

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board of Supervisors with respect to any matter considered at the meeting is advised that 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.

**PIER PARK
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Supervisors of Pier Park Community Development District was held on **Monday, May 12, 2014 at 10:15 a.m. (CST)** at the Panama City Beach City Hall, 110 South Arnold Road, Panama City Beach, Florida 32413.

Present and constituting a quorum:

Brent Gardner	Board Supervisor, Chair
John Grueter	Board Supervisor, Vice Chair
Wes Payne	Board Supervisor, Assistant Secretary
Ken Goldberg	Board Supervisor, Assistant Secretary
Felicia Cook	Board Supervisor, Assistant Secretary

Also present were:

Debi Anderson	District Manager, Rizzetta & Company, Inc.
Pete Williams	Representative, Rizzetta & Company, Inc. <i>(via speakerphone)</i>
Joseph Brown	District Counsel, Hopping Green & Sams, P.A.
Brian Crumbaker	District Counsel, Hopping Green & Sams, P.A. <i>(via speakerphone)</i>
Robert Carroll	District Engineer, McNeil Carroll Engineering, Inc.
Martin Horak	Property Manager
Kevin Mulshine	Representative, MBS Capital Markets, LLC
Jennifer LaRocco	Representative, Nabors, Giblin & Nickerson, P.A. <i>(via speakerphone)</i>
Linda DeWitt	Representative, St. Joe Company
Eric Navarre	Representative, Trustmark
Jonathan Ochs	Representative, Trustmark
John Gillis	Representative, Trustmark
Jay Hinsman	Representative, Trustmark
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Ms. Anderson called the meeting to order and performed roll call.

SECOND ORDER OF BUSINESS

Audience Comments

There were no comments from the audience.

THIRD ORDER OF BUSINESS

**Consideration of Minutes of the
Board of Supervisors of Supervisors'
Meeting Held on March 13, 2014**

On a Motion by Mr. Grueter, seconded by Ms. Cook, with all in favor, the Board of Supervisors approved the Minutes of the Board of Supervisors of Supervisors' Meeting held on March 13, 2014 for the Pier Park Community Development District.

FOURTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for February
and March**

On a Motion by Mr. Payne, seconded by Mr. Gardner, with all in favor, the Board of Supervisors ratified the Operation and Maintenance Expenditures for February 2014 (\$47,330.07), February 2014 OLTR (\$29,101.13), March 2014 (\$11,863.82), and the March 2014 OLTR (\$13,691.58) for the Pier Park Community Development District.

FIFTH ORDER OF BUSINESS

**Acceptance of Minutes of the Audit
Committee Meeting Held on
February 10, 2014**

On a Motion by Ms. Cook, seconded by Mr. Gardner, with all in favor, the Board of Supervisors accepted the Minutes of the Audit Committee Meeting held on February 10, 2014 for the Pier Park Community Development District.

SIXTH ORDER OF BUSINESS

**Consideration of Matters Relating to
Issuance of Refunding Bonds**

**Consideration of Resolution 2014-06,
Delegated Bond Award**

Mr. Brown recommended that item A1, Consideration of Final Exhibits to the Amended and Restated PIPA, be passed over at this time as they will be discussed under the Consideration of the Amended and Restated PIPA (item 2b), which is part of the discussions regarding Resolution 2014-06.

On a Motion by Ms. Cook, seconded by Mr. Goldberg, with all in favor, the Board of Supervisors passed on item A1, Consideration of Final Exhibits to the Amended and Restated PIPA, in favor of covering same under item 2b, Consideration of the Amended and Restated PIPA, for the Pier Park Community Development District.

Mr. Brown led discussions regarding Resolution 2014-06, stating that it has been a long time coming but the District is now ready to approve the terms of the refunding. Mr. Mulshine reviewed the savings that the District was able to obtain by soliciting proposals from banks, explaining that they were hoping to attain a savings of \$250,000 by going through a public offering, but ended up with a savings of approximately \$450,000 or an unprecedented 30% based on the proposal by Trustmark Bank.

Mr. Brown briefly reviewed each of the exhibits to the resolution explaining that the Trustmark proposal includes the option for them to "Put" the bonds back on the District in 2027 if they should desire to do so or they could decide not to call the "Put". Should they decide to call the Put the District would have the option to go through another bond refunding. He touched on the changes made to the Amended and Restated PIPA, the Second Supplemental Trust Indenture and the Escrow Deposit Agreement. He explained that the changes were made to the language of the Trust Indenture relating to the termination of taxability that now calls for the costs to be split between the City and the District were this to occur. Mr. Brown stated that the Escrow Deposit Agreement outlines the terms by which the funds from the bond refunding will be used to payoff the existing bonds. He asked that the Board approve the documents (other than the Trustmark proposal) in substantial form and authorize the Chairman to execute them once finalized as part of its approval of Resolution 2014-06. It was noted Trustmark is looking to have their proposal executed today.

Mr. Mulshine stated that he has been working with the City closely on each of these documents and they have been very cooperative and are in agreement with the terms of this bond refunding.

On a Motion by Ms. Cook, seconded by Mr. Goldberg, with all in favor, the Board of Supervisors approved Resolution 2014-06 and its exhibits in substantial form and authorized the Chairman to execute them once finalized for Pier Park Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2014-07,
Approving the Final Second
Supplemental Allocation Report**

Ms. Anderson stated that a revised report was circulated to the Board prior to the meeting and she has copies for anyone that needs them. Mr. Brown reviewed the costs of issuance as outlined under table 3 of the report, stating that they include the fees for District Counsel, Bond Counsel, the Underwriter, and the City which were all approved during the last meeting. He stated that the fees are slightly higher than the normal bond issuance due to the City's

involvement in the process.

Mr. Williams reviewed the Final Second Supplemental Report explaining that the narrative portion of the report readdresses the 2002 report and project definitions and notes that the project was deemed as completed with final costs certified by the District Engineer. He stated that there were no changes made to the methodology of the supplemental report; however, there was an increase in the square footage units that will serve to reduce the assessments. Mr. Williams touched on the section of the report that addresses the 13 year anniversary tax issue included in the Trustmark proposal. He stated that the series 2014 bonds totaling \$16,220,000.00 will be used to refund and defease the 2002-1 bonds (\$17,140,000.00) and are deemed fair and reasonable. The Series 2014 bonds will be secured with Tax Increment Revenue, Annual Investment Revenue, and assessments on the property based on the structure of the Amended and Restated PIPA which includes the assessment credit. Mr. Williams explained that the Construction True-up Agreement will still apply should there be any future changes to the square footage of the product types. He reviewed the various tables that are included as exhibits to the report, which show the changes in product type, financing terms, assessment levels, and current property owners that will be responsible for paying the annual assessments. He noted that the table includes collection costs should the District opt to use the Bay County Tax Collector for the purpose of collecting assessments rather than payments being made out of TIF and OLTR revenue.

Mr. Brown explained the basis for the resolution, stating that the assessments are the ultimate security for the bonds and it reconfirms that the improvements made and funded provide a benefit to the District and the assessments are reasonable. He noted that there was no increase to the principle amount of the assessments and the ability to collect the assessments on the tax roll is in place in case the "Put" comes into play. He touched briefly on the exhibits and asked for a motion to approve the resolution.

On a Motion by Mr. Payne, seconded by Mr. Goldberg, with all in favor, the Board of Supervisors approved Resolution 2014-07. Approving the Final Second Supplemental Allocation Report for Pier Park Community Development District.

EIGHTH ORDER OF BUSINESS

Consideration of other Financial Matters

There were no other matters brought forward.

NINTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2012-2013
Financial Audit**

Ms. Anderson stated that the auditor's opinion is unqualified and given without any reservations. This means that there were no findings of internal deficiencies or instances of non-compliance. Nor were there any adverse findings for this fiscal year or the previous year. She asked for a motion to accept the audit.

On a Motion by Ms. Cook, seconded by Mr. Gardner, with all in favor, the Board of Supervisors accepted the Fiscal Year 2012/2013 Financial Audit for Pier Park Community Development District.

TENTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2014/2015
Proposed Budget**

Ms. Anderson stated that she is recommending that the Board approve the same amount as what was approved as the final budget for the current year as, while they are running under budget now, the busiest time of year is coming up and it is anticipated that the District will be at or above the budget amount by the end of the year. She stated that the general fund budget includes an administrative total of \$97,160, and a field total of \$231,805 for a total of \$328,965. The OLTR budget has an administrative total of \$8,140 and a field total of \$315,860 for a total of \$324,000 and a grand total of \$652,965. Ms. Anderson stated adjustments may be made in July after another couple of months of actuals are available. She stated that the debt service budget totals \$1,581,479.00. Mr. Brown noted that Resolution 2014-08, approves the proposed budget and starts the process to finalize a budget for fiscal year 2014/2015 by setting a public hearing on same. Ms. Anderson recommended that the public hearing be held on August 11th during the regular Board meeting.

On a Motion by Ms. Cook, seconded by Mr. Payne, with all in favor, the Board of Supervisors approved Resolution 2014-08, approving the general fund budget (\$328,965), the OLTR budget (\$324,000) and the debt service budget (\$1,581,479) and setting the public hearing on August 11, 2014 at 10:00 a.m. (CST) at the Panama City Beach City Hall, 110 South Arnold Road, Panama City Beach, Florida 32413 for Pier Park Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Recommendation from
Audit Committee**

Ms. Anderson stated that the Audit Committee met just prior to the Board of Supervisors meeting to rank the proposals for auditing services and ranked Carr Riggs and Ingram as the highest top respondent. She asked for a motion to accept the Committee's recommendation and authorize Staff to negotiate an engagement letter with Carr Riggs and Ingram or the next highest ranked proposer if no agreement is reached with Carr Riggs and Ingram.

On a Motion by Ms. Cook, seconded by Mr. Gardner, with all in favor, the Board of Supervisors accepted the Audit Committee's recommendation and authorized Staff to negotiate an engagement letter with Carr Riggs and Ingram or the next highest ranked proposer if no agreement is reached with CRI for Pier Park Community Development District.

TWELFTH ORDER OF BUSINESS

**Selection of Landscape Maintenance
Proposals Committee**

Ms. Anderson stated that the current contract for the landscape services expires on January 31, 2015 and the Board generally selects a committee to obtain and review proposals each year to ensure that the best pricing is obtained. A brief discussion ensued regarding the desire to have the process completed prior to the August meeting for budgeting purposes. The following Board action was taken:

On a Motion by Ms. Cook, seconded by Mr. Goldberg, with all in favor, the Board of Supervisors appointed Martin Horak, Brent Gardner, and Debra Anderson as the Landscape Maintenance Proposal Committee for Pier Park Community Development District.

THIRTEENTH ORDER OF BUSINESS

**Status Update Regarding Cease and
Desist Letter to Miracle Strip Carousel,
LLC**

Mr. Brown reviewed the situation, stating that Miracle Strip Carousel was accessing their property through District property and a letter was sent to them. Mr. Horack stated that the activity has stopped for the most part and he has been working with code enforcement on the matter and working to get the damage to the landscaping corrected. He stated that he continues to monitor the situation and pictorially documents when a violation occurs. A brief discussion ensued.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
No report.
- B. District Engineer
No report.
- C. District Manager
Ms. Anderson stated that the next meeting is scheduled on August 11, 2014 at 10:00 a.m. here at the City Hall.

Ms. Anderson stated that she is required to announce the number of registered voters residing within the District as of April 15th each year as it determines the District's eligibility to participate in the general election process after its sixth year of existence. She stated that a District must have at least 250 registered voters and Pier Park currently has zero registered voters.

- D. Property Manager
No report.

FIFTEENTH ORDER OF BUSINESS

Supervisor Requests

There were no Supervisor requests.

SIXTEENTH ORDER OF BUSINESS

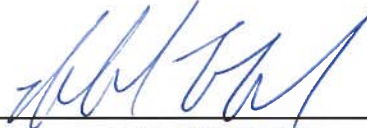
Continuance

Mr. Brown asked that the meeting be continued in case there are any substantive changes to any of the documents associated with the bond refunding.

On a Motion by Mr. Payne, seconded by Ms. Cook, with all in favor, the Board of Supervisors continued the meeting at 11:10 a.m. (CST) until Tuesday, May 27, 2014 at 11:00 a.m. at the Panama City Beach City Hall, 110 South Arnold Road, Panama City Beach, Florida 32413 for Pier Park Community Development District.



Secretary/Assistant Secretary



Chairman / Vice Chairman