

**MINUTES OF MEETING
CYPRESS BAY WEST
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Cypress Bay West Community Development District held Public Hearings and a Regular Meeting on August 21, 2024 at 11:00 a.m., at Kays Bar-B-Que & Steaks, 1552 West King Street, Cocoa, Florida 32926.

Present:

Chris Tyree	Chair
Shelley Kaercher	Vice Chair
Roger Van Auker	Assistant Secretary

Also present:

Jamie Sanchez	District Manager
Jere Earlywine (via telephone)	District Counsel
Chris Allen (via telephone)	District Engineer
Craig Hotop	Forestar

Residents present:

Chris West	Carol Brodie	Michael Racine	David Lieberman	Kerstin Lieberman
Bill Grady	Facey Leslie	Pearlita Leslie	Randy Rosseau	Carlton Ferguson
Clyve Hall	Jennifer Hall	William Grieme	Monica Shawl (by phone)	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Sanchez called the meeting to order at 11:05 a.m.

Supervisors Tyree, Kaercher and Van Auker were present. Supervisor Bronson was not present. One seat was vacant at roll call.

SECOND ORDER OF BUSINESS

Public Comments

Ms. Sanchez explained the public comments process and noted that the Board and Staff are not required to respond to any questions or comments during the meeting.

Resident David Lieberman asked for more transparency and for more notice about meetings. He expressed disappointment that the meeting is being held 42 miles away from the

CDD and asked for meetings to be held closer or offered virtually. He noted the vacancy on the Board and voiced his belief that the Developers appoint Board Members. He asked for information about how residents can have representation and join the Board.

Resident Chris West stated he received the letter. He asked for the CDD website to be included in the letters. He would like to know what the Board is doing and wants to understand the Operations and Maintenance (O&M) assessment increase.

Resident Bill Grady stated this is his first HOA community. He would like to know where fees go.

Resident Randy Rosseau noted that residents not receiving mailings is not necessarily the CDD's fault because the mailing lists are updated as people move in. He stated that he received responses to his emails and voiced his opinion that the Developers are still within the allowable 45-mile radius and that there might be legal considerations with offering meetings online. He met Ms. Kaercher in other communities and found her to be helpful. He expressed interest in the basketball court and keeping it secure.

Resident Monica Shawl wants an itemization of fees and expressed interest in the basketball court being opened.

Ms. Kaercher introduced herself and thanked residents for attending. She noted that she works for Forestar and she is part of the Development Team. She stated that, while some of these questions are HOA related matters, some of them can be addressed as time permits.

Mr. Van Auker and Mr. Hotop introduced themselves as Developer Representatives with Forestar.

Mr. Tyree stated that he is also employed by Forestar, the Master Developer for Cypress Bay West and Cypress Bay East. Forestar acquired both parcels and sells lots to DR Horton. He discussed the differences between a Community Development District (CDD), which is a governmental entity, and a Homeowners Association (HOA). The CDD is a special taxing District that helps fund the CDD infrastructure. The CDD maintains all the stormwater systems, road improvements, landscape and pond improvements, etc., throughout the CDD.

Mr. Tyree stated that the basketball court is not a CDD asset; it is an HOA asset. The Amenity Center that will be built will be private and only for homeowners of Cypress Bay West. HOA fees for Cypress Bay East are not shared with Cypress Bay West; they are separate entities with separate Amenity Centers but, in the future, the HOAs could agree to some type of cost-

sharing. Heron Bay and The Lakes are not part of the Cypress Bay West CDD; therefore, those communities do not have use of the amenities, but they share Mara Loma Boulevard, which must service the entire community, all the way to the intersection of Babcock Street, and will not be gated. Journey Drive, which will eventually connect to Babcock Street, is a Palm Bay right-of-way (ROW) and is not part of the CDD.

In response to a resident question, Mr. Tyree stated that the CDD Board was recently appointed; bonds were just issued, and the O&M budget includes details regarding how funds are allocated. He discussed his background serving in various roles on CDD Boards and stated that CDD meetings must be held in a public place. Unfortunately, efforts to secure a meeting location closer to the CDD have been unsuccessful. He welcomed assistance in this regard, as efforts to schedule meetings at the Library, near or at City Hall and at the Coast Guard building were all denied. He noted that members of the Forestar Development Team serve on various CDD Boards. He introduced District Staff.

Mr. Earlywine stated that a CDD is like a more capable version of an HOA; it has the ability to issue tax-exempt bonds and spread the costs over a 30-year period, which is a great advantage to homeowners. Assessments can be placed on the tax bill, the CDD is eligible for Federal Emergency Management Agency (FEMA) funding, has sovereign immunity protections and Statutes require a high level of transparency including public meetings and a public website. The CDD's budget Public Hearing will be held today; the CDD's fiscal year runs from October 1st through September 30th each year. When assessments are levied, the CDD is sometimes required to hold a public hearing and send Mailed Notices, which were mentioned earlier in the meeting. More information about the budget process is available on the CDD website. This CDD owns and manages limited assets, including the stormwater system, some of the landscaping within the rights-of-way and the irrigation system. The public utilities were financed and will be turned over to the City or County.

In response to the question about elections, Mr. Earlywine stated that, in the early years, CDDs are run by the Developer. The CDD will eventually transition to resident control. In an HOA, the Board generally begins to turn over when homes are 95% built out. The CDD election process provides for Landowner Elections every two years during the first six years of existence. When the CDD has 250 qualified electors, meaning residents 18 years of age or older who are registered voters residing within the CDD boundaries, election of seats can then begin

transitioning to the November General Elections. The Board is comprised of five seats with standard terms; elections are held every two years and, in a typical election year, three Seats will be up for election. He thinks Forestar might complete the project before the six-year turnover timeframe; in that case Forestar can decide whether to begin adding residents to the Board as they exit the project. He encouraged residents to contact him with CDD-related questions.

Mr. Tyree stated that this is the first meeting with resident participation at any location. He encouraged property owners to attend meetings because, when Development is complete, residents will be needed to serve on the Board. He noted that the Board Members and Staff have extensive Development, CDD and HOA experience. The proposed Fiscal Year 2026 budget will be presented and expenses explained in detail during the Fifth Order of Business.

Discussion ensued regarding finding another suitable meeting location in Brevard County. A property owner offered to assist in this regard.

In response to a resident question, it was noted that the HOA Board is separate from the CDD Board. Eventually, after transition to a resident Board, the CDD Board will be comprised of registered voter residents residing within the boundaries of Cypress Bay West CDD only.

Asked if a map could be posted on the CDD website, Ms. Sanchez stated it would need to meet the Americans with Disabilities Act (ADA) requirements; she will verify if it can be posted.

Asked if assessments are expected to increase \$300 per year, Mr. Tyree stated that every effort is made to keep assessments as low as possible, but assessments are determined by expenditures.

Resident Carlton Ferguson asked what the collected assessments are used for. Mr. Tyree stated the budget will be discussed during the meeting.

A resident questioned the 30-year loan (bonds), whether it includes interest and whether the it can be paid off early. Mr. Earlywine stated, while homeowners can pay off their portion of the debt service portion of their assessment early, most do not unless they are certain that they will reside in the CDD for 30 years. Mr. Earlywine and Mr. Tyree discussed the benefits and drawbacks of paying off early. Ms. Sanchez stated that she will have a member of the Finance Team contact him directly.

Mr. Tyree asked property owners to see the CDD meeting as a learning opportunity and stated that questions will be answered during and after the meeting.

District Manager Jamie Sanchez introduced herself and discussed Wrathell, Hunt and Associates (WHA), the CDD's District Management firm. WHA manages over 100 CDDs. She invited property owners to contact her directly, between meetings, with any questions. She noted that Mr. Earlywine serves as District Counsel for the CDD.

THIRD ORDER OF BUSINESS**Consideration of Appointment to Fill
Unexpired Term of Seat 3**

Ms. Sanchez voiced her belief that the Board's intention is to appoint Mr. Craig Hotop to vacant Seat 3. Ms. Kaercher nominated Mr. Craig Hotop to fill Seat 3. No other nominations were made.

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the appointment of Mr. Craig Hotop to fill Seat 3, was approved.

- **Administration of Oath of Office to Appointed Supervisor (the following will also be provided in a separate package)**

Ms. Sanchez, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Hotop. She provided and explained the following as they apply to serving on a CDD Board:

- A. Required Ethics Training and Disclosure Filing**
 - **Sample Form 1 2023/Instructions**
- B. Membership, Obligations and Responsibilities**
- C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers**

FOURTH ORDER OF BUSINESS**Consideration of Resolution 2024-09,
Electing and Removing Officers of the
District and Providing for an Effective Date**

Ms. Sanchez presented Resolution 2024-09. Mr. Tyree nominated the following:

Chris Tyree	Chair
Shelley Kaercher	Vice Chair
Robyn Bronson	Assistant Secretary
Roger Van Auker	Assistant Secretary
Craig Hotop	Assistant Secretary

No other nominations were made.

The following prior appointments by the Board remain unaffected by this Resolution:

Craig Wrathell	Secretary
Cindy Cerbone	Assistant Secretary
Jamie Sanchez	Assistant Secretary
Craig Wrathell	Treasurer
Jeff Pinder	Assistant Treasurer

On MOTION by Mr. Tyree and seconded by Ms. Kaercher, with all in favor, Resolution 2024-09, Electing, as nominated, and Removing Officers of the District and Providing for an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2024/2025 Budget

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2024-10, Relating to the Annual Appropriations and Adopting the Budget(s) for the Fiscal Year Beginning October 1, 2024, and Ending September 30, 2025; Authorizing Budget Amendments; and Providing an Effective Date

Ms. Sanchez presented Resolution 2024-10. She reviewed the proposed Fiscal Year 2025 budget, which is unchanged since it was last presented. She noted line item increases, decreases and adjustments, compared to the Fiscal Year 2024 budget, and explained the reasons for any changes. On-roll assessments will increase \$60.58 per unit compared to Fiscal Year 2024. Off-roll O&M assessments will be \$263.48 per unit.

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the Public Hearing was opened.

Mr. Ferguson stated that he was not informed about the CDD when closing on his home. Mr. Tyree stated that is an matter to discuss with DR Horton; Forestar sells the lots to the builders. He explained that the assessments shown on the budget are annual, not monthly. The budgeted expenses included in CDD assessments on the tax bill are expenses that otherwise would have been included in the HOA fees paid on a monthly or quarterly basis.

Mr. West asked about the procurement process for budgeted items. Mr. Earlywine stated the CDD is subject to governmental procurement standards. Most of the current CDD contracts are small and, while they are below the threshold that requires advertisement and the formal bid process, the CDD obtains competitive bids. Mr. West asked if bid opportunities can be posted on the website and expressed interest in submitting bids. Mr. Tyree asked Mr. West to submit his business information to the District Manager.

Mr. Earlywine stated that the Board and Staff comply with all applicable laws and make every effort to keep costs low and maintain CDD assets.

Ms. Sanchez stated that all CDD business, such as contracts, are public records available by request. She suggested emailing her for further information.

Resident Bill Grieme asked if the bond can be paid off early and if the cost will increase in the event of a natural disaster. Mr. Earlywine stated that property owners can pay off their individual portion of the debt assessment early but it is rarely done because the interest rate is favorable, so there is usually no good reason to do so. In the event of natural disasters CDDs have obtained tax exempt loans or FEMA funding/reimbursement. Refurbishment projects can be funded by saving reserves or by taking out another loan; CDDs have more options than HOAs.

Mr. Grieme asked if each property owner is responsible for paying their own CDD assessment. Mr. Earlywine replied affirmatively; as long as assessments are paid, properties will not be foreclosed on. While CDD or non-CDD projects can default, Forestar is a well-capitalized Developer and the bonds include a reserve account and other beneficial measures.

In response to a question about the “Management/accounting/recording” fee, Ms. Sanchez stated that is District Management’s fee; no large increase is anticipated.

Mr. Earlywine stated that WHA has been managing CDDs for nearly 20 years and WHA manages over 25% of all CDDs in Florida. Mr. Earlywine stated that he has been advising CDDs for 20 years; his firm, Kutak Rock, represents over 350 CDDs in Florida and includes some of the attorneys who founded the practice area. He welcomed questions and stated, if residents would like to learn more, Staff can conduct a “CDD-101” informational meeting to answer more questions.

Mr. Ferguson asked if the assessment covers all the development, including homes that have not been built. Ms. Sanchez stated the assessments being discussed here only apply to Cypress Bay West CDD.

Ms. Shawl asked if several areas fall within the purview of the CDD. Mr. Tyree stated the unfinished section of Mara Loma Boulevard is being bid, and construction is expected to begin in the next two months. The next section will take five to six months to complete and will extend all the way to the basketball court. The sidewalks are in the City’s public ROW and will also be completed. Ms. Shawl asked about the sidewalks at the entryway that have been closed for months. Mr. Tyree stated that several sidewalk areas that were shut down for utility work and safety reasons should reopen soon.

Ms. Shawl asked if Mara Loma’s completion impacts the CDD budget. It was noted that the City owns the road; the CDD is responsible for landscaping and lighting. Asked if that will cause the CDD budget to increase, Mr. Tyree stated that some O&M expenses will increase and decrease in the coming years and unused funds from one fiscal year will carry over to the next. It is possible that business owners might be able to help with the costs but all homes share the cost of CDD expenses.

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Van Auker and seconded by Ms. Kaercher, with all in favor, Resolution 2024-10, Relating to the Annual Appropriations and Adopting the Budget(s) for the Fiscal Year Beginning October 1, 2024, and Ending September 30, 2025; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

SIXTH 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 2024/2025, Pursuant to Florida Law****A. Proof/Affidavit of Publication****B. Mailed Notice(s) to Property Owners**

These items were included for informational purposes.

C. Consideration of Resolution 2024-11, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2024/2025; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Ms. Sanchez presented Resolution 2024-11, which allows the CDD to impose and collect the assessments utilizing the services of the Property Appraiser and Tax Collector.

On MOTION by Ms. Kaercher and seconded by Mr. Van Auker, with all in favor, the Public Hearing was opened.

Mr. West asked why some property owners did not receive Mailed Notices, and how others can receive notice. Ms. Sanchez stated that District Management utilizes lists provided by the Property Appraiser and Tax Collector. She asked for property owners to inform her if they did not receive the Mailed Notice so the list can be checked. It was noted that timing can be a factor and some issues with the mailing list and the post office have occurred.

Mr. Rosseau stated that it takes time for the Property Appraiser lists to be updated. He asked where notices are posted to inform property owners about meetings. Ms. Sanchez stated that the CDD does not post signs; meetings are advertised as required and, in some cases, the HOA will send e-blasts or post signs. The HOA has a list of property owner email addresses; the CDD does not.

Resident Dave Lieberman asked how the CDD is a governmental entity. Mr. Earlywine stated that the CDD was established by the City of Palm Bay pursuant to Section 190 of the

Florida Statutes and operates as any other special taxing district under Florida Law. The CDD is akin to an HOA, like being governed by a Board but it is subject to reporting requirements and other requirements. As discussed earlier in the meeting, the CDD Board will eventually be operated by residents.

Discussion ensued regarding how and why the CDD was formed.

Ms. Sanchez stated that Staff can respond to questions related to anything not answered at this meeting, or to any additional questions that arise in between meetings. If necessary, one Staff or Board Member can also join a telephone call to respond to questions.

Mr. Earlywine stated the CDD is in the development stage, in which the CDD Board, populated by the Developer, issues tax-exempt bonds that are used to finance and construct infrastructure. Assessments are levied over 30 years and collected via the tax bill to repay the bonds. Once the infrastructure is built, the CDD operates similarly to an HOA and maintains the improvements. The District Manager, District Counsel and District Engineer work with Staff to operate the CDD.

Ms. Shawl stated that her personal tax bill shows a Non-Ad Valorem Assessment for Cypress Bay West CDD of \$1,276.48. She asked if the \$294.32 O&M Assessment will be in addition to that amount or if it is included in the amount shown on her tax bill. Mr. Earlywine stated that he does not have her tax bill but, generally, only one inclusive line item is shown on the tax bill, showing both the O&M and the debt service assessments.

Ms. Sanchez stated that the Fiscal Year 2025 budget shows total on-roll assessments per unit were \$1,556.78; off-roll assessments, townhomes and square footage homes for Fiscal Year 2025 were assessed \$263.48.

Ms. Shawl asked about the 7% County collection cost and the early payment discount.

Mr. Earlywine stated that the Tax Collector charges a 3% fee to the CDD for collection of the assessments; an early payment discount of 4% incentivizes property owners to pay their taxes early. A 1% per month discount applies for each month paid early; generally, the discount starts at 4% and the amount of the discount is reduced by 1% per month until the final due date when there is no early pay discount.

Mr. Earlywine left the meeting.

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Van Auker and seconded by Mr. Tyree, with all in favor, Resolution 2024-11, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2024/2025; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Goals and Objectives Reporting [HB7013 - Special Districts Performance Measures and Standards Reporting]

Ms. Sanchez presented the Memorandum explaining the new requirement for special districts to develop goals and objectives annually and develop performance measures and standards to assess the achievement of the goals and objectives. Community Communication and Engagement, Infrastructure and Facilities Maintenance, and Financial Transparency and Accountability will be the key categories to focus on for Fiscal Year 2025. She presented the Performance Measures/Standards & Annual Reporting Form developed for the CDD, which explains how the CDD will meet the goals.

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the Goals and Objectives and the Performance Measures/Standards & Annual Reporting Form, were approved.

EIGHTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2024

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the Unaudited Financial Statements as of June 30, 2024, were accepted.

NINTH ORDER OF BUSINESS

Approval of May 15, 2024 Regular Meeting Minutes

On MOTION by Ms. Kaercher and seconded by Mr. Tyree, with all in favor, the May 15, 2024 Regular Meeting Minutes, as presented, were approved.

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

There was no report.

B. District Engineer: Dewberry Engineers, Inc.

Mr. Allen introduced himself and discussed the role of the District Engineer in ensuring proper functioning of the stormwater management system.

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

- **65 Registered Voters in District as April 15, 2024**
- **NEXT MEETING DATE: September 18, 2024 at 11:00 AM**
 - **QUORUM CHECK**

The next meeting will be held on September 18, 2024, unless canceled.

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

There were no Board Members' comments or requests.

TWELFTH ORDER OF BUSINESS**Public Comments**

Mr. Ferguson asked how a determination regarding who will be appointed to the Board is made. Ms. Sanchez stated that the Developers currently make the determination; when the CDD has 250 registered voters residing within the CDD and has been in existence for six years, the Board can begin to transition to include resident representation via the General Election process or the Developer can begin appointing residents when they wish.

A resident asked how often the Board meets. Ms. Sanchez stated that the CDD must meet at least twice per year to discuss and approve the budget. In the interest of keeping assessments low, the CDD will typically cancel meetings if there is no need to meet.

In response to a resident question, Ms. Sanchez stated that she will respond to questions in between meetings. Right now, the biggest item of interest was the budget; otherwise, nothing much is happening behind the scenes.

It was noted that the District Manager's contact information is on the CDD website, www.CypressBayWestCDD.net.

A resident recapped that attendees asked for a current list of vendors, a map of the CDD and a plan or a timeline for CDD construction. He asked if he understands correctly that the CDD is not responsible for the Amenity Center. Mr. Tyree replied affirmatively and stated that the Developers are responsible for the Amenity Center and can respond to questions about the Amenity Center after the meeting.

A resident stated that she is glad she attended today. She thinks those helping people buy homes should provide more information about the CDD.

Discussion ensued regarding the need for residents to be informed.

Ms. Kaercher asked residents to contact Ms. Sanchez with questions or concerns.

Discussion ensued regarding securing a new meeting location. It was noted that Staff attempted to find meeting locations that are free.

A resident discussed his desire to learn more about the CDD.

Ms. Sanchez reiterated that people should email their questions or requests to her.

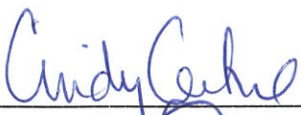
Ms. Shawl discussed an incident in which water backed up to her driveway. She asked if the District Engineer would address the issue. Mr. Allen replied affirmatively and suggested submitting a photo if it recurs. Ms. Sanchez asked for communications to be sent to her email address and she will forward the inquiry to the appropriate Staff Member, if necessary.

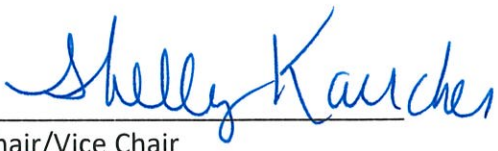
THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Kaercher and seconded by Van Auker, with all in favor, the meeting adjourned at 12:52 p.m.
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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair