROBABLE CONSTRUCTION COSTS

Table 5 “Project Cost” shown below presents, among other things, the Opinion of Probable Cost for the CIP. It is our professional opinion that the costs set forth in Table 5 are reasonable and consistent with market pricing. The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated CDD expenditures that may be incurred.

| TABLE 5 | |
|------------------------------------|---|
| PROJECT COST | |
| Improvement | Total Estimated Cost (648 units) |
| Roadways | \$1,917,000 |
| Clearing/Grading of Public Lands | \$6,370,000 |
| Stormwater Management System | \$658,000 |
| Water & Wastewater Systems | \$3,446,000 |
| Utility Connection Fees | \$2,500,000 |
| Hardscaping, Landscape, Irrigation | \$319,000 |
| Amenities | \$1,400,000 |
| Conservation Areas | \$726,000 |
| Offsite Improvements* | \$68,000 |
| Professional Services | \$1,065,000 |
| Contingency | \$931,000 |
| TOTAL | \$19,400,000 |

NOTE: Due to the fact that the infrastructure for the boundary amendment parcel is almost entirely comprised of master improvements connecting to the balance of the CIP, the cost estimate is the same for the CIP, regardless of whether the additional 7-acre parcel is added to the District.

6. CONCLUSIONS

The CIP will be designed in accordance with current governmental regulations and requirements. The CIP will serve its intended function so long as the construction is in substantial compliance with the design.

It is further our opinion that:

- The estimated cost to the CIP as set forth herein is reasonable based on prices currently being experienced in St. Lucie County, Florida, and is not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- All of the improvements comprising the CIP are required by applicable development approvals;

- the CIP is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the CIP, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- The reasonably expected economic life of the CIP is anticipated to be at least 20+ years;
- The assessable property within the District will receive a special benefit from the CIP that is at least equal to such costs; and
- The CIP will function as a system of improvements benefitting all lands within the District.

The professional service for establishing the Construction Cost Estimate is consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

The CIP will be owned by the District or other governmental units and such CIP is intended to be available and will reasonably be available for use by the general public (either by being part of a system of improvements that is available to the general public or is otherwise available to the general public) including nonresidents of the District. All of the CIP 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 CIP, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property. Regarding any fill generated by construction of the CIP, and that is not used as part of the CIP, such fill will only be placed on-site where the cost of doing so is less expensive than hauling such fill off-site. The District will pay the lesser of the cost of the components of the CIP or the fair market value.

Please note that the CIP as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the CIP, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

James P Terpening, P.E.
FL License No. 24276

Date 1/5/2022

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Master Special Assessment Methodology Report

January 10, 2022



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.whassociates.com

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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 Preserve at Savannah Lakes Community Development District (the "District"), located in the City of Fort Pierce, St. Lucie County, Florida, as related to funding the costs of public infrastructure improvements (the "CIP") contemplated to be provided by the District.

1.2 Scope of the Report

This Report presents the projections for financing the District's CIP described in the Preserve at Savannah Lakes Community Development District Engineer's Report prepared by Culpepper & Terpening, Inc. (the "District Engineer") and dated January 10, 2022 (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 CIP.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded by the District as part of the CIP 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 CIP enables properties within its boundaries to be developed.

There is no doubt that the general public and owners of property outside the District will benefit from the provision of the CIP. However, these benefits are only incidental since the CIP is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the CIP and this fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The CIP will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable and saleable. The installation of such public 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 CIP. Even though the exact value of the benefits provided by the CIP is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the 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 CIP as determined by the District Engineer.

Section Four discusses the financing program for the District.

Section Five introduces the special assessment methodology for the District.

2.0 Development Program

2.1 Overview

The District serves the Preserve at Savannah Lakes development (the "Development" or "Preserve at Savannah Lakes"), a master planned, residential development located in The City of Fort Pierce, St. Lucie County, Florida. The land within the existing District boundaries currently consists of approximately 125.52 +/- acres and is generally located east of US Highway 1, south of High Pointe, west of Savannah's Preserve a St. Lucie ("County") Park and north of Gator Trace PUD. Please note that the District is anticipated to be expanded to include additional lands located within the Development. Once the currently contemplated boundary expansion is complete, the District will comprise a total land area of 132.69 +/- acres. Upon completion of the boundary amendment, the District anticipates conducting additional assessment proceedings to extend the District's debt assessments to the boundary amendment parcel.

2.2 The Development Program

The development of land within the District is anticipated to be conducted by SK Savannah Lakes, LLC and/or its assigns or affiliates (the "Developer"). Based upon the information provided by the Developer, the most current development plan envisions a total of 602 residential units developed within the lands currently

contained within the boundaries of the District (the “Existing District”) and an additional 47 residential units developed within the approximately 7.17 +/- acres of land currently not yet contained within the boundaries of the District (the “Expansion Parcel”) and subject to boundary expansion, 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 Capital Improvement Plan

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 Capital Improvement Plan

According to the District Engineer, the CIP needed to serve the District is projected to consist of public improvements which will provide benefits to all lands within the District.

Please note that the District may be expanded in the future to include the Expansion Parcel. While the District's CIP may in the future serve and benefit the lands within the Expansion Parcel, at present time the purpose of the public improvements that are part of the CIP is to serve and benefit the lands contained within the current boundaries of the District, as their provision is required for the development of lands contained within the current boundaries of the District. If, in the future, the boundaries of the District are expanded to include the Expansion Parcel, the costs of the CIP will be apportioned among all benefitted lands within the expanded boundaries of the District, to include the Expansion Parcel and such apportionment of the costs will be addressed in a supplement to this Report.

The public improvements that are part of the CIP will consist of roadways, clearing/ grading of public lands, a stormwater management system, water & wastewater systems and utility connections, hardscaping, landscape, irrigation, amenities, conservation areas, and offsite improvements. At the time of this writing, the total cost of the public improvements that are part of the CIP, including applicable costs of professional services and

contingencies, is estimated to total approximately \$19,400,000. The public improvements that are part of the CIP will serve and provide benefit to all land uses in the District and it will comprise an interrelated system of improvements, which means all of improvements will serve all lands in the District and each component of the CIP will be interrelated such that they will reinforce one another.

Table 2 in the *Appendix* illustrates the specific components of the CIP.

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 and constructed by the Developer and then acquired by the District or funded and constructed 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 costs of the entire CIP and fund the Infrastructure as described in *Section 3.2* in one financing transaction, the District would have to issue approximately \$25,000,000 in par amount of Special Assessment Revenue Bonds (the "the Bonds".)

Please note that the purpose of this Report is to allocate the benefit of the CIP to the various land uses in the District and based on such benefit allocation to apportion the maximum debt necessary to fund the CIP. 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 approximate principal amount of \$25,000,000 to finance CIP costs. The Bonds as projected under this financing plan would be structured to be amortized in 30 annual installments

following a not to exceed 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 either on May 1 or on November 1.

In order to finance the improvement and other costs, the District would need to borrow more funds and incur indebtedness in the total amount of approximately \$25,000,000. The difference is comprised of debt service reserve, capitalized interest, underwriter's discount and costs of issuance. 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 the structure of the Bonds as necessary.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Bonds provides the District with funds necessary to construct/acquire the public infrastructure improvements which are part of the CIP 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 the assessable properties within the boundaries of the District and general benefits accruing to areas outside the District but being only incidental in nature. The debt incurred in financing the public infrastructure will be paid off by assessing properties that derive special and peculiar benefits from the CIP. All properties that receive special benefits from the CIP will be assessed for their fair share of the debt issued in order to finance all or a portion of the CIP.

5.2 Benefit Allocation

The most current development plan for The District envisions a total of 602 residential units developed within the Existing District Boundary and an additional 47 residential units developed within the Boundary Amendment Expansion Parcel, although land use types and unit numbers may change throughout the development period.

The public infrastructure improvements included in the CIP 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 public improvements provide basic infrastructure to all land within the District and benefit all land within the District as an integrated system of public improvements.

As stated previously, the public infrastructure improvements included in the CIP 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.

The benefit associated with the CIP of the District is proposed to allocate the benefit associated with the CIP to the different product types proposed to be developed within the District in proportion to their density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the product types contemplated to be developed within the District based on the densities of development and the intensities of use of infrastructure, total ERU counts for each product type, and the share of the benefit received by each product type.

Please note that as at the time of writing of this Report, the expansion of the boundaries of the District to include the lands within the Expansion Parcel has not yet occurred. The benefit allocation illustrated in Table 4 is presented pre-expansion (with the total number of ERUs being 548.80), as well as post expansion (with the total number of ERUs being 587.20).

The rationale behind the different ERU weights is supported by the fact that generally and on average products with smaller lot sizes will use and benefit from the improvements which are part of the CIP less than products with larger lot sizes. For instance, generally and on average products with smaller lot sizes will produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than products with larger lot sizes. Additionally, the value of the products with larger lot sizes is likely to appreciate by more in terms of dollars than that of the products with smaller lot sizes as a result of the implementation of the infrastructure improvements. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received by each product type from the District's public infrastructure improvements that are part of the CIP.

Table 5 in the *Appendix* illustrates the approximate costs of the CIP that are projected to be financed with the Bonds. Similar to the presentation illustrated in Table 4, Table 5 in the *Appendix* also presents the derivation of the amounts funded with proceeds of the Bonds which are attributable to the units contained within the existing boundary of the District as well as the amounts funded with proceeds of the Bonds which are attributable to the units contained within the Expansion Parcel.

Table 6 in the *Appendix* presents the apportionment of the assessments associated with funding the District's CIP with proceeds of the Bonds (the "Bond Assessments"), separately for the pre-expansion apportionment and separately for the post-expansion apportionment. To the extent Expansion Parcel is not annexed into the District, the Bond Assessments for the units within existing District boundaries will remain at the pre-expansion levels shown in Table 6 in the *Appendix*.

No Bond Assessment is allocated herein to the amenities or other common areas planned for the development. Such amenities and common areas will be owned and operated by the District and/or master homeowners' association. If owned by a homeowner's association, the amenities and common areas would be considered a common element for the exclusive benefit of property owners. Accordingly, any benefit to the amenities and common areas would flow 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. If the amenities are owned by the District, then they would be open to the general public, subject to District rules and policies.

5.3 Assigning Debt

The land within the District has not yet been expanded to include the Expansion Parcel and is not yet platted. Consequently, the precise location of the planned residential units by parcel cannot be determined and the Bond Assessments will initially be levied solely on the land within the developable area within the existing District boundaries on an equal per gross acre basis. Consequently, the Bond Assessments will be levied on the pre-expansion developable area of 125.52 +/- gross acres within existing District boundaries and thus the total bonded debt in the amount of \$25,000,000 will be preliminarily levied on approximately 125.52 +/- gross acres at a rate of \$199,171.45 per acre. If the expansion of the District to include the Expansion Parcel occurred prior to any platting in the District, the \$25,000,000 would be preliminarily levied on the post-expansion developable area of approximately 132.69 +/- gross acres at a rate of \$188,409.07 per acre.

As the land is platted, the Bond Assessments 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 6 in the *Appendix*. Such allocation of Bond Assessments to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the District.

Further, to the extent that any residential land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights 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 Assessments transferred at sale.

As set forth in any supplemental report, and for any particular bond issuance, the land developer may opt to “buy down” the assessments on particular product types and/or lands using a contribution of cash, infrastructure or other consideration, and in order for assessments 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 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 Capital Improvement Plan 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.

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.

5.4 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in *Section 1.3*, Special Benefits and General Benefits, public 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.

Public 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 include, but are not limited to:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums;
- d. increased marketability and value of the property;
- e. increased future appreciation.

The public improvements which are part of the CIP make the land in the District developable and saleable and when implemented as parts of the CIP, 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 a precise 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 from the public improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the Bond 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 CIP by different land uses.

Accordingly, no acre or parcel of property within the District will be liened 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. Please note that the determinations described herein shall be made for the pre-expansion existing District boundaries if no expansion shall be completed before conclusion of platting of all land within the District or for the post-expansion District boundaries (inclusive of the Expansion Parcel) if expansion shall be completed before conclusion of platting of all land within the District. Provided however, it will be necessary to impose assessment liens in accordance with the provisions of Chapters 170, 190, and 197 of the Florida Statutes on the Expansion Parcel after the boundary amendment is approved by the City.

This mechanism is to be utilized to ensure that the Bond Assessments on a per unit basis never exceeds the initially allocated assessment as contemplated in the adopted assessment methodology as contemplated in this Report and illustrated in Table 6 in the *Appendix*.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted or sold parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are equal to the levels shown

in Table 6 in the *Appendix*, then no true-up adjustment will be necessary.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted or sold parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are equal to less than the levels in shown in Table 6 in the *Appendix* (a result of an overall larger number of units or larger units being substituted for smaller units), then the per unit Bond Assessments for all units within the District will be lowered if that state persists at the conclusion of platting of all land within the District, or shall otherwise be adjusted to the to the extent permitted by Florida law and in the District's sole discretion.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are more than the levels in shown in Table 6 in the *Appendix* (as a result of an overall smaller number of units or smaller units being substituted for larger units), taking into account any future development plans for the unplatted or unsold lands – in the District's reasonable 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 the Bond Assessments plus accrued interest will be collected from the owner of the property which platting or sale caused the increase of Bond Assessments on the unplatted or unsold land within the District to occur. Such a collection right exists as part of the applicable assessment liens established by the District's assessment resolutions hereunder, and an additional collection right may also exist pursuant to true-up agreement(s) to be entered into between the District and the Developer and/or landowners, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the District (which will transmit to the Trustee) for redemption of the Bonds a true-up payment equal to the difference between the actual Bond Assessments per unit and the Bond Assessments as illustrated in Table 6 in the *Appendix* 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 calculated to the following interest payment date (or such other time as set forth in the supplemental indenture for the Bonds secured by the Bond Assessments).

Please note that should the District issue less than \$25,000,000 in the principal amount of the Bonds, or should the number of units or product types change from the current development plan projections provided by the Developer, the preliminary amount of Bond Assessment per units as illustrated in Tables 6 and 7 in the *Appendix* shall change.

In considering whether to require a True-Up Payment, the District shall consider any requests for a deferral of true-up. In order to obtain such a deferral, a landowner seeking such deferral must provide to the District the following: a) proof of the amount of entitlements remaining on the undeveloped lands, b) a revised overall development plan showing the number and type of units reasonably planned for the remainder of the development, c) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and d) documentation prepared by a licensed engineer that shows the feasibility of implementing the proposed development plan. The District's decision whether to grant a deferral shall be in its reasonable discretion. Prior to any decision by the District not to impose a True-Up Payment, a supplemental methodology shall be produced demonstrating that there will be sufficient Bond Assessments to pay debt service on the applicable bonds and the District will conduct new proceedings under Chapter 170, *Florida Statutes* upon the advice of District Counsel. Any True-Up Payment shall become due and payable that tax year by the landowner of the lands subject to the proposed plat, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the proposed plat property until paid.

All Bond Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until provision for such payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres, any unallocated Bond Assessments shall become due and payable and must be paid prior to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

5.7 Assessment Roll

Based on the per gross acre assessment proposed in Section 5.2, the Bond Assessment of \$25,000,000 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.

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 CIP. 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

Preserve at Savannah Lakes

Community Development District

Development Plan

| Product Type | Existing District Boundary Number of Units | Expansion Parcel Number of Units | Total Number of Units |
|--------------------|--|----------------------------------|-----------------------|
| Townhomes | 266 | 43 | 309 |
| Duplex Villa Homes | 336 | 4 | 340 |
| Total | 602 | 47 | 649 |

Table 2

Preserve at Savannah Lakes

Community Development District

CIP Costs

| Improvement | Total Costs |
|------------------------------------|------------------------|
| Roadways | \$1,917,000.00 |
| Clearing/Grading of Public Lands | \$6,370,000.00 |
| Stormwater Management System | \$658,000.00 |
| Water & Wastewater Systems | \$3,446,000.00 |
| Utility Connection Fees | \$2,500,000.00 |
| Hardscaping, Landscape, Irrigation | \$319,000.00 |
| Amenities | \$1,400,000.00 |
| Conservation Areas | \$726,000.00 |
| Offsite Improvements | \$68,000.00 |
| Professional Services | \$1,065,000.00 |
| Contingency | \$931,000.00 |
| Total | \$19,400,000.00 |

Note: Due to the fact that the infrastructure for the boundary amendment parcel is almost entirely comprised of master improvements connecting to the balance of the CIP, the cost estimate is the same for the CIP, regardless of whether the additional 7-acre parcel is added to the District.

Table 3

Preserve at Savannah Lakes

Community Development District

Preliminary Sources and Uses of Funds

Sources

| | |
|----------------------|------------------------|
| Bond Proceeds: | |
| Par Amount | \$25,000,000.00 |
| Total Sources | \$25,000,000.00 |

Uses

| | |
|---------------------------|------------------------|
| Project Fund Deposits: | |
| Project Fund | \$19,400,000.00 |
| Other Fund Deposits: | |
| Debt Service Reserve Fund | \$1,816,222.79 |
| Capitalized Interest Fund | \$3,000,000.00 |
| Delivery Date Expenses: | |
| Costs of Issuance | \$783,777.21 |
| Total Uses | \$25,000,000.00 |

Table 4

Preserve at Savannah Lakes

Community Development District

Benefit Allocation

| Product Type | Existing District Boundary Number of Units | Expansion Parcel Number of Units Units | ERU Weight per Unit | Total ERU Existing District Boundary | Total ERU Expansion Parcel | Total ERU | CIP Cost Allocation |
|--------------------|--|--|------------------------|--|----------------------------------|---------------|------------------------|
| Townhomes | 266 | 43 | 0.80 | 212.80 | 34.40 | 247.20 | \$8,167,029.97 |
| Duplex Villa Homes | 336 | 4 | 1.00 | 336.00 | 4.00 | 340.00 | \$11,232,970.03 |
| Total | 602 | 47 | | 548.80 | 38.40 | 587.20 | \$19,400,000.00 |

Table 5

Preserve at Savannah Lakes

Community Development District

CIP Cost Allocation

| Product Type | Existing District Boundary CIP Financed with Bonds | Expansion Parcel CIP Financed with Bonds | Total CIP Financed with Bonds |
|--------------------|---|--|-------------------------------------|
| Townhomes | \$7,030,517.71 | \$1,136,512.26 | \$8,167,029.97 |
| Duplex Villa Homes | \$11,100,817.44 | \$132,152.59 | \$11,232,970.03 |
| Total | \$18,131,335.15 | \$1,268,664.85 | \$19,400,000.00 |

Table 6

Preserve at Savannah Lakes

Community Development District

Bond Assessment Apportionment Existing District Boundary (Pre-Expansion)

| Product Type | Existing District Boundary Number of Units | Existing District Boundary CIP Financed with Bonds | Existing District Boundary Total Bond Assessments Apportionment | Existing District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|--|--|---|--|--|
| Townhomes | 266 | \$7,522,448.98 | \$9,693,877.55 | \$36,443.15 | \$2,647.56 |
| Duplex Villa Homes | 336 | \$11,877,551.02 | \$15,306,122.45 | \$45,553.94 | \$3,309.44 |
| Total | 602 | \$19,400,000.00 | \$25,000,000.00 | | |

Bond Assessment Apportionment Expanded District Boundary (Post-Expansion)

| Product Type | Total Number of Units | Total CIP Financed with Bonds | Expanded District Boundary Total Bond Assessments Apportionment | Expanded District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|-----------------------|-------------------------------|---|--|--|
| Townhomes | 309 | \$8,167,029.97 | \$10,524,523.16 | \$34,059.95 | \$2,474.42 |
| Duplex Villa Homes | 340 | \$11,232,970.03 | \$14,475,476.84 | \$42,574.93 | \$3,093.02 |
| Total | 649 | \$19,400,000.00 | \$25,000,000.00 | | |

* Principal and interest only - excludes costs of collection and early payment discount allowance

Table 7

Preserve at Savannah Lakes

Community Development District

Bond Assessment Apportionment Existing Assessment Area One (Expansion Does Not Occur)

| Product Type | Existing District Boundary Number of Units | Existing District Boundary Total Bond Assessments Apportionment | Existing District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|--|---|--|--|
| Townhomes | 266 | \$9,693,877.55 | \$36,443.15 | \$2,647.56 |
| Duplex Villa Homes | 336 | \$15,306,122.45 | \$45,553.94 | \$3,309.44 |
| Total | 602 | \$25,000,000.00 | | |

* Principal and interest only - excludes costs of collection and early payment discount allowance

Exhibit "A"

Bond Assessment in the amount of \$25,000,000 is proposed to be levied uniformly over the area described below:

LEGAL DESCRIPTION OF PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Parcel 1:

The subject property is a parcel of land lying in Sections 26, 27, 34, and 35, Township 35 South, Range 40 East, St. Lucie County, Florida, containing approximately 120 acres of land, being more particularly described as follows:

From the Northwest corner of the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 27, run South 89°15'56" East a distance of 130 feet; thence run South 2°4'47" West parallel to the West line of the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 27 2,276.62 feet to the POINT OF BEGINNING; thence, continue South 2°4'47" West a distance of 373.59 feet to the South line of said Section 27; thence run South 0°35'43" West in Section 34 a distance of 1,500.94 feet; thence run South 89°27'30" East a distance of 1,206.73 feet to the East line of said Section 34; thence continue South 89°27'30" East into Section 35 a distance of 175 feet; thence run South 0°28' West a distance of 80 feet; thence run South 89°27'30" East a distance of 1,369.20 feet to the West line of the property owned by the City of Ft. Pierce; thence run North 0°40' East along said City property line a distance of 1,580.6 feet to the North line of said Section 35; thence continue North 0°40' East into Section 26 a distance of 364.16 feet; thence run North 89°15'56" West, a distance of 2,743.75 feet to the POINT OF BEGINNING.

Parcel 2:

The North $\frac{1}{2}$ of the North $\frac{1}{2}$ of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, in Section 34, Township 35 South, Range 40 East, St. Lucie County, Florida; less right-of-way for U.S. No. 1.

Overall parcel 1 contains 120.69 Acres and parcel 2 contains 4.83 acres, more or less.

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

4C

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

FORT PIERCE, FLORIDA



ENGINEERS REPORT

January 10, 2022
C&T Project No. 21-054
Certificate of Authorization No. 4286

PREPARED BY
Culpepper & Terpening, Inc.
2980 S. 25th Street
Fort Pierce, FL 34981
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PREPARED FOR
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Tel. 561-682-9500

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

ENGINEER'S REPORT

1. INTRODUCTION

The purpose of this report is to provide a description of the capital improvement plan (“CIP”) and estimated costs of the CIP, for the Preserve at Savannah Lakes Community Development District (“District”).

2. GENERAL SITE DESCRIPTION

The District is located entirely within the City of Fort Pierce (“City”), Florida, and will cover approximately 132.69 acres of land, more or less.¹ **Exhibit A** depicts the general location of the project. The site is generally located east of US Highway 1, south of High Pointe, west of Savanna’s Preserve County Park and north of Gator Trace PUD. The metes and bounds description of the external boundary of the District is also set forth in **Exhibit A**.

The property is currently unimproved. The proposed vehicular access to the property is at the existing signalized intersection at US 1 (a four-lane paved federal highway with sidewalk) and Dickson Drive (a two-lane paved county road). A proposed emergency access is at South Market Avenue (a two-lane paved county road). An existing Fort Pierce Utility Authority (“FPUA”) 12’ water main and an existing FPUA 8” sanitary sewer force main is located along the east side of the US 1 ROW. Connections to these existing mains will be made to provide water and sanitary sewer services to the property. An existing St. Lucie County drainage canal flows north to south through an existing County ROW that bisects the property. Two (2) proposed outfalls to this canal will drain the property.

| TABLE 1 | |
|---------------------------------------|---------------|
| PRODUCT TYPE | |
| Product Type | Units* |
| Townhomes (4 to 8 units per building) | 309 |
| Duplex Villa Homes | 340 |
| TOTAL | 649 |

*Of the 649 units, 43 townhomes and 4 duplex villas are planned to be located in the approximately 7-acre boundary amendment expansion parcel.

| TABLE 2 | |
|--------------------|----------------|
| LAND USES | |
| Land Use | Acreage |
| Lot Development | 35.25 |
| Roads | 7.84 |
| Common Areas | 47.45 |
| Stormwater Ponds | 8.40 |
| Conservation Areas | <u>33.75</u> |
| TOTAL | 132.69 |

¹ At the time of this Report, the District presently encompasses 125.52 acres of land. That said, the District’s Board has authorized staff to file a petition with the City to expand the District’s boundaries to include a total of 132.69 acres. This report assumes that the boundary amendment will occur.

3. PROPOSED CAPITAL IMPROVEMENT PLAN

The CIP is intended to provide public infrastructure improvements for the lands within the District, which are planned for 649 residential units and an amenity area.

Roadway Improvements:

The CIP includes subdivision roads within the District and within existing public road rights of ways. Roadway sections include the roadway asphalt, base, and subgrade, roadway curb and gutter, striping and signage and sidewalks within rights-of-way abutting or easements. Sidewalks abutting lots will be constructed by the homebuilders and will not be considered part of the CIP.

All internal roadways are not gated and may be financed by the District, and dedicated to the District for ownership, operation, and maintenance. The portion, approximately 350 feet of Dickson Drive, lying within the County ROW will be dedicated to the County for ownership, operation, and maintenance.

Alternatively, the developer may elect to finance the internal roads, gate them, and turn them over to a homeowners association for ownership, operation and maintenance (in such an event, the District would be limited to financing only utilities, conservation/mitigation and stormwater improvements behind such gated areas).

The proposed roadway improvements are not eligible for roadway impact fee credits.

Stormwater Management System:

The stormwater collection and outfall system is a combination of roadway curbs, curb inlets, pipe, control structures, open lakes, pretreatment ponds, and existing wetlands designed to treat and attenuate stormwater runoff from District lands. The stormwater system within the project discharges to the County's Canal which routes the flow south to Platt's Creek. The stormwater system will be designed consistent with the criteria established by the South Florida Water Management District ("SFWMD") and the City for stormwater/floodplain management systems. The District will finance, own, operate and maintain the stormwater system, lying within the District boundaries.

NOTE: Earthwork is included in the CIP. The District will fund the costs of excavation and disposal of the material generated by the construction of the stormwater treatment areas; this, however, excludes mass grading of any lots, or the costs of distributing any fill to any private lots.

Water, Wastewater and Reclaim Utilities:

As part of the CIP, the District intends to construct and water and wastewater infrastructure to serve the District. In particular, the on-site water supply improvements include water mains that will be located within rights-of-way (ROW) or easements and used for potable water service and fire protection. Water main connections will be made at two (2) locations, one to the existing FPUA 12" water main within the US 1 ROW and the second at US 1 & South Market Avenue.

Wastewater improvements for the project will include an onsite 8" diameter gravity collection system, offsite and onsite 6" forcemain and two onsite lift stations. The offsite forcemain connection will be made to the existing FPUA 8" forcemain within US 1 ROW at the Dickson Avenue intersection.

The proposed water and wastewater improvements are not eligible for impact fee credits. The CIP

does not include any lateral lines to the private lots. The District may also finance utility connection fees as part of the project, subject to the terms of an applicable acquisition agreement.

Hardscape, Landscape, and Irrigation:

The District will construct and/or install landscaping, irrigation and entrance hardscaping within District common areas and ROWs. The irrigation system will consist of an onsite shallow well supplied system.

The City has distinct design criteria requirements for planting and irrigation design. Therefore, this project will at a minimum meet those requirements but in most cases exceed the requirements with enhancements for the benefit of the community.

All such landscaping, irrigation and hardscaping will be owned, maintained and funded by the District. Such infrastructure, to the extent that it is located in ROWs owned by the County will be maintained by the District, pursuant to a right-of-way agreement to be entered into with the County.

Street Lights / Undergrounding of Electrical Utility Lines

The District intends to lease street lights through an agreement with the FPUA, who will own and operate the lighting improvements. As such, street lights are not included as part of the CIP.

The CIP does however include the undergrounding of electrical utility lines within right-of-way or utility easements throughout the community. Any lines and transformers located in such areas would be constructed and owned by FPUA and not paid for by the District as part of the CIP. Instead, the District can only finance the differential cost on undergrounding the electrical utilities. Any such costs are included within the contingency line item of the cost estimate.

Recreational Amenities:

In conjunction with the construction of the CIP, the District intends to construct an amenity area consisting of a pool house, swimming pool, and parking. The District may or may not also finance additional amenities, parks and other common areas for the benefit of the District. These improvements will be funded, owned and maintained by the District. If financed by the District, all such improvements will be open to the general public, but, if financed by the developer and owned by a homeowner's association, all such improvements will be considered common elements for the exclusive benefit of the District landowners.

Environmental Conservation/Mitigation

There are 2.11 acres of direct forested and herbaceous wetland impacts associated with the proposed construction of the District's infrastructure which will require approximately 1 unit of wetland mitigation credit. The District will be responsible for the design, permitting, construction, maintenance, and government reporting of the environmental mitigation. These costs are included within the CIP.

Off-Site Improvements

The proposed off-site improvements include utility connections within the US 1 ROW, a roadway crossing through the existing county canal ROW, intersection improvements at US 1 and Dickson Drive, as well as a partial re-alignment of Dickson Drive at the US 1 intersection.

These proposed roadway improvements are not eligible for roadway impact fee credits.

Professional Services

The CIP also includes various professional services. These include: (i) engineering, surveying and architectural fees, (ii) permitting and plan review costs, and (iii) development/construction management services fees that are required for the design, permitting, construction, and maintenance acceptance of the public improvements and community facilities.

All of the foregoing improvements are required by applicable development approvals. Note that, except as stated herein, there are no impact fee or similar credits available from the construction of any such improvements.

Table No 3 “District Funding and Ownership” depicts the financing, ownership and operation the proposed improvements funded in the CIP:

| TABLE 3 | | |
|---------------------------------------|-------------------------|---|
| DISTRICT FUNDING AND OWNERSHIP | | |
| Facility Description | Financing Entity | Operation & Maintenance Entity |
| Roadways | CDD | CDD |
| Stormwater Management | CDD | CDD |
| Utilities (Water, Sewer) | CDD | FPUA |
| Hardscape/Landscape/Irrigation | CDD | CDD |
| Street Lighting | FPUA | FPUA |
| Recreational Amenities | CDD | CDD |
| Environmental Conservation/Mitigation | CDD | CDD |
| Off-Site Master Improvements | CDD | FDOT / St. Lucie County |

4. PERMITTING/CONSTRUCTION COMMENCEMENT

All necessary permits for the construction of the CIP have either been obtained or are currently under review by respective governmental authorities, Table 4 “Project Permitting” depicts the required permits and their status:

| TABLE 4 | |
|--|-----------------|
| PROJECT PERMITTING | |
| Required Permits | Status |
| City of Fort Pierce PUD | Under Review |
| SFWMD Environmental Resource Permit | Under Review |
| FPUA Water Permit | Under Review |
| FPUA Sewer Permit | Under Review |
| St. Lucie County Engineering Permit | To be Submitted |
| City of Fort Pierce Engineering Permit | To be Submitted |
| Florida Department of Transportation - Driveway Permit | To be Submitted |

| | |
|---|-----------------|
| Florida Department of Environmental Protection - Water Permit | To be Submitted |
| Florida Department of Environmental Protection - Sewer Permit | To be Submitted |

5. OPINION OF PROBABLE CONSTRUCTION COSTS

Table 5 “Project Cost” shown below presents, among other things, the Opinion of Probable Cost for the CIP. It is our professional opinion that the costs set forth in Table 5 are reasonable and consistent with market pricing. The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated CDD expenditures that may be incurred.

| TABLE 5 | |
|------------------------------------|---|
| PROJECT COST | |
| Improvement | Total Estimated Cost (648 units) |
| Roadways | \$1,917,000 |
| Clearing/Grading of Public Lands | \$6,370,000 |
| Stormwater Management System | \$658,000 |
| Water & Wastewater Systems | \$3,446,000 |
| Utility Connection Fees | \$2,500,000 |
| Hardscaping, Landscape, Irrigation | \$319,000 |
| Amenities | \$1,400,000 |
| Conservation Areas | \$726,000 |
| Offsite Improvements* | \$68,000 |
| Professional Services | \$1,065,000 |
| Contingency | \$931,000 |
| TOTAL | \$19,400,000 |

NOTE: Due to the fact that the infrastructure for the boundary amendment parcel is almost entirely comprised of master improvements connecting to the balance of the CIP, the cost estimate is the same for the CIP, regardless of whether the additional 7-acre parcel is added to the District.

6. CONCLUSIONS

The CIP will be designed in accordance with current governmental regulations and requirements. The CIP will serve its intended function so long as the construction is in substantial compliance with the design.

It is further our opinion that:

- The estimated cost to the CIP as set forth herein is reasonable based on prices currently being experienced in St. Lucie County, Florida, and is not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- All of the improvements comprising the CIP are required by applicable development approvals;

- the CIP is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the CIP, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- The reasonably expected economic life of the CIP is anticipated to be at least 20+ years;
- The assessable property within the District will receive a special benefit from the CIP that is at least equal to such costs; and
- The CIP will function as a system of improvements benefitting all lands within the District.

The professional service for establishing the Construction Cost Estimate is consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

The CIP will be owned by the District or other governmental units and such CIP is intended to be available and will reasonably be available for use by the general public (either by being part of a system of improvements that is available to the general public or is otherwise available to the general public) including nonresidents of the District. All of the CIP 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 CIP, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property. Regarding any fill generated by construction of the CIP, and that is not used as part of the CIP, such fill will only be placed on-site where the cost of doing so is less expensive than hauling such fill off-site. The District will pay the lesser of the cost of the components of the CIP or the fair market value.

Please note that the CIP as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the CIP, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

James P Terpening, P.E.
FL License No. 24276

Date 1/5/2022

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

4D

PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Master Special Assessment Methodology Report

January 10, 2022



Provided by:

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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 Preserve at Savannah Lakes Community Development District (the "District"), located in the City of Fort Pierce, St. Lucie County, Florida, as related to funding the costs of public infrastructure improvements (the "CIP") contemplated to be provided by the District.

1.2 Scope of the Report

This Report presents the projections for financing the District's CIP described in the Preserve at Savannah Lakes Community Development District Engineer's Report prepared by Culpepper & Terpening, Inc. (the "District Engineer") and dated January 10, 2022 (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 CIP.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded by the District as part of the CIP 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 CIP enables properties within its boundaries to be developed.

There is no doubt that the general public and owners of property outside the District will benefit from the provision of the CIP. However, these benefits are only incidental since the CIP is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the CIP and this fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The CIP will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable and saleable. The installation of such public 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 CIP. Even though the exact value of the benefits provided by the CIP is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the 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 CIP as determined by the District Engineer.

Section Four discusses the financing program for the District.

Section Five introduces the special assessment methodology for the District.

2.0 Development Program

2.1 Overview

The District serves the Preserve at Savannah Lakes development (the "Development" or "Preserve at Savannah Lakes"), a master planned, residential development located in The City of Fort Pierce, St. Lucie County, Florida. The land within the existing District boundaries currently consists of approximately 125.52 +/- acres and is generally located east of US Highway 1, south of High Pointe, west of Savannah's Preserve a St. Lucie ("County") Park and north of Gator Trace PUD. Please note that the District is anticipated to be expanded to include additional lands located within the Development. Once the currently contemplated boundary expansion is complete, the District will comprise a total land area of 132.69 +/- acres. Upon completion of the boundary amendment, the District anticipates conducting additional assessment proceedings to extend the District's debt assessments to the boundary amendment parcel.

2.2 The Development Program

The development of land within the District is anticipated to be conducted by SK Savannah Lakes, LLC and/or its assigns or affiliates (the "Developer"). Based upon the information provided by the Developer, the most current development plan envisions a total of 602 residential units developed within the lands currently

contained within the boundaries of the District (the “Existing District”) and an additional 47 residential units developed within the approximately 7.17 +/- acres of land currently not yet contained within the boundaries of the District (the “Expansion Parcel”) and subject to boundary expansion, 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 Capital Improvement Plan

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 Capital Improvement Plan

According to the District Engineer, the CIP needed to serve the District is projected to consist of public improvements which will provide benefits to all lands within the District.

Please note that the District may be expanded in the future to include the Expansion Parcel. While the District's CIP may in the future serve and benefit the lands within the Expansion Parcel, at present time the purpose of the public improvements that are part of the CIP is to serve and benefit the lands contained within the current boundaries of the District, as their provision is required for the development of lands contained within the current boundaries of the District. If, in the future, the boundaries of the District are expanded to include the Expansion Parcel, the costs of the CIP will be apportioned among all benefitted lands within the expanded boundaries of the District, to include the Expansion Parcel and such apportionment of the costs will be addressed in a supplement to this Report.

The public improvements that are part of the CIP will consist of roadways, clearing/ grading of public lands, a stormwater management system, water & wastewater systems and utility connections, hardscaping, landscape, irrigation, amenities, conservation areas, and offsite improvements. At the time of this writing, the total cost of the public improvements that are part of the CIP, including applicable costs of professional services and

contingencies, is estimated to total approximately \$19,400,000. The public improvements that are part of the CIP will serve and provide benefit to all land uses in the District and it will comprise an interrelated system of improvements, which means all of improvements will serve all lands in the District and each component of the CIP will be interrelated such that they will reinforce one another.

Table 2 in the *Appendix* illustrates the specific components of the CIP.

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 and constructed by the Developer and then acquired by the District or funded and constructed 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 costs of the entire CIP and fund the Infrastructure as described in *Section 3.2* in one financing transaction, the District would have to issue approximately \$25,000,000 in par amount of Special Assessment Revenue Bonds (the "the Bonds".)

Please note that the purpose of this Report is to allocate the benefit of the CIP to the various land uses in the District and based on such benefit allocation to apportion the maximum debt necessary to fund the CIP. 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 approximate principal amount of \$25,000,000 to finance CIP costs. The Bonds as projected under this financing plan would be structured to be amortized in 30 annual installments

following a not to exceed 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 either on May 1 or on November 1.

In order to finance the improvement and other costs, the District would need to borrow more funds and incur indebtedness in the total amount of approximately \$25,000,000. The difference is comprised of debt service reserve, capitalized interest, underwriter's discount and costs of issuance. 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 the structure of the Bonds as necessary.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Bonds provides the District with funds necessary to construct/acquire the public infrastructure improvements which are part of the CIP 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 the assessable properties within the boundaries of the District and general benefits accruing to areas outside the District but being only incidental in nature. The debt incurred in financing the public infrastructure will be paid off by assessing properties that derive special and peculiar benefits from the CIP. All properties that receive special benefits from the CIP will be assessed for their fair share of the debt issued in order to finance all or a portion of the CIP.

5.2 Benefit Allocation

The most current development plan for The District envisions a total of 602 residential units developed within the Existing District Boundary and an additional 47 residential units developed within the Boundary Amendment Expansion Parcel, although land use types and unit numbers may change throughout the development period.

The public infrastructure improvements included in the CIP 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 public improvements provide basic infrastructure to all land within the District and benefit all land within the District as an integrated system of public improvements.

As stated previously, the public infrastructure improvements included in the CIP 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.

The benefit associated with the CIP of the District is proposed to allocate the benefit associated with the CIP to the different product types proposed to be developed within the District in proportion to their density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the product types contemplated to be developed within the District based on the densities of development and the intensities of use of infrastructure, total ERU counts for each product type, and the share of the benefit received by each product type.

Please note that as at the time of writing of this Report, the expansion of the boundaries of the District to include the lands within the Expansion Parcel has not yet occurred. The benefit allocation illustrated in Table 4 is presented pre-expansion (with the total number of ERUs being 548.80), as well as post expansion (with the total number of ERUs being 587.20).

The rationale behind the different ERU weights is supported by the fact that generally and on average products with smaller lot sizes will use and benefit from the improvements which are part of the CIP less than products with larger lot sizes. For instance, generally and on average products with smaller lot sizes will produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than products with larger lot sizes. Additionally, the value of the products with larger lot sizes is likely to appreciate by more in terms of dollars than that of the products with smaller lot sizes as a result of the implementation of the infrastructure improvements. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received by each product type from the District's public infrastructure improvements that are part of the CIP.

Table 5 in the *Appendix* illustrates the approximate costs of the CIP that are projected to be financed with the Bonds. Similar to the presentation illustrated in Table 4, Table 5 in the *Appendix* also presents the derivation of the amounts funded with proceeds of the Bonds which are attributable to the units contained within the existing boundary of the District as well as the amounts funded with proceeds of the Bonds which are attributable to the units contained within the Expansion Parcel.

Table 6 in the *Appendix* presents the apportionment of the assessments associated with funding the District's CIP with proceeds of the Bonds (the "Bond Assessments"), separately for the pre-expansion apportionment and separately for the post-expansion apportionment. To the extent Expansion Parcel is not annexed into the District, the Bond Assessments for the units within existing District boundaries will remain at the pre-expansion levels shown in Table 6 in the *Appendix*.

No Bond Assessment is allocated herein to the amenities or other common areas planned for the development. Such amenities and common areas will be owned and operated by the District and/or master homeowners' association. If owned by a homeowner's association, the amenities and common areas would be considered a common element for the exclusive benefit of property owners. Accordingly, any benefit to the amenities and common areas would flow 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. If the amenities are owned by the District, then they would be open to the general public, subject to District rules and policies.

5.3 Assigning Debt

The land within the District has not yet been expanded to include the Expansion Parcel and is not yet platted. Consequently, the precise location of the planned residential units by parcel cannot be determined and the Bond Assessments will initially be levied solely on the land within the developable area within the existing District boundaries on an equal per gross acre basis. Consequently, the Bond Assessments will be levied on the pre-expansion developable area of 125.52 +/- gross acres within existing District boundaries and thus the total bonded debt in the amount of \$25,000,000 will be preliminarily levied on approximately 125.52 +/- gross acres at a rate of \$199,171.45 per acre. If the expansion of the District to include the Expansion Parcel occurred prior to any platting in the District, the \$25,000,000 would be preliminarily levied on the post-expansion developable area of approximately 132.69 +/- gross acres at a rate of \$188,409.07 per acre.

As the land is platted, the Bond Assessments 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 6 in the *Appendix*. Such allocation of Bond Assessments to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the District.

Further, to the extent that any residential land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights 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 Assessments transferred at sale.

As set forth in any supplemental report, and for any particular bond issuance, the land developer may opt to “buy down” the assessments on particular product types and/or lands using a contribution of cash, infrastructure or other consideration, and in order for assessments 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 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 Capital Improvement Plan 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.

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.

5.4 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in *Section 1.3*, Special Benefits and General Benefits, public 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.

Public 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 include, but are not limited to:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums;
- d. increased marketability and value of the property;
- e. increased future appreciation.

The public improvements which are part of the CIP make the land in the District developable and saleable and when implemented as parts of the CIP, 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 a precise 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 from the public improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the Bond 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 CIP by different land uses.

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. Please note that the determinations described herein shall be made for the pre-expansion existing District boundaries if no expansion shall be completed before conclusion of platting of all land within the District or for the post-expansion District boundaries (inclusive of the Expansion Parcel) if expansion shall be completed before conclusion of platting of all land within the District. Provided however, it will be necessary to impose assessment liens in accordance with the provisions of Chapters 170, 190, and 197 of the Florida Statutes on the Expansion Parcel after the boundary amendment is approved by the City.

This mechanism is to be utilized to ensure that the Bond Assessments on a per unit basis never exceeds the initially allocated assessment as contemplated in the adopted assessment methodology as contemplated in this Report and illustrated in Table 6 in the *Appendix*.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted or sold parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are equal to the levels shown

in Table 6 in the *Appendix*, then no true-up adjustment will be necessary.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted or sold parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are equal to less than the levels in shown in Table 6 in the *Appendix* (a result of an overall larger number of units or larger units being substituted for smaller units), then the per unit Bond Assessments for all units within the District will be lowered if that state persists at the conclusion of platting of all land within the District, or shall otherwise be adjusted to the to the extent permitted by Florida law and in the District's sole discretion.

If as a result of platting or sale of unplatted land and apportionment of the Bond Assessments to platted parcels of land within the District, the Bond Assessments for developable land that remains unplatted or unsold within the District are more than the levels in shown in Table 6 in the *Appendix* (as a result of an overall smaller number of units or smaller units being substituted for larger units), taking into account any future development plans for the unplatted or unsold lands – in the District's reasonable 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 the Bond Assessments plus accrued interest will be collected from the owner of the property which platting or sale caused the increase of Bond Assessments on the unplatted or unsold land within the District to occur. Such a collection right exists as part of the applicable assessment liens established by the District's assessment resolutions hereunder, and an additional collection right may also exist pursuant to true-up agreement(s) to be entered into between the District and the Developer and/or landowners, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the District (which will transmit to the Trustee) for redemption of the Bonds a true-up payment equal to the difference between the actual Bond Assessments per unit and the Bond Assessments as illustrated in Table 6 in the *Appendix* 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 calculated to the following interest payment date (or such other time as set forth in the supplemental indenture for the Bonds secured by the Bond Assessments).

Please note that should the District issue less than \$25,000,000 in the principal amount of the Bonds, or should the number of units or product types change from the current development plan projections provided by the Developer, the preliminary amount of Bond Assessment per units as illustrated in Tables 6 and 7 in the *Appendix* shall change.

In considering whether to require a True-Up Payment, the District shall consider any requests for a deferral of true-up. In order to obtain such a deferral, a landowner seeking such deferral must provide to the District the following: a) proof of the amount of entitlements remaining on the undeveloped lands, b) a revised overall development plan showing the number and type of units reasonably planned for the remainder of the development, c) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and d) documentation prepared by a licensed engineer that shows the feasibility of implementing the proposed development plan. The District's decision whether to grant a deferral shall be in its reasonable discretion. Prior to any decision by the District not to impose a True-Up Payment, a supplemental methodology shall be produced demonstrating that there will be sufficient Bond Assessments to pay debt service on the applicable bonds and the District will conduct new proceedings under Chapter 170, *Florida Statutes* upon the advice of District Counsel. Any True-Up Payment shall become due and payable that tax year by the landowner of the lands subject to the proposed plat, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the proposed plat property until paid.

All Bond Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until provision for such payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres, any unallocated Bond Assessments shall become due and payable and must be paid prior to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

5.7 Assessment Roll

Based on the per gross acre assessment proposed in Section 5.2, the Bond Assessment of \$25,000,000 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.

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 CIP. 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

Preserve at Savannah Lakes

Community Development District

Development Plan

| Product Type | Existing District Boundary Number of Units | Expansion Parcel Number of Units Units | Total Number of Units |
|--------------------|--|--|--------------------------|
| Townhomes | 266 | 43 | 309 |
| Duplex Villa Homes | 336 | 4 | 340 |
| Total | 602 | 47 | 649 |

Table 2

Preserve at Savannah Lakes

Community Development District

CIP Costs

| Improvement | Total Costs |
|------------------------------------|------------------------|
| Roadways | \$1,917,000.00 |
| Clearing/Grading of Public Lands | \$6,370,000.00 |
| Stormwater Management System | \$658,000.00 |
| Water & Wastewater Systems | \$3,446,000.00 |
| Utility Connection Fees | \$2,500,000.00 |
| Hardscaping, Landscape, Irrigation | \$319,000.00 |
| Amenities | \$1,400,000.00 |
| Conservation Areas | \$726,000.00 |
| Offsite Improvements | \$68,000.00 |
| Professional Services | \$1,065,000.00 |
| Contingency | \$931,000.00 |
| Total | \$19,400,000.00 |

Note: Due to the fact that the infrastructure for the boundary amendment parcel is almost entirely comprised of master improvements connecting to the balance of the CIP, the cost estimate is the same for the CIP, regardless of whether the additional 7-acre parcel is added to the District.

Table 3

Preserve at Savannah Lakes

Community Development District

Preliminary Sources and Uses of Funds

Sources

| | |
|----------------------|------------------------|
| Bond Proceeds: | |
| Par Amount | \$25,000,000.00 |
| Total Sources | \$25,000,000.00 |

Uses

| | |
|---------------------------|------------------------|
| Project Fund Deposits: | |
| Project Fund | \$19,400,000.00 |
| Other Fund Deposits: | |
| Debt Service Reserve Fund | \$1,816,222.79 |
| Capitalized Interest Fund | \$3,000,000.00 |
| Delivery Date Expenses: | |
| Costs of Issuance | \$783,777.21 |
| Total Uses | \$25,000,000.00 |

Table 4

Preserve at Savannah Lakes

Community Development District

Benefit Allocation

| Product Type | Existing District Boundary Number of Units | Expansion Parcel Number of Units Units | ERU Weight per Unit | Total ERU Existing District Boundary | Total ERU Expansion Parcel | Total ERU | CIP Cost Allocation |
|--------------------|--|--|------------------------|--|----------------------------------|---------------|------------------------|
| Townhomes | 266 | 43 | 0.80 | 212.80 | 34.40 | 247.20 | \$8,167,029.97 |
| Duplex Villa Homes | 336 | 4 | 1.00 | 336.00 | 4.00 | 340.00 | \$11,232,970.03 |
| Total | 602 | 47 | | 548.80 | 38.40 | 587.20 | \$19,400,000.00 |

Table 5

Preserve at Savannah Lakes

Community Development District

CIP Cost Allocation

| Product Type | Existing District Boundary CIP Financed with Bonds | Expansion Parcel CIP Financed with Bonds | Total CIP Financed with Bonds |
|--------------------|---|--|-------------------------------------|
| Townhomes | \$7,030,517.71 | \$1,136,512.26 | \$8,167,029.97 |
| Duplex Villa Homes | \$11,100,817.44 | \$132,152.59 | \$11,232,970.03 |
| Total | \$18,131,335.15 | \$1,268,664.85 | \$19,400,000.00 |

Table 6

Preserve at Savannah Lakes

Community Development District

Bond Assessment Apportionment Existing District Boundary (Pre-Expansion)

| Product Type | Existing District Boundary Number of Units | Existing District Boundary CIP Financed with Bonds | Existing District Boundary Total Bond Assessments Apportionment | Existing District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|--|--|---|--|--|
| Townhomes | 266 | \$7,522,448.98 | \$9,693,877.55 | \$36,443.15 | \$2,647.56 |
| Duplex Villa Homes | 336 | \$11,877,551.02 | \$15,306,122.45 | \$45,553.94 | \$3,309.44 |
| Total | 602 | \$19,400,000.00 | \$25,000,000.00 | | |

Bond Assessment Apportionment Expanded District Boundary (Post-Expansion)

| Product Type | Total Number of Units | Total CIP Financed with Bonds | Expanded District Boundary Total Bond Assessments Apportionment | Expanded District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|-----------------------|-------------------------------|---|--|--|
| Townhomes | 309 | \$8,167,029.97 | \$10,524,523.16 | \$34,059.95 | \$2,474.42 |
| Duplex Villa Homes | 340 | \$11,232,970.03 | \$14,475,476.84 | \$42,574.93 | \$3,093.02 |
| Total | 649 | \$19,400,000.00 | \$25,000,000.00 | | |

* Principal and interest only - excludes costs of collection and early payment discount allowance

Table 7

Preserve at Savannah Lakes

Community Development District

Bond Assessment Apportionment Existing Assessment Area One (Expansion Does Not Occur)

| Product Type | Existing District Boundary Number of Units | Existing District Boundary CIP Financed with Bonds | Existing District Boundary Total Bond Assessments Apportionment | Existing District Boundary Bond Assessments Apportionment per Unit | Annual Bond Assessments Debt Service per Unit* |
|--------------------|--|--|---|--|--|
| Townhomes | 266 | \$7,522,448.98 | \$9,693,877.55 | \$36,443.15 | \$2,647.56 |
| Duplex Villa Homes | 336 | \$11,877,551.02 | \$15,306,122.45 | \$45,553.94 | \$3,309.44 |
| Total | 602 | \$19,400,000.00 | \$25,000,000.00 | | |

* Principal and interest only - excludes costs of collection and early payment discount allowance

Exhibit "A"

Bond Assessment in the amount of \$25,000,000 is proposed to be levied uniformly over the area described below:

LEGAL DESCRIPTION OF PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT

Parcel 1:

The subject property is a parcel of land lying in Sections 26, 27, 34, and 35, Township 35 South, Range 40 East, St. Lucie County, Florida, containing approximately 120 acres of land, being more particularly described as follows:

From the Northwest corner of the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 27, run South 89°15'56" East a distance of 130 feet; thence run South 2°4'47" West parallel to the West line of the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 27 2,276.62 feet to the POINT OF BEGINNING; thence, continue South 2°4'47" West a distance of 373.59 feet to the South line of said Section 27; thence run South 0°35'43" West in Section 34 a distance of 1,500.94 feet; thence run South 89°27'30" East a distance of 1,206.73 feet to the East line of said Section 34; thence continue South 89°27'30" East into Section 35 a distance of 175 feet; thence run South 0°28' West a distance of 80 feet; thence run South 89°27'30" East a distance of 1,369.20 feet to the West line of the property owned by the City of Ft. Pierce; thence run North 0°40' East along said City property line a distance of 1,580.6 feet to the North line of said Section 35; thence continue North 0°40' East into Section 26 a distance of 364.16 feet; thence run North 89°15'56" West, a distance of 2,743.75 feet to the POINT OF BEGINNING.

Parcel 2:

The North $\frac{1}{2}$ of the North $\frac{1}{2}$ of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, in Section 34, Township 35 South, Range 40 East, St. Lucie County, Florida; less right-of-way for U.S. No. 1.

Overall parcel 1 contains 120.69 Acres and parcel 2 contains 4.83 acres, more or less.

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

4E

RESOLUTION 2023-02

[MASTER DEBT ASSESSMENT LEVY RESOLUTION – BOUNDARY AMENDMENT PARCEL]

A RESOLUTION MAKING CERTAIN FINDINGS; AUTHORIZING A CAPITAL IMPROVEMENT PLAN; ADOPTING AN ENGINEER’S REPORT; PROVIDING AN ESTIMATED COST OF IMPROVEMENTS; ADOPTING AN ASSESSMENT REPORT; EQUALIZING, APPROVING, CONFIRMING AND LEVYING DEBT ASSESSMENTS; ADDRESSING THE FINALIZATION OF SPECIAL ASSESSMENTS; ADDRESSING THE PAYMENT OF DEBT ASSESSMENTS AND THE METHOD OF COLLECTION; PROVIDING FOR THE ALLOCATION OF DEBT ASSESSMENTS AND TRUE-UP PAYMENTS; ADDRESSING GOVERNMENT PROPERTY, AND TRANSFERS OF PROPERTY TO UNITS OF LOCAL, STATE AND FEDERAL GOVERNMENT; AUTHORIZING AN ASSESSMENT NOTICE; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

WHEREAS, the Preserve at Savannah Lakes Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*; and

WHEREAS, on March 21, 2022, and after notice and a public hearing, the District’s Board of Supervisors adopted Resolution 2022-29 and determined to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, acquire, operate, and/or maintain the District’s overall capital improvement plan (“**Project**”) as described in the *Engineer’s Report*, dated January 10, 2022 (“**Engineer’s Report**”), and which is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, as part of Resolution 2022-29, the District determined that 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 of special assessments (“**Debt Assessments**”) using the methodology set forth in that *Master Special Assessment Methodology Report*, dated January 10, 2022 (“**Assessment Report**”), 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 (“**District Records Office**”); and

WHEREAS, on May 16, 2022, and at the request of the District’s Board of Supervisors, the City Commission of the City of Fort Pierce, Florida adopted Ordinance No. 22-013, expanding the District’s boundaries to include a “**Boundary Amendment Parcel**;” and

WHEREAS, the District now desires to levy the Debt Assessments on the Boundary Amendment Parcel, which is part of the District’s Project as set forth in **Exhibit A**; and

WHEREAS, the District’s Board of Supervisors (“**Board**”) has noticed and conducted a public hearing pursuant to Chapters 170, 190 and 197, *Florida Statutes*, relating to the imposition, levy, collection and enforcement of such assessments on the Boundary Amendment Parcel, and now desires to adopt a resolution imposing and levying such assessments as set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

1. **AUTHORITY.** This Resolution is adopted pursuant to Chapters 170, 190 and 197, *Florida Statutes*, including without limitation, Section 170.08, *Florida Statutes*. The recitals stated above are incorporated herein; are adopted by the Board as true and correct statements; and are further declared to be findings made and determined by the Board.

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

The Capital Improvement Plan

- a. The District is authorized by Chapter 190, *Florida Statutes*, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, sewer and water distribution systems, stormwater management/earthwork improvements, landscape, irrigation and entry features, conservation and mitigation, street lighting and other infrastructure projects and services necessitated by the development of, and serving lands within, the District; and
- b. On June 1, 2022, and pursuant to Section 170.03, *Florida Statutes*, among other laws, the Board adopted Resolution 2022-35 (“**Declaring Resolution**”), and in doing so determined to undertake a capital improvement plan to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, acquire, operate and/or maintain the District’s infrastructure improvements planned for the Project; and
- c. The Project is described in the Declaring Resolution and Engineer’s Report, and the plans and specifications for the Project are on file in the offices of the District Manager at c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District Records Office**”); and

The Debt Assessment Process

- d. Also as part of the Declaring Resolution, the Board expressed an intention to issue bonds, notes or other specific financing mechanisms to provide a portion of the funds needed for the Project, and further declared its intention to defray the whole or any part of the expense of the Project by levying the Debt Assessments on specially benefited property within all of the District, including the Boundary Amendment Parcel (together, “**Assessment Area**”); and
- e. The Declaring Resolution was adopted in compliance with the requirements of Section 170.03, *Florida Statutes*, and prior to the time it was adopted, the requirements of Section 170.04, *Florida Statutes*, had been met; and
- f. As directed by the Declaring Resolution, said Declaring Resolution was published as required by Section 170.05, *Florida Statutes*, and a copy of the publisher’s affidavit of publication is on file with the Secretary of the District; and
- g. As directed by the Declaring Resolution, the Board caused to be made a preliminary assessment roll as required by Section 170.06, *Florida Statutes*; and

- h. As required by Section 170.07, *Florida Statutes*, and as part of the Declaring Resolution, the Board fixed the time and place of a public hearing at which owners of the property to be assessed and other persons interested therein could appear before the Board and be heard as to (i) the propriety and advisability of making the improvements on the Boundary Amendment Parcel, (ii) the cost thereof, (iii) the manner of payment therefore, and (iv) the amount thereof to be assessed against each specially benefited property or parcel, and the Board further authorized publication of notice of such public hearing and individual mailed notice of such public hearing in accordance with Chapters 170, 190, and 197, *Florida Statutes*; and
- i. Notice of the scheduled public hearing was given by publication and also by mail as required by Sections 170.07 and 197.3632, *Florida Statutes*, and affidavits as to such publication and mailings are on file in the office of the Secretary of the District; and
- j. On October 10, 2022, and at the time and place specified in the Declaring Resolution, the Board conducted such public hearing and heard and considered all complaints and testimony as to the matters described above; the Board further met as an “Equalization Board;” and the Board has made such modifications in the preliminary assessment roll as it deems necessary, just and right in the making of the final assessment roll; and

Equalization Board Additional Findings

- k. Having considered the estimated costs of the Project, the estimated financing costs and all comments and evidence presented at such public hearing, the Board further finds and determines that:
 - i. It is necessary to the public health, safety and welfare and in the best interests of the District that: (1) the District provide the Project as set forth in the Engineer’s Report; (2) the cost of such Project be assessed against the lands specially benefited by such Project, and within the Assessment Area; and (3) the District issue bonds, notes or other specific financing mechanisms to provide funds for such purposes pending the receipt of such Debt Assessments; and
 - ii. The provision of said Project, the levying of the Debt Assessments, and the sale and issuance of such bonds, notes, or other specific financing mechanisms serve a proper, essential, and valid public purpose and are in the best interests of the District, its landowners and residents; and
 - iii. The estimated costs of the Project are as specified in the Engineer’s Report and Assessment Report (defined below), and the amount of such costs is reasonable and proper; and
 - iv. It is reasonable, proper, just and right to assess the cost of such Project against the properties specially benefited thereby in the Assessment Area, using the method determined by the Board and set forth in the Assessment Report, which results in the Debt Assessments set forth on the final assessment roll; and
 - v. The Project benefits all developable property within the Assessment Area; and

- vi. Accordingly, the Debt Assessments as set forth in the Assessment Report constitute a special benefit to all parcels of real property listed on said final assessment roll, and the benefit, in the case of each such parcel, will be equal to or in excess of the Debt Assessments imposed thereon, as set forth in **Exhibit B**; and
- vii. All developable property within the Assessment Area is deemed to be benefited by the Project, and the Debt Assessments will be allocated in accordance with the Assessment Report at **Exhibit B**; and
- viii. The Debt Assessments are fairly and reasonably allocated across the benefitted property, as set forth in **Exhibit B**; and
- ix. It is in the best interests of the District that the Debt Assessments be paid and collected as herein provided; and
- x. In order to provide funds with which to pay the costs of the Project which are to be assessed against the benefitted properties, pending the collection of the Debt Assessments, it is necessary for the District to issue revenue bonds, notes or other specific financing mechanisms, including refunding bonds (together, "**Bonds**").

3. **AUTHORIZATION FOR PROJECT; ADOPTION OF ENGINEER'S REPORT.** The Engineer's Report identifies and describes the infrastructure improvements to be financed in part with the Bonds and sets forth the costs of the Project. The District hereby confirms that the Project serves a proper, essential, and valid public purpose. The use of the Engineer's Report in connection with the sale of the Bonds is hereby authorized, approved and ratified, and the proper officers, employees and/or agents of the District are hereby authorized and directed to take such further action as may be necessary or desirable to cause the same to be made.

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

5. **ADOPTION OF ASSESSMENT REPORT.** The Assessment Report setting forth the allocation of Debt Assessments to the benefitted lands within the Assessment Area is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the Bonds.

6. **EQUALIZATION, APPROVAL, CONFIRMATION AND LEVY OF DEBT ASSESSMENTS.** The Debt Assessments imposed on the parcels specially benefited by the Project within the Assessment Area, all as specified in the final assessment roll set forth in **Exhibit B**, attached hereto, are hereby equalized, approved, confirmed and levied. Immediately following the adoption of this Resolution, the lien of Debt Assessments as reflected in **Exhibit B**, attached hereto, shall be recorded by the Secretary of the District in the District's "**Improvement Lien Book.**" The Debt Assessments against each respective parcel shown on such final assessment roll and interest, costs, and penalties thereon, as hereafter provided, shall be and shall remain a legal, valid and binding first lien on such parcel, coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

- a. **Supplemental Assessment Resolutions for Bonds.** The lien for the Debt Assessments established hereunder shall be inchoate until the District issues Bonds. In connection with the issuance of any particular series of the Bonds, the District may adopt, without the need for further public hearing, a supplemental assessment resolution establishing specific Debt Assessments, in one or more separately enforceable Debt Assessment liens, securing such Bonds. Such subsequent resolutions shall be adopted at a noticed meeting of the District, and shall set forth the actual amounts financed, costs of issuance, expected costs of collection, and the total amount of the assessments pledged to that issue, which amount shall be consistent with the lien imposed by this Resolution. Among other things, the supplemental assessment resolutions may provide for the issuance of multiple series of Bonds each secured by one or more different assessment areas within the Assessment Area.
- b. **Adjustments to Debt Assessments.** The District may, by subsequent resolution, adjust the acreage assigned to particular parcel identification numbers listed on the final assessment roll to reflect accurate apportionment of acreage amongst individual parcel identification numbers. The District may make any other such acreage and boundary adjustments to parcels listed on the final assessment roll as may be necessary and in the best interests of the District, as determined by the Board by subsequent resolution. Any such adjustment in the assessment roll shall be consistent with the requirements of law.
- c. **Contributions.** In connection with the issuance of a series of the Bonds, the project developer may request that any related Debt Assessments be reduced for certain product types. To accomplish any such requested reduction, and pursuant to the terms of an applicable acquisition agreement, and this resolution, the developer will agree to provide a contribution of infrastructure, work product, or land 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 under the Bonds.
- d. **Impact Fee Credits.** The District may or may not be entitled to impact fee credits as a result of the development of the Project, based on applicable laws and/or agreements governing impact fee credits. Unless otherwise addressed by supplemental assessment resolution, the proceeds from any impact fee credits received may be used in the District's sole discretion as an offset for any acquisition of any portion of the Project (e.g., land based on appraised value, infrastructure and/or work product), for completion of the Project, or otherwise used against the outstanding indebtedness of any debt issuance that funded the improvement giving rise to the credits.

7. **FINALIZATION OF DEBT ASSESSMENTS.** When a project has been constructed or otherwise provided to the satisfaction of the Board, the Board shall adopt a resolution accepting the same and determining the actual costs (including financing costs) thereof, as required by Sections 170.08 and 170.09, *Florida Statutes*. Pursuant to Section 170.08, *Florida Statutes*, the District shall credit to each Debt Assessment the difference, if any, between the Debt Assessment as hereby made, approved and confirmed and the actual costs incurred in completing the applicable project. In making such credits, no credit shall be given for bond, note or other specific financing mechanism costs, capitalized interest, funded reserves or bond or other discounts. Such credits, if any, shall be entered in the Improvement Lien Book.

8. **PAYMENT OF DEBT ASSESSMENTS AND METHOD OF COLLECTION.**

- a. **Payment.** The Debt Assessments, as further set forth in each supplemental assessment resolution, and securing the issuance of each series of the Bonds, may be paid in not more than thirty (30) yearly installments of principal and interest – beginning upon the issuance of the particular series of the Bonds (and after taking into account any capitalized interest periods), provided, however, that the Board shall at any time make such adjustments by resolution, and at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually issued by the District.
- b. **Prepayment.** Subject to the provisions of any supplemental assessment resolution, any owner of property subject to the Debt Assessments may, at its option, pre-pay the entire amount of the Debt Assessment any time, or a portion of the amount of the Debt Assessment up to two times, plus accrued interest to the next succeeding interest payment date (or the second succeeding interest payment date if such prepayment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the Debt Assessments in question)), attributable to the property subject to Debt Assessments owned by such owner. Prepayment of Debt Assessments does not entitle the property owner to any discounts for early payment. If authorized by a supplemental assessment resolution, the District may grant a discount equal to all or a part of the payee’s proportionate share of the cost of the Project consisting of bond financing costs, such as capitalized interest, funded reserves, and bond discount included in the estimated cost of the Project, upon payment in full of any Debt Assessment during such period prior to the time such financing costs are incurred as may be specified by the District.
- c. **Uniform Method; Alternatives.** The District may elect to use the method of collecting Debt Assessments authorized by Sections 197.3632 and 197.3635, *Florida Statutes* (“**Uniform Method**”). The District has heretofore taken all required actions to comply with Sections 197.3632 and 197.3635, *Florida Statutes*. Such Debt Assessments may be subject to all of the collection provisions of Chapter 197, *Florida Statutes*. Notwithstanding the above, in the event the Uniform Method of collecting its Debt Assessments is not available to the District in any year, or if determined by the District to be in its best interests, and subject to the terms of any applicable trust indenture, the Debt Assessments may be collected as is otherwise permitted by law. In particular, the District may, in its sole discretion, collect Debt Assessments by directly billing landowners and enforcing said collection in any manner authorized by law. Any prejudgment interest on delinquent assessments that are directly billed shall accrue at the applicable rate of any bonds or other debt instruments secured by the Debt Assessments. The decision to collect Debt 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 Debt 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.
- d. **Uniform Method Agreements Authorized.** For each year the District uses the Uniform Method, the District shall enter into an agreement with the County Tax Collector who may notify each owner of a lot or parcel within the District of the amount of the special

assessment, including interest thereon, in the manner provided in Section 197.3635, *Florida Statutes*.

- e. **Re-amortization.** Any particular lien of the Debt Assessments shall be subject to re-amortization where the applicable series of Bonds is subject to re-amortization pursuant to the applicable trust indenture and where the context allows.

9. ALLOCATION OF DEBT ASSESSMENTS; APPLICATION OF TRUE-UP PAYMENTS.

- a. At such time as parcels of land, or portions thereof, are included in a plat or site plan, it shall be an express condition of the lien established by this Resolution that, prior to County approval, any and all plats or site plans for any portion of the lands within the District, as the District's boundaries may be amended from time to time, shall be presented to the District Manager for review. As parcels of land, or portions thereof, are included in a plat or site plan, the District Manager shall review the plat or site plan and cause the Debt Assessments securing each series of Bonds to be reallocated to the units being included in the plat or site plan and the remaining property in accordance with **Exhibit B**, and cause such reallocation to be recorded in the District's Improvement Lien Book.
- b. Pursuant to the Assessment Report, attached hereto as **Exhibit B**, and which terms are incorporated herein, there may be required from time to time certain true-up payments. When a plat or site plan is presented to the District, the District Manager shall review the plat or site plan to determine whether, taking into account the plat or site plan, there is a net shortfall in the overall principal amount of assessments reasonably able to be assigned to benefitted lands within the Assessment Area. Such determination shall be made based on the language in this Resolution and/or the tests or other methods set forth in **Exhibit B** (if any), or any tests or methods set forth in a supplemental assessment resolution and corresponding assessment report. If the overall principal amount of assessments reasonably cannot be assigned, or is not reasonably expected to be assigned, as set forth in more detail in and subject to the terms of **Exhibit B** (or any supplemental resolution and report, as applicable), to the platted and site planned lands as well as the undeveloped lands, then a debt reduction payment ("**True-Up Payment**") in the amount of such shortfall shall become due and payable that tax year by the landowner(s) of record of the land subject to the proposed plat or site plan and of the remaining undeveloped lands, in addition to any regular assessment installment. The District's review shall be limited solely to this function and the enforcement of the lien established by this Resolution. In the event a True-Up Payment is due and unpaid, the lien established herein for the True-Up Payment amount shall remain in place until such time as the True-Up Payment is made. The District shall record all True-Up Payments in its Improvement Lien Book.
- c. In connection with any true-up determination, affected landowner(s) may request that such true-up determination be deferred because the remaining undeveloped lands are able to support the development of all of the originally planned units within the Assessment Area. To support the request, the affected landowner(s) shall provide the following evidence for the District's consideration: a) proof of the amount of entitlements remaining on the undeveloped lands within the Assessment Area, b) a revised overall

development plan showing the number and type of units reasonably planned for the remainder of the development, c) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and d) documentation prepared by a licensed engineer that shows the feasibility of implementing the proposed development plan. Any deferment shall be in the District's reasonable discretion.

- d. The foregoing is based on the District's understanding that the community would be developed with the type and number of units set forth in **Exhibit B**, on the developable acres. However, more than the stated number of units may be developed. In no event shall the District collect Debt Assessments pursuant to this Resolution in excess of the total debt service related to the Project, including all costs of financing and interest. The District recognizes that such things as regulatory requirements and market conditions may affect the timing and scope of the development in the District. If the strict application of the true-up methodology to any assessment reallocation pursuant to this paragraph would result in Debt Assessments collected in excess of the District's total debt service obligations for the Project, the Board shall by resolution take appropriate action to equitably reallocate the Debt Assessments.
- e. As set forth in any supplemental assessment resolution and/or supplemental assessment report for a specific series of Bonds, the District may assign a specific debt service assessment lien comprising a portion of the Debt Assessments to an assessment area comprised of specific unplatted lands which are less than all of the unplatted lands in the Assessment Area, and, accordingly, any related true-up determinations may be limited to determining whether the planned units for such specified lands in the assessment area have been and/or will be developed.

10. GOVERNMENT PROPERTY; TRANSFERS OF PROPERTY TO UNITS OF LOCAL, STATE, AND FEDERAL GOVERNMENT. Real property owned by units of local, state, and federal governments, or similarly exempt entities, shall not be subject to the Debt Assessments without specific consent thereto. If at any time, any real property on which Debt Assessments are imposed by this Resolution is sold or otherwise transferred to a unit of local, state, or federal government (without consent of such governmental unit to the imposition of Debt Assessments thereon), or similarly exempt entity, all future unpaid Debt Assessments for such tax parcel shall become due and payable immediately prior to such transfer without any further action of the District.

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

12. SEVERABILITY. If any section or part of a section of this Resolution is 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.

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

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

[CONTINUED ON FOLLOWING PAGE]

APPROVED AND ADOPTED THIS 10th DAY OF OCTOBER, 2022.

ATTEST:

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: *Engineer's Report, dated January 10, 2022*

Exhibit B: *Master Special Assessment Methodology Report, dated January 10, 2022*

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

5

RESOLUTION 2023-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIMES AND LOCATIONS FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS FOR FISCAL YEAR 2022/2023 AND PROVIDING FOR AN EFFECTIVE DATE

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

WHEREAS, the District is required by Section 189.015, *Florida Statutes*, to file quarterly, semi-annually, or annually a schedule (including date, time, and location) of its regular meetings with local governing authorities; and

WHEREAS, further, in accordance with the above-referenced statute, the District shall also publish quarterly, semi-annually, or annually the District’s regular meeting schedule in a newspaper of general paid circulation in the county in which the District is located.

WHEREAS, the Board desires to adopt the Fiscal Year 2022/2023 meeting schedule attached as **Exhibit A**.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT:

1. **ADOPTING FISCAL YEAR 2022/2023 ANNUAL MEETING SCHEDULE.** The Fiscal Year 2022/2023 annual meeting schedule attached hereto and incorporated by reference herein as **Exhibit A** is hereby approved and shall be published in accordance with the requirements of Florida law and also provided to applicable governing authorities.

3. **EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this ____ day of _____, 2022.

ATTEST:

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

EXHIBIT "A"

| PRESERVE AT SAVANNAH LAKES COMMUNITY DEVELOPMENT DISTRICT | | |
|--|-----------------------------------|-------------|
| | | |
| BOARD OF SUPERVISORS FISCAL YEAR 2022/2023 MEETING SCHEDULE | | |
| | | |
| LOCATION | | |
| <i>Offices of Culpepper & Terpening, Inc., 2960 South 25th Street, Fort Pierce, Florida 34981</i> | | |
| | | |
| DATE | POTENTIAL DISCUSSION/FOCUS | TIME |
| November __, 2022 | Regular Meeting | __:__ AM/PM |
| December __, 2022 | Regular Meeting | __:__ AM/PM |
| January __, 2023 | Regular Meeting | __:__ AM/PM |
| February __, 2023 | Regular Meeting | __:__ AM/PM |
| March __, 2023 | Regular Meeting | __:__ AM/PM |
| April __, 2023 | Regular Meeting | __:__ AM/PM |
| May __, 2023 | Regular Meeting | __:__ AM/PM |
| June __, 2023 | Regular Meeting | __:__ AM/PM |
| July __, 2023 | Regular Meeting | __:__ AM/PM |
| August __, 2023 | Regular Meeting | __:__ AM/PM |
| September __, 2023 | Regular Meeting | __:__ AM/PM |
| | | |

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

**UNAUDITED
FINANCIAL
STATEMENTS**

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
AUGUST 31, 2022**

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2022**

| | General Fund | Debt Service Fund | Capital Projects Fund | Total Governmental Funds |
|---|------------------|-------------------------|-----------------------------|--------------------------------|
| ASSETS | | | | |
| Cash | \$ 20,413 | \$ - | \$ - | \$ 20,413 |
| Due from Landowner | 9,968 | 668 | 4,280 | 14,916 |
| Due from general fund | - | 2,032 | 112 | 2,144 |
| Total assets | <u>\$ 30,381</u> | <u>\$ 2,700</u> | <u>\$ 4,392</u> | <u>\$ 37,473</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 22,237 | \$ 2,700 | \$ 4,392 | \$ 29,329 |
| Due to Landowner | - | 5,471 | 4,392 | 9,863 |
| Due to debt service fund | 2,032 | - | - | 2,032 |
| Due to capital projects fund | 112 | - | - | 112 |
| Landowner advance | 6,000 | - | - | 6,000 |
| Total liabilities | <u>30,381</u> | <u>8,171</u> | <u>8,784</u> | <u>47,336</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred receipts | 9,968 | - | - | 9,968 |
| Total deferred inflows of resources | <u>9,968</u> | <u>-</u> | <u>-</u> | <u>9,968</u> |
| Fund balances: | | | | |
| Restricted for: | | | | |
| Debt service | - | (5,471) | - | (5,471) |
| Capital projects | - | - | (4,392) | (4,392) |
| Unassigned | (9,968) | - | - | (9,968) |
| Total fund balances | <u>(9,968)</u> | <u>(5,471)</u> | <u>(4,392)</u> | <u>(19,831)</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 30,381</u> | <u>\$ 2,700</u> | <u>\$ 4,392</u> | <u>\$ 37,473</u> |

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED AUGUST 31, 2022**

| | <u>Current Month</u> | <u>Year to Date</u> | <u>Budget</u> | <u>% of Budget</u> |
|--|--------------------------|-------------------------|---------------|------------------------|
| REVENUES | | | | |
| Landowner contribution | \$ 12,291 | \$ 38,958 | \$ 78,590 | 50% |
| Total revenues | <u>12,291</u> | <u>38,958</u> | <u>78,590</u> | 50% |
| EXPENDITURES | | | | |
| Professional & administrative | | | | |
| Management/accounting/recording | 4,000 | 32,000 | 36,000 | 89% |
| Legal | 1,895 | 9,129 | 25,000 | 37% |
| Engineering | - | - | 2,000 | 0% |
| Telephone | 17 | 133 | 150 | 89% |
| Postage | - | 22 | 500 | 4% |
| Printing & binding | 42 | 333 | 375 | 89% |
| Legal advertising | 3,676 | 6,920 | 6,500 | 106% |
| Annual special district fee | - | - | 175 | 0% |
| Insurance | - | - | 5,500 | 0% |
| Contingencies/bank charges | 338 | 389 | 500 | 78% |
| Website | | | | |
| Hosting & maintenance | - | - | 1,680 | 0% |
| ADA compliance | - | - | 210 | 0% |
| Total professional & administrative | <u>9,968</u> | <u>48,926</u> | <u>78,590</u> | 62% |
| Excess/(deficiency) of revenues over/(under) expenditures | 2,323 | (9,968) | - | |
| Fund balances - beginning | (12,291) | - | - | |
| Fund balances - ending | <u>\$ (9,968)</u> | <u>\$ (9,968)</u> | <u>\$ -</u> | |

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND
FOR THE PERIOD ENDED AUGUST 31, 2022**

| | <u>Current Month</u> | <u>Year To Date</u> |
|--|--------------------------|--------------------------|
| REVENUES | <u>\$ -</u> | <u>\$ -</u> |
| Total revenues | <u>-</u> | <u>-</u> |
| EXPENDITURES | | |
| Debt service | | |
| Cost of issuance | <u>668</u> | <u>5,471</u> |
| Total debt service | <u>668</u> | <u>5,471</u> |
| Excess/(deficiency) of revenues over/(under) expenditures | (668) | (5,471) |
| Fund balances - beginning | <u>(4,803)</u> | <u>-</u> |
| Fund balances - ending | <u><u>\$ (5,471)</u></u> | <u><u>\$ (5,471)</u></u> |

**PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2018
FOR THE PERIOD ENDED AUGUST 31, 2022**

| | <u>Current Month</u> | <u>Year To Date</u> |
|--|--------------------------|-------------------------|
| REVENUES | <u>\$ -</u> | <u>\$ -</u> |
| Total revenues | <u>-</u> | <u>-</u> |
| EXPENDITURES | | |
| Capital outlay | <u>4,280</u> | <u>4,392</u> |
| Total expenditures | <u>4,280</u> | <u>4,392</u> |
| Excess/(deficiency) of revenues over/(under) expenditures | (4,280) | (4,392) |
| Fund balances - beginning | (112) | - |
| Fund balances - ending | <u>\$ (4,392)</u> | <u>\$ (4,392)</u> |

**PRESERVE AT
SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

MINUTES

DRAFT

**MINUTES OF MEETING
PRESERVE AT SAVANNAH LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Preserve at Savannah Lakes Community Development District held Multiple Public Hearings and a Regular Meeting on August 16, 2022, at 11:00 a.m., at the offices of Culpepper and Terpening, Inc., 2960 South 25th Street, Fort Pierce, Florida 34981.

Present at the meeting were:

| | |
|----------------|---------------------|
| Michael Caputo | Chair |
| Tim Smith | Vice Chair |
| Jon Seifel | Assistant Secretary |

Also present were:

| | |
|--------------------------------|-------------------------------|
| Cindy Cerbone | District Manager |
| Jere Earlywine (via telephone) | District Counsel |
| Roberto Cabrera | District Engineer |
| Dennis Murphy | Culpepper and Terpening, Inc. |
| Justin Fyre | Kolter Homes |
| Brian Nolan | Lucido & Associates |

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 11:11 a.m.

Supervisors Caputo, Seifel and Tim Smith were present, in person. Supervisors Candice Smith and Meath were not present.

SECOND ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRD ORDER OF BUSINESS

**Public Hearing on Adoption of Fiscal Year
2022/2023 Budget**

39 **A. Proof/Affidavit of Publication**

40 The affidavit of publication was included for informational purposes.

41 **B. Consideration of Resolution 2022-37, Relating to the Annual Appropriations and**
42 **Adopting the Budget(s) for the Fiscal Year Beginning October 1, 2022, and Ending**
43 **September 30, 2023; Authorizing Budget Amendments; and Providing an Effective**
44 **Date**

45 Ms. Cerbone presented Resolution 2022-37. She reviewed the proposed Fiscal Year
46 2023 budget, which is a full-year, Landowner-funded budget, whereas the Fiscal Year 2022
47 budget was a partial-year budget.

48

49 **On MOTION by Mr. Caputo and seconded by Mr. Seifel, with all in favor, the**
50 **Public Hearing was opened and, there being no members of the public present,**
51 **the Public Hearing was closed.**

52

53

54 **On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor,**
55 **Resolution 2022-37, Relating to the Annual Appropriations and Adopting the**
56 **Budget(s) for the Fiscal Year Beginning October 1, 2022, and Ending September**
57 **30, 2023; Authorizing Budget Amendments; and Providing an Effective Date,**
58 **was adopted.**

59

60

61 **FOURTH ORDER OF BUSINESS**

Public Hearing to Hear Comments and
Objections on the Imposition of
Maintenance and Operation Assessments
to Fund the Budget for Fiscal Year
2022/2023, Pursuant to Florida Law

62

63

64

65

66

67 **A. Proof/Affidavit of Publication**

68 **B. Mailed Notice(s) to Property Owners**

69 These items were included for informational purposes.

70

71 **On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, the**
72 **Public Hearing was opened and, there being no members of the public present,**
73 **the Public Hearing was closed.**

74

75

76 **C. Consideration of Resolution 2022-38, Making a Determination of Benefit and Imposing**
77 **Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and**
78 **Enforcement of Special Assessments, Including but Not Limited to Penalties and**
79 **Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the**
80 **Assessment Roll; Providing a Severability Clause; and Providing an Effective Date**

81 Ms. Cerbone presented Resolution 2022-38. She stated that there is no assessment roll
82 at this time because the assessments are not included in the budget; however, a footnote is
83 included allowing the CDD to levy assessments.

84 Mr. Earlywine discussed the need for the District Manager to be notified in advance of
85 closings so that an Estoppel Letter can be prepared.

86

87 **On MOTION by Mr. Smith and seconded by Mr. Caputo, with all in favor,**
88 **Resolution 2022-38, Making a Determination of Benefit and Imposing Special**
89 **Assessments for Fiscal Year 2022/2023; Providing for the Collection and**
90 **Enforcement of Special Assessments, Including but Not Limited to Penalties**
91 **and Interest Thereon; Certifying an Assessment Roll; Providing for**
92 **Amendments to the Assessment Roll; Providing a Severability Clause; and**
93 **Providing an Effective Date, was adopted.**

94

95

FIFTH ORDER OF BUSINESS**Consideration of Fiscal Year 2023 Deficit
Funding Agreement**

97

98

99 Ms. Cerbone stated, if lots are sold before September 30, 2022, an Estoppel will be
100 issued and an off-roll assessment will be imposed for a prorated amount of the Fiscal Year 2023
101 budget that was just adopted, reducing the Landowner-funded amount. She presented the
102 Deficit Funding Agreement, which also acts as the Budget Funding Agreement.

103

104 **On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, the**
105 **Fiscal Year 2023 Deficit Funding Agreement, in substantial form, was approved.**

106

107

SIXTH ORDER OF BUSINESS**Consideration of Resolution 2022-34,
Designating Dates, Times and Locations for**

109

Regular Meetings of the Board of Supervisors for Fiscal Year 2022/2023 and Providing for an Effective Date

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This item was deferred.

- **Acceptance of Unaudited Financial Statements as of June 30, 2022**

This item, previously the Ninth Order of Business, was presented out of order.

Ms. Cerbone presented the Unaudited Financial Statements as of June 30, 2022. She noted that funding requests were submitted to and paid by Kolter.

On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, the Unaudited Financial Statements as of June 30, 2022, were accepted.

SEVENTH ORDER OF BUSINESS

Update: Stormwater Management Needs Analysis Letter to the County

This item was presented following the Eighth Order of Business.

EIGHTH ORDER OF BUSINESS

Continued Discussion: Project Status

Ms. Cerbone recalled that this was previously discussed and contract assignment will not occur for three to four weeks.

- **Update: Stormwater Management Needs Analysis Letter to the County**

This item, previously the Seventh Order of Business, was presented out of order.

Ms. Cerbone stated the District Engineer sent a letter to the County before the due date advising that the CDD does not have a Stormwater Management System at this time.

On MOTION by Mr. Smith and seconded by Mr. Caputo, with all in favor, the Stormwater Management Needs Analysis letter to the County, was ratified.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2022

146 This item was presented following the Sixth Order of Business.

147

148 **TENTH ORDER OF BUSINESS**

Approval of June 1, 2022 Regular Meeting Minutes

149

150

151 Ms. Cerbone presented the June 1, 2022 Regular Meeting Minutes.

152

153 **On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, the**
154 **June 1, 2022 Regular Meeting Minutes, as presented, were approved.**

155

156

157 **ELEVENTH ORDER OF BUSINESS**

Staff Reports

158

159 **A. District Counsel: *KE Law Group, PLLC***

160 There was no report.

161 **B. District Engineer: *Culpepper & Terpening, Inc.***

162 There was no report.

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

- 164 • **NEXT MEETING DATE: TBD**

- 165 ○ **QUORUM CHECK**

166 Ms. Cerbone stated the next meeting would be scheduled when necessary.

167

168 **TWELFTH ORDER OF BUSINESS**

Board Members' Comments/Requests

169

170 There were no Board Members' comments or requests.

171

172 **THIRTEENTH ORDER OF BUSINESS**

Public Comments

173

174 No members of the public spoke.

175

176 **FOURTEENTH ORDER OF BUSINESS**

Adjournment

177

178

179 **On MOTION by Mr. Caputo and seconded by Mr. Smith, with all in favor, the**
180 **meeting adjourned at 11:22 a.m.**

181
182
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186

Secretary/Assistant Secretary

Chair/Vice Chair