
MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board 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.

**HERITAGE PLANTATION
COMMUNITY DEVELOPMENT DISTRICT**

A special meeting of the Board of Supervisors of Heritage Plantation Community Development District was held on **Tuesday, January 13, 2015 at 9:00 a.m. (CST)** at the office of Pelican Real Estate, 5210 South Ferdon Boulevard, Crestview, FL 32536.

Present and constituting a quorum:

Louis Weltman	Board Supervisor, Chairman
William A. Bailey	Board Supervisor, Assistant Secretary
Richard Bennett	Board Supervisor, Assistant Secretary
Gary Paulzak	Board Supervisor, Assistant Secretary <i>(joined the meeting in progress)</i>

Also present were:

Debi Anderson	District Manager, Rizzetta & Company, Inc.
Matt Zinke	District Engineer: Gustin, Cothorn & Tucker <i>(via speaker-phone left at 9:20pm)</i>
Marc Solomon	Trustee Counsel, Burr & Forman, LLP <i>(via speakerphone)</i>
Ken Wright	Board of Supervisor Appointee
Joe Young	Landowner
Nancy Shue	Landowner

FIRST ORDER OF BUSINESS

Call to Order

Ms. Anderson called the meeting to order and read roll call. Mr. Weltman stated there are a lot of items to cover in the meeting and requested that the Audience comments portion of the meeting be sustained until the meeting's end, with the exception of comments that may be forthcoming from Trustee's counsel, Marc Solomon.

SECOND ORDER OF BUSINESS

**Discussion and Consideration of Annexation
of Wastewater Assets**

Mr. Weltman requested that Item "4" on the agenda be considered first because the District Engineer has an appointment which will require him to leave the meeting early.

Mr. Zinke generally described the wastewater matter as it relates to the District. Mr. Weltman briefly discussed the original concept for the wastewater treatment plant which included phasing in the homes located within the District and potentially providing regional service to North Okaloosa County. A general discussion ensued among the Board of Supervisors. Mr. Weltman emphasized that the wastewater treatment plant was in disrepair when he acquired the asset from its previous owner. A request was made of the District Engineer to prepare a proposal for a report to summarize the history and intent of the wastewater treatment plant and what may be future alternative solutions to providing wastewater treatment services for the District. Mr. Weltman specifically stressed the point that financing of any wastewater treatment alternative will be problematic, as the District currently does not have any funds. No formal Board action was taken.

THIRD ORDER OF BUSINESS

**Discussion of Condition of District
Stormwater System and Roadways**

Mr. Zinke generally described the issues of the stormwater system and roadways indicating that the District decided to delay the installation of the second lift of asphalt until after the homes in Phases I and II had been constructed. Mr. Zinke said the existing asphalt is lower than the curbs and prevents stormwater runoff from entering into the stormwater drains and that on roads with inclines, the unfettered stormwater has in the past and may continue to create erosion problems. He discussed measures that had been taken to direct the stormwater, but said that eventually debris cleaning maintenance of the stormwater drains was discontinued. Mr. Weltman inquired as to whether there were funds available in the construction bond fund to pay for the second asphalt lift. He stated his belief is that unfounded allegations are being made against the Board of Supervisors and that the stormwater system and roadway disrepairs preceded the current sitting Board of Supervisors.

(Mr. Zinke left the meeting)

(Mr. Paulzak joined the meeting in progress at 9:03 a.m.)

FOURTH ORDER OF BUSINESS

**Consideration of Minutes of the Landowners'
Meeting held on November 20, 2014**

<p>On a Motion by Mr. Bennet, seconded by Mr. Baily, with all in favor, the Board approved the minutes of the Landowners' Meeting held on November 20, 2014 for the Heritage Plantation Community Development District.</p>

FIFTH ORDER OF BUSINESS

**Manager's Financial Report – Cash
Balances, A/C Rec. Balances and A/C
Pay. Balances**

Mr. Weltman requested management provide a similar report for future meetings. Also discussed was a request by Mr. Young to include receivables due from Southeastern Consulting and Development Company. Mr. Weltman discussed the continued deteriorating conditions of the District which are a result in part from no funding or assistance from the Indenture Trustee.

He advised Mr. Solomon that a lid to the master lift station has been stolen and that there is a 20-foot drop into the lift station, indicating the District is liable for injuries which may occur from these types of deficiencies. Mr. Solomon responded that the Indenture Trustee filed a Complaint against the District and the Board of Supervisors wherein they have requested the appointment of a receiver to oversee the Board due to breaches of fiduciary duties and the inability of the Board to protect the District. There was an inquiry as to why the Okaloosa County Tax Collector owes the District money and if there is a means for collecting the same. Ms. Anderson said she would check into the history of the receivable.

SIXTH ORDER OF BUSINESS

Consideration of Board Supervisor Replacement

Mr. Weltman nominated Ken Wright, Jr. to the Board of Supervisors. Mr. Wright provided a brief biography of himself.

On a Motion by Mr. Weltman, seconded by Mr. Bailey, with all in favor, the Board of Supervisors approved the nomination of Ken Wright Jr. to the Board of Supervisors for the Heritage Plantation Community Development District.

Ms. Anderson administered the Oath of Office and briefly discussed Sunshine law and public records issues.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2015-01, Canvassing & Certifying Election Results

Ms. Anderson presented the Resolution to the Board for their consideration, noting the following:

- Mr. Bailey (Seat 4; Term 2014-2018) – 914 votes
- Mr. Bennett (Seat 5; Term 2014-2018) - 914 votes
- Mr. Paulzak (Seat 1; Term 2014-2016) – 911 votes

On a Motion by Mr. Bennett, seconded by Mr. Bailey, with all in favor, the Board of Supervisors adopted Resolution 2015-01, Canvassing & Certifying Election Results for the Heritage Plantation Community Development District.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2015-02, Re-Aligning Officers

Ms. Anderson presented the Resolution to the Board for their consideration. The Board approved the following designations:

Mr. Weltman, Chairman
Mr. Bailey, Vice Chairman
Mr. Bennett, Assistant Secretary
Mr. Paulzak, Assistant Secretary
Mr. Wright, Assistant Secretary
Ms. Anderson, Assistant Secretary

On a Motion by Mr. Weltman, seconded by Mr. Bennett, with all in favor, the Board of Supervisors adopted Resolution 2015-02 Realigning Officers for the Heritage Plantation Community Development District.

NINTH ORDER OF BUSINESS

**Ratification of Approval of Fiscal Year
2014/2015 Insurance Proposals**

Ms. Anderson advised that the District had received a proposal for insurance from Stahl and Associates, and that Egis Insurance and Risk Advisors had declined to offer a quotation. She also advised that the District's general liability insurance has been cancelled by the carrier effective December 17, 2014. She asked the Board to ratify the selection of Stahl and Associates.

On a Motion by Mr. Bailey, seconded by Mr. Bennett, with all in favor, the Board of Supervisors ratified the approval of Fiscal Year 2014-2015 Insurance Proposals from Stahl & Associates, for the Heritage Plantation Community Development District.

TENTH ORDER OF BUSINESS

**Selection of an Audit Committee and
Scheduling a Meeting**

The Board selected Mr. Bailey and Mr. Bennett to sit on the Audit Review Committee. They decided the first Audit Committee Meeting will be held on May 21, 2015 to review and approve the Proposal Instructions and Evaluation Criteria. The second meeting will be held on August 20, 2015 at which time the Committee will evaluate the proposals received in response to the Request for Proposal.

Ms. Anderson advised that the auditor who performed the fiscal year 2012/2013 audit has not yet been paid and that the auditor will not begin the fiscal year 2013/2014 audit until the previous year has been paid in full.

On a Motion by Mr. Weltman, seconded by Mr. Paulzak, with all in favor, the Board of Supervisors approved the Selection of the Audit Committee and the Schedule of Meetings for the Heritage Plantation Community Development District.

ELEVENTH ORDER OF BUSINESS

Ratification of Assessment Claims, LLC Loans and Discussion of Repayment or Renewal of HOA and Assessment Claims Loans

A discussion ensued regarding the Board's previous authorization for the District to enter into a loan agreement with Assessment Claims, LLC in the amounts of \$36,000 and \$12,500. Ms. Anderson stated the Board is being asked to ratify the loan documents.

On a Motion by Mr. Bailey, seconded by Mr. Bennett, with all in favor, the Board of Supervisors ratified Assessment Claims, LLC loans in the amount of \$36,000 and \$12,500 for the Heritage Plantation Community Development District.

The Board discussed the need to extend the previously ratified loans because the District is not in a position to repay them. They authorized the Chairman to execute the loan extension documents with no changes to the loan terms, and to bring the same back to the Board at a future date for ratification.

On a Motion by Mr. Weltman, seconded by Mr. Bailey, with all in favor, the Board of Supervisors authorized the Chairman to execute the Assessment Claims, LLC loan extension documents for the Heritage Plantation Community Development District.

TWELFTH ORDER OF BUSINESS

Historical Context to Beginning of District – Petition, Notice and Recorded Ordinance; Engineer's Report

Mr. Weltman told the Board he provided this report for the Boards' understanding of how the District was formed and the sequence of events up to the issuance of the construction bonds. There was no action required from the Board.

THIRTEENTH ORDER OF BUSINESS

Invitation to Indenture Trustee Counsel to Provide Guidance on How District Should Proceed on Any Matters Affecting the Indenture Trustee and/or the Bondholders

Mr. Solomon reiterated his comments made in the Fifth Item of Business. He stated the relief sought by the Plaintiff is defined in the Complaint.

FOURTEENTH ORDER OF BUSINESS

Discussion of Amounts Outstanding and Due From Lot Owners

Mr. Weltman gave a brief overview of why the District Supervisor's previously approved the direct collection method to collecting assessments. Mr. Weltman commented that the District has no funds to pursue a foreclosure of the delinquent landowners. The possibility of seeking special foreclosure counsel was briefly discussed. There was not action from the Board.

FIFTEENTH ORDER OF BUSINESS

**Discussion of Request for Report From
Rizzetta & Co**

This Agenda item, 4, I was tabled.

On a Motion by Mr. Weltman, seconded by Mr. Wright, with all in favor, the Board of Supervisors moved to Table Agenda Items 4, I - N to the next Board of Supervisors Meeting for the Heritage Plantation Community Development District.

SIXTEENTH ORDER OF BUSINESS

Agenda items 4, J – N, were tabled

On a Motion by Mr. Bennett, seconded by Mr. Bailey, with all in favor, the Board of Supervisors moved to Table Agenda Items 4, J - N to the next Board of Supervisors Meeting for the Heritage Plantation Community Development District.

SEVENTEENTH ORDER OF BUSINESS

**Discussion of Withdrawing Prior Approvals
for Formation of a SPE**

A discussion ensued regarding the Boards' prior approvals of resolutions regarding the formation of a SPE. The current Board decided that an SPE is not applicable at this time and they motioned to rescind Resolution 2014-08.

On a Motion by Mr. Bailey, seconded by Mr. Bennett, with all in favor, the Board of Supervisors motioned to rescind Resolution 2014-08 for the Heritage Plantation Community Development District.

EIGHTEENTH ORDER OF BUSINESS

Staff Reports

A. District Manager

Ms. Anderson reminded the Board that the next scheduled meeting is February 19, 2015.

She told the Board that landowner, George Smith, had sent a letter to the District regarding the general lack of maintenance and upkeep of District lands. Mr. Weltman offered to send Mr. Smith a response letter.

Ms. Anderson reminded the Board that the Public Facilities Report has not yet been submitted to Okaloosa County. It was discussed that the District has no funds to commission the report at this time.

NINETEENTH ORDER OF BUSINESS

Audience Comments

There were discussions regarding several comments made by landowner, Joe Young, which included his thought that the developer's lands should have been included in the list of the outstanding receivables. He also commented on insurance inspections, and inquired as to whether the outcome of the denial of the motion for relief from the Stay may have been different, had the District filed their motion alone and not in conjunction with the developer. Mr. Weltman commented there is no way to speculate as to whether the outcome may have been different.

TWENTIETH ORDER OF BUSINESS

Supervisor Requests

There were no Supervisor requests.

TWENTY-FIRST ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Bennett, seconded by Mr. Wright, with all in favor, the Board adjourned the meeting at 10:38 p.m. CST for the Heritage Plantation Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman