



**Coconut Cay**  
**Community Development District**

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[www.coconutcaycdd.com](http://www.coconutcaycdd.com)

**Thomas Nelson – Chairman**

**Troy Jones – Vice Chairman**

**Linda Holloway – Assistant Secretary**

**Clarence Strong – Assistant Secretary**

**Malcolm Jones – Assistant Secretary**

**May 20, 2020**



# Coconut Cay

## Community Development District

5385 N. Nob Hill Road, Sunrise, Florida 33351  
Phone: 954-721-8681 - Fax: 954-721-9202

May 11, 2020

**Board of Supervisors**  
**Coconut Cay**  
**Community Development District**

Dear Board Members:

A **communications media technology meeting** of the Board of Supervisors of the **Coconut Cay Community Development District** will be held on **May 20, 2020 at 3:00 p.m.** In accordance with Office of the Governor, Executive Order 20-69 (Emergency Management - COVID-19 - Local Government Public Meetings), authorizing the use of communications media technology, such as telephonic conferencing, as provided in Section 120.54(5)(b)2, Florida Statutes, the Board of Supervisors and members of the public may attend and participate in the meeting utilizing the following call-in information: from your computer, tablet or smartphone go to: <https://global.gotomeeting.com/join/179658541> or by dialing **(571) 317-3122** and **Access Code: 179-658-541** and are further encouraged to submit comments or questions in advance of the meeting by email to [info@gmssf.com](mailto:info@gmssf.com) or by telephone by calling 954-721-8681. If Executive Order 20-69 expires prior to this meeting date, the meeting will be held at the previously advertised location at the City of Miami Gardens City Hall Community Room, 18605 NW 27 Avenue, Miami Gardens, FL 33056. Following is the advance agenda:

1. Roll Call
2. Audience Comments (*Related to Right to Speak Statute Changes – Public Comment Limited to 3 Minutes*)
3. Approval of Minutes of the February 19, 2020 Meeting
4. Public Hearing to Adopt the Rules
  - A. Motion to Open the Public Hearing
  - B. Public Comment and Discussion
  - C. Adoption of **Resolution #2020-01**
  - D. Motion to Close the Public Hearing
5. Consideration of **Resolution #2020-02** Adopting Internal Controls Policy
6. Consideration of **Resolution #2020-03** Approving the Proposed Fiscal Year 2021 Budget and Setting the Public Hearing
7. Consideration/ Ratification of Agreement for Access to Certain Exempt Information Maintained by Miami-Dade County Property Appraiser
8. Acceptance of Audit for Fiscal Year Ending September 30, 2019
9. Discussion of Procedures for the General Election
10. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. Manager – Number of Registered Voters in the District – 1,323
11. Financial Reports
  - A. Approval of Check Run Summary
  - B. Combined Balance Sheet
12. Supervisors Requests and Audience Comments
13. Adjournment

**Meetings are open to the public and may be continued to a time, date and place certain. For more information regarding this CDD please visit the website: <http://www.coconutcaycdd.com>**

**MINUTES OF MEETING  
COCONUT CAY  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Coconut Cay Community Development District was held on February 19, 2020 at 3:00 p.m. at the City of Miami Gardens City Hall, 18605 N. W. 27<sup>th</sup> Avenue, Miami Gardens, Florida.

Present and constituting a quorum were:

Thomas Nelson	Chairman
Troy Jones	Vice Chairman
Linda Holloway	Assistant Secretary
Malcolm Jones	Assistant Secretary

Also present were:

Paul Winkeljohn	District Manager
Alyssa Willson	District Counsel (by phone)

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Winkeljohn called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Audience Comments** *(Related to Right to Speak Statute Changes – Public Comment Limited to 3 Minutes)*

There not being any, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the September 18, 2019 Meeting**

Mr. Winkeljohn presented the minutes from the September 18, 2019 meeting, asked for comments or changes, and upon hearing none, asked for a motion to approve them.

On MOTION by Mr. Troy Jones seconded by Ms. Holloway with all in favor the Minutes of the September 18, 2019 Meeting were approved as-presented.
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**FOURTH ORDER OF BUSINESS**

**Ratification of Engagement Letter with Berger, Toombs, Elam, Gaines, & Frank to perform the Audit for Fiscal Year Ending September 30, 2019**

Mr. Winkeljohn presented the engagement letter with Berger, Toombs, Elam, Gaines, & Frank to perform the audit for fiscal year ending September 30, 2019, explained

that it had already been executed in between meetings in order to not delay starting the audit, and asked for a motion to ratify it.

On MOTION by Ms. Holloway seconded by Mr. Troy Jones with all in favor the engagement letter with Berger, Toombs, Elam, Gaines, & Frank to perform the audit for fiscal year ending September 30, 2019 was ratified.

**FIFTH ORDER OF BUSINESS**

**Designation of Date for Rules Public Hearing**

Mr. Winkeljohn explained that the CDD needed to incorporate some recent legislative changes during rules public hearing. Due to the public hearing advertisement requirements, it was suggested for the public hearing to be held at the May meeting to also coincide with proposing the fiscal year 2021 budget.

The Board agreed.

On MOTION by Mr. Troy Jones seconded by Ms. Holloway with all in favor the public hearing date was scheduled for May 20, 2020 at 3:00 p.m. at the City of Miami Gardens City Hall, 18605 N. W. 27<sup>th</sup> Avenue, Miami Gardens, Florida.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**C. Manager**

Mr. Winkeljohn briefly went over the budget process, explained that the CDD had a little surplus, and although they were spending some of it on operating the drainage pumps, they would still probably have around \$50,000 to \$60,000 in reserves, and indicated the city had finally finished the drainage ditches and would be maintaining them, so hopefully the flooding issues would diminish as a result.

**A. Attorney**

There not being any report, the next item followed.

**B. Engineer**

Mr. Winkeljohn indicated the District Engineer participated in the HOA's mediation as-requested and there might be further court action taken.

There was a brief discussion about the Vista Lago project moving forward and the Board asked staff to watch for development orders to see the progression since they had discussed possibly joining the CDD's drainage system.

**SEVENTH ORDER OF BUSINESS                      Financial Reports**

**A. Approval of Check Run Summary**

**B. Combined Balance Sheet**

Mr. Winkeljohn presented the financial reports, asked for any questions or comments, and upon not hearing any, asked for a motion to approve the check run summary and combined balance sheet.

On MOTION by Mr. Nelson seconded by Mr. Troy Jones with all in favor the check run summary and the combined balance sheet were approved.

**EIGHTH ORDER OF BUSINESS                      Supervisors      Requests      and  
Audience Comments**

There not being any, the next item followed.

**NINTH ORDER OF BUSINESS                      Adjournment**

Mr. Winkeljohn asked if there was any other business to discuss, and upon hearing nothing further, asked for a motion to adjourn the meeting.

On MOTION by Ms. Holloway seconded by Mr. Troy Jones with all in favor the meeting was adjourned.

\_\_\_\_\_  
Secretary /Assistant Secretary

\_\_\_\_\_  
Chairman / Vice Chairman

# Hopping Green & Sams

Attorneys and Counselors

## MEMORANDUM

TO: Coconut Cay Community Development District  
Board of Supervisors

FROM: Roy Van Wyk

RE: Updated Provisions of the District's Rules of Procedure

DATE: May 20, 2020

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Please find attached to this memorandum an updated version of the Coconut Cay Community Development District's (the "District's") Rules of Procedure (the "Rules"). Several substantive revisions were made to maintain consistency between the Rules and the current Florida Statutes, including changes implemented in the most recent legislative session, as well as to facilitate greater efficiency in the operation of the District. An explanation of each material change to the Rules is provided below. Minor formatting changes and edits are not discussed. Should you have any questions regarding the revisions to the Rules, please do not hesitate to contact me via e-mail at [royv@hgslaw.com](mailto:royv@hgslaw.com), or via phone at 850-222-7500.

### Costs Associated With Public Records Requests (Pages 8–9)

Language was added to Rule 1.2(4) to reflect statutory language regarding calculation of special charges for responding to certain public records requests, and to state that the District is under no duty to produce requested records if the requestor has not paid the required costs or has outstanding charges. The language will help minimize expenses incurred by the District in responding to public records requests.

### Financial Disclosure Coordination (Page 9)

Rule 1.2(7) was added to maintain consistency with legislation that was passed during the 2019 legislative session. The rule designates the Secretary as the District's Financial Disclosure Coordinator (the "Coordinator") (unless the District designates otherwise by resolution) and requires the Coordinator to create, maintain, and update certain records and provide them to the Florida Commission on Ethics by certain deadlines. Each Supervisor or other Reporting Individual must notify the Coordinator in writing if there are changes to his or her name, e-mail address, or physical address, and must notify the Commission on Ethics of changes to his or her e-mail address.

### Agenda and Meeting Materials (Page 11)

Rule 1.3(3) was amended to reflect statutory requirements that the agenda and meeting materials available in an electronic format, excluding confidential and exempt information, shall be

made available to the public at least seven days before a meeting, hearing, or workshop. The amended rule also clarifies circumstances in which the agenda may be amended or additional materials added after initial posting. It additionally specifies which documents constitute “meeting materials.” Documents that do not meet the definition of “meeting materials” may still be provided to the Board, but will be considered supplementary materials and are not required to be made available to the public before the meeting. Supplementary materials may include, but are not necessarily limited to, the following: financial statements, informational reports, and copies of receipts and invoices.

#### Flexibility for Board Authorization (Page 13)

Language was added to Rule 1.3(11) to allow the Board to waive formal approval or disapproval procedures. This will allow the Board flexibility to use different procedures when necessary and will protect the validity of the Board’s actions where there is a technical irregularity but the Board has otherwise made its decision clear.

#### Security and Firesafety Board Discussions (Page 14)

Rule 1.3(14) was added to reflect the fact that portions of a meeting which would reveal a security or firesafety system plan or portion thereof made confidential and exempt by Florida law are exempt from Florida’s statutory public meeting requirements. Including this rule will clarify the procedures the Board should use to ensure that confidential and exempt information is not made public.

#### Internal Controls to Prevent Fraud, Waste and Abuse (Page 15)

Rule 1.4 was added to reflect legislative changes enacted in the 2019 legislative session requiring special districts to establish and maintain internal controls to prevent fraud, waste, and abuse. Our office plans to work with the District Manager and auditor to develop the internal controls, which the Board will adopt in the same manner as it does policies.

#### Notice of Competitive Solicitation (Pages 27 and 36)

Rules 3.1(3) and 3.3(2)(c) have been amended to state that when a consultant has asked to be provided with notice of the District’s competitive solicitations, the District Manager’s failure to provide them with a copy of the notice will not give them bid protest rights or otherwise disqualify the District’s otherwise valid procurement. This will reduce the District’s exposure to potential bid protests and decrease the likelihood of a procurement being considered invalid due to a technical irregularity.

#### Procedure Regarding Auditor Selection (Page 31)

Language has been added to the introductory paragraph to Rule 3.2 to clarify that the District need not use the procedures set out by the Rule for audits required under Chapter 190 of the Florida Statutes but which do not meet the thresholds of Chapter 218 of the Florida Statutes.

Additionally, the requirements for composition of the Auditor Selection Committee in Rule 3.2(2) have been amended to reflect legislation passed during the 2019 legislative session. Now, at

least one individual on the Committee must be a member of the Board; the Chairperson of the Committee must be a member of the Board; and an employee, chief executive officer, or chief financial officer of the District may not be a member of the Committee but may serve in an advisory capacity.

#### Contract Periods (Pages 34, 56, and 59)

Rules 3.2(8)(d), 3.8(5), and 3.9(4) have been amended to set the maximum contract period for auditing services, the maximum renewal period for contracts for the purchase of goods, supplies, materials, and the maximum renewal period for contracts for maintenance services at five (5) years. This will provide greater specificity to guide contract terms.

#### Suspension, Revocation, or Denial of Qualification (Pages 40–42)

Rule 3.4(3) has been added to specify the procedures to be used if the District wishes to suspend, revoke, or deny a pre-qualified vendor's pre-qualified status. It specifies what constitutes good cause for such suspension, revocation, or denial; the effect of the suspension, revocation, or denial; hearing procedures the District must follow; and factors influencing the time period of the suspension, revocation, or denial.

#### Protest Bonds (Pages 61–62)

Rule 3.11(1)(c) has been amended to require that both the requirement for and the amount of the protest bond be disclosed in the competitive solicitation documents, and to allow the amount of the bond to be any amount within the limits imposed by Florida law.

## Minor Changes

The following minor changes have also been made to the Rules:

Rule 1.1(1): This Rule has been amended to clarify requirements for Board members appointed or elected to elector seats. (Page 2).

Rule 1.1(2)(c) and (d): These Rules have been amended to include the words “at least” before the required amounts of the Secretary’s or Treasurer’s fidelity bonds or employee theft insurance policies to accommodate the possibility of greater amounts. (Page 4).

Rule 1.1(6): This Rule has been amended to include the Florida Constitution as a governing authority on voting conflicts of interest. This change reflects the recently passed Amendment 12 to the Florida Constitution. (Pages 5–6).

Rules 1.3(1)(e), (1)(d), (1)(f); and 3.2(9): These Rules were amended to allow inclusion of language substantially similar to that recited in the Rules. (Pages 10–11 and 34).

Rule 1.3(6): This Rule was amended to require the chair or vice chair to consult with the District Manager and District Counsel, if they are available, before calling an emergency meeting. (Page 12).

Rule 2.0(12)(d): This Rule has been amended to allow 90 days instead of 60 days for the Board to announce a decision on a petition for variance or waiver of its Rules. (Page 21).

Rule 3.0(3)(b): The dollar thresholds in this Rule have been increased to \$2,000,000 for a study activity when the fee for such Professional Services to the District does not exceed the increased amount of \$200,000, to reflect the current statutory thresholds. (Page 22).

Rules 3.1(4)(b), 3.6(2)(c)(ii)6., and 3.8(2)(k): The word “responsive” has been added to allow the Board to proceed with evaluating and selecting a proposal from the submissions if it receives fewer than three responsive proposals. (Pages 28, 49 and 55).

Rule 3.2(3)(b): “Understanding of scope of work” has been removed from the list of required factors used to evaluate auditing proposals. The District may still include this as an evaluation criterion if it wishes, but it is not required to do so. (Page 32).

Rule 3.2(7)(b): Language has been added to specify that if the Board does not select the highest-ranked qualified auditing firm, it must document in its records its reason for not doing so. (Page 33).

Rules 3.5(2)(e) and 3.6(2)(c)(ii)3.: “Reemployment assistance” has been added to the non-exclusive list of subjects of federal labor or employment laws of which violation may render a contractor ineligible to submit a bid, response, or proposal for a District project. (Pages 44 and 48).

Rule 3.11(6): Language was added specifying that the District may reject all qualifications, proposals, replies, or responses and start the competitive solicitation process anew if all of the bids, proposals, replies, and responses are too high. (Page 63).

## RESOLUTION 2020-01

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT ADOPTING AMENDED AND RESTATED RULES OF PROCEDURE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Coconut Cay Community Development District (“**District**”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Miami-Dade County, Florida; and

**WHEREAS**, Chapter 190, *Florida Statutes*, authorizes the District to adopt rules to govern the administration of the District and to adopt resolutions as may be necessary for the conduct of District business; and

**WHEREAS**, the District has previously adopted Rules of Procedure to govern the administration of the District; and

**WHEREAS**, to provide for efficient and effective District operations and to maintain compliance with recent changes to Florida law, the Board of Supervisors finds that it is in the best interests of the District to adopt by resolution the Amended and Restated Rules of Procedure attached hereto as **Exhibit A** for immediate use and application; and

**WHEREAS**, the Board of Supervisors has complied with applicable Florida law concerning rule development and adoption.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The attached Amended and Restated Rules of Procedure are hereby adopted pursuant to this resolution as necessary for the conduct of District business. These Amended and Restated Rules of Procedure replace all prior versions of the Rules of Procedure, and shall stay in full force and effect until such time as the Board of Supervisors may amend these rules in accordance with Chapter 190, *Florida Statutes*.

**SECTION 2.** If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 3.** This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 20<sup>th</sup> day of May, 2020.

**ATTEST:**

**COCONUT CAY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairperson, Board of Supervisors

**Exhibit A:** Amended and Restated Rules of Procedure

**EXHIBIT A:**  
AMENDED AND RESTATED RULES OF PROCEDURE

**Coconut Cay  
Development District**

**Rules of Procedure**

**AMENDED AND RESTATED  
RULES OF PROCEDURE  
COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT**

**EFFECTIVE AS OF MAY 20, 2020**

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**Rule 1.0      General.**

- (1) The Coconut Cay Community Development District (the “District”) was created pursuant to the provisions of Chapter 190 of the Florida Statutes, and was established to provide for the ownership, operation, maintenance, and provision of various capital facilities and services within its jurisdiction. The purpose of these rules (the “Rules”) is to describe the general operations of the District.
- (2) Definitions located within any section of these Rules shall be applicable within all other sections, unless specifically stated to the contrary.
- (3) Unless specifically permitted by a written agreement with the District, the District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (4) A Rule of the District shall be effective upon adoption by affirmative vote of the District Board. After a Rule becomes effective, it may be repealed or amended only through the rulemaking procedures specified in these Rules. Notwithstanding, the District may immediately suspend the application of a Rule if the District determines that the Rule conflicts with Florida law. In the event that a Rule conflicts with Florida law and its application has not been suspended by the District, such Rule should be interpreted in the manner that best effectuates the intent of the Rule while also complying with Florida law. If the intent of the Rule absolutely cannot be effectuated while complying with Florida law, the Rule shall be automatically suspended.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Rule 1.1 Board of Supervisors; Officers and Voting.**

- (1) Board of Supervisors. The Board of Supervisors of the District (the "Board") shall consist of five (5) members. Members of the Board ("Supervisors") appointed by ordinance or rule or elected by landowners must be citizens of the United States of America and residents of the State of Florida. Supervisors elected or appointed by the Board to elector seats must be citizens of the United States of America, residents of the State of Florida and of the District and registered to vote with the Supervisor of Elections of the county in which the District is located and for those elected, shall also be qualified to run by the Supervisor of Elections. The Board shall exercise the powers granted to the District under Florida law.
  - (a) Supervisors shall hold office for the term specified by Section 190.006 of the Florida Statutes. If, during the term of office, any Board member(s) vacates their office, the remaining member(s) of the Board shall fill the vacancies by appointment for the remainder of the term(s). If three or more vacancies exist at the same time, a quorum, as defined herein, shall not be required to appoint replacement Board members.
  - (b) Three (3) members of the Board shall constitute a quorum for the purposes of conducting business, exercising powers and all other purposes. A Board member shall be counted toward the quorum if physically present at the meeting, regardless of whether such Board member is prohibited from, or abstains from, participating in discussion or voting on a particular item.
  - (c) Action taken by the Board shall be upon a majority vote of the members present, unless otherwise provided in the Rules or required by law. Subject to Rule 1.3(10), a Board member participating in the Board meeting by teleconference or videoconference shall be entitled to vote and take all other action as though physically present.
  - (d) Unless otherwise provided for by an act of the Board, any one Board member may attend a mediation session on behalf of the Board. Any agreement resulting from such mediation session must be approved pursuant to subsection (1)(c) of this Rule.
- (2) Officers. At the first Board meeting held after each election where the newly elected members take office, the Board shall select a Chairperson, Vice-Chairperson, Secretary, Assistant Secretary, and Treasurer.
  - (a) The Chairperson must be a member of the Board. If the Chairperson resigns from that office or ceases to be a member of the Board, the Board shall select a Chairperson. The Chairperson serves at the pleasure of the Board. The Chairperson shall be authorized to execute resolutions and contracts on the District's behalf. The Chairperson shall convene and conduct all meetings of the Board. In the event the Chairperson is unable

to attend a meeting, the Vice-Chairperson shall convene and conduct the meeting. The Chairperson or Vice-Chairperson may delegate the responsibility of conducting the meeting to the District's manager ("District Manager") or District Counsel, in whole or in part.

- (b) The Vice-Chairperson shall be a member of the Board and shall have such duties and responsibilities as specifically designated by the Board from time to time. The Vice-Chairperson has the authority to execute resolutions and contracts on the District's behalf in the absence of the Chairperson. If the Vice-Chairperson resigns from office or ceases to be a member of the Board, the Board shall select a Vice-Chairperson. The Vice-Chairperson serves at the pleasure of the Board.
- (c) The Secretary of the Board serves at the pleasure of the Board and need not be a member of the Board. The Secretary shall be responsible for maintaining the minutes of Board meetings and may have other duties assigned by the Board from time to time. An employee of the District Manager may serve as Secretary. The Secretary shall be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (d) The Treasurer need not be a member of the Board but must be a resident of the State of Florida. The Treasurer shall perform duties described in Section 190.007(2) and (3) of the Florida Statutes, as well as those assigned by the Board from time to time. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall either be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (e) In the event that both the Chairperson and Vice-Chairperson are absent from a Board meeting and a quorum is present, the Board may designate one of its members or a member of District staff to convene and conduct the meeting. In such circumstances, any of the Board members present are authorized to execute agreements, resolutions, and other documents approved by the Board at such meeting. In the event that the Chairperson and Vice-Chairperson are both unavailable to execute a document previously approved by the Board, the Secretary or any Assistant Secretary may execute such document.

- (f) The Board may assign additional duties to District officers from time to time, which include, but are not limited to, executing documents on behalf of the District.
  - (g) The Chairperson, Vice-Chairperson, and any other person authorized by District Resolution may sign checks and warrants for the District, countersigned by the Treasurer or other persons authorized by the Board.
- (3) Committees. The Board may establish committees of the Board, either on a permanent or temporary basis, to perform specifically designated functions. Committees may include individuals who are not members of the Board. Such functions may include, but are not limited to, review of bids, proposals, and qualifications, contract negotiations, personnel matters, and budget preparation.
- (4) Record Book. The Board shall keep a permanent record book entitled "Record of Proceedings," in which shall be recorded minutes of all meetings, resolutions, proceedings, certificates, and corporate acts. The Records of Proceedings shall be located at a District office and shall be available for inspection by the public.
- (5) Meetings. For each fiscal year, the Board shall establish a schedule of regular meetings, which shall be published in a newspaper of general circulation in the county in which the District is located and filed with the local general-purpose governments within whose boundaries the District is located. All meetings of the Board and Committees serving an advisory function shall be open to the public in accord with the provisions of Chapter 286 of the Florida Statutes.
- (6) Voting Conflict of Interest. The Board shall comply with Section 112.3143 of the Florida Statutes, so as to ensure the proper disclosure of conflicts of interest on matters coming before the Board for a vote. For the purposes of this section, "voting conflict of interest" shall be governed by the Florida Constitution and Chapters 112 and 190 of the Florida Statutes, as amended from time to time. Generally, a voting conflict exists when a Board member is called upon to vote on an item which would inure to the Board member's special private gain or loss or the Board member knows would inure to the special private gain or loss of a principal by whom the Board member is retained, the parent organization or subsidiary of a corporate principal, a business associate, or a relative including only a father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law.
- (a) When a Board member knows the member has a conflict of interest on a matter coming before the Board, the member should notify the Board's Secretary prior to participating in any discussion with the Board on the matter. The member shall publicly announce the conflict of interest at the meeting. This announcement shall appear in the minutes.

If the Board member was elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, the Board member may vote or abstain from voting on the matter at issue. If the Board member was elected by electors residing within the District, the Board member is prohibited from voting on the matter at issue. In the event that the Board member intends to abstain or is prohibited from voting, such Board member shall not participate in the discussion on the item subject to the vote.

The Board's Secretary shall prepare a Memorandum of Voting Conflict (Form 8B) which shall then be signed by the Board member, filed with the Board's Secretary, and provided for attachment to the minutes of the meeting within fifteen (15) days of the meeting.

- (b) If a Board member inadvertently votes on a matter and later learns he or she has a conflict on the matter, the member shall immediately notify the Board's Secretary. Within fifteen (15) days of the notification, the member shall file the appropriate Memorandum of Voting Conflict, which will be attached to the minutes of the Board meeting during which the vote on the matter occurred. The Memorandum of Voting Conflict shall immediately be provided to other Board members and shall be read publicly at the next meeting held subsequent to the filing of the Memorandum of Voting Conflict. The Board member's vote is unaffected by this filing.
- (c) It is not a conflict of interest for a Board member, the District Manager, or an employee of the District to be a stockholder, officer or employee of a landowner or of an entity affiliated with a landowner.
- (d) In the event that a Board member elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, has a continuing conflict of interest, such Board member is permitted to file a Memorandum of Voting Conflict at any time in which it shall state the nature of the continuing conflict. Only one such continuing Memorandum of Voting Conflict shall be required to be filed for each term the Board member is in office.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** §§ 112.3143, 190.006, 190.007, Fla. Stat.

**Rule 1.2 District Offices; Public Information and Inspection of Records; Policies; Service Contract Requirements; Financial Disclosure Coordination.**

- (1) District Offices. Unless otherwise designated by the Board, the official District office shall be the District Manager's office identified by the District Manager. If the District Manager's office is not located within the county in which the District is located, the Board shall designate a local records office within such county which shall at a minimum contain, but not be limited to, the following documents:
- (a) Agenda packages for prior 24 months and next meeting;
  - (b) Official minutes of meetings, including adopted resolutions of the Board;
  - (c) Names and addresses of current Board members and District Manager, unless such addresses are protected from disclosure by law;
  - (d) Adopted engineer's reports;
  - (e) Adopted assessment methodologies/reports;
  - (f) Adopted disclosure of public financing;
  - (g) Limited Offering Memorandum for each financing undertaken by the District;
  - (h) Proceedings, certificates, bonds given by all employees, and any and all corporate acts;
  - (i) District policies and rules;
  - (j) Fiscal year end audits; and
  - (k) Adopted budget for the current fiscal year.

The District Manager shall ensure that each District records office contains the documents required by Florida law.

- (2) Public Records. District public records include all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received in connection with the transaction of official business of the District. All District public records not otherwise restricted by law may be copied or inspected at the District Manager's office during regular business hours. Certain District records can also be inspected and copied at the District's local records office during regular business hours. All written public records requests shall be directed to the Secretary who by these rules is appointed

as the District's records custodian. Regardless of the form of the request, any Board member or staff member who receives a public records request shall immediately forward or communicate such request to the Secretary for coordination of a prompt response. The Secretary, after consulting with District Counsel as to the applicability of any exceptions under the public records laws, shall be responsible for responding to the public records request. At no time can the District be required to create records or summaries of records, or prepare opinions regarding District policies, in response to a public records request.

- (3) Service Contracts. Any contract for services, regardless of cost, shall include provisions required by law that require the contractor to comply with public records laws. The District Manager shall be responsible for initially enforcing all contract provisions related to a contractor's duty to comply with public records laws.
  
- (4) Fees; Copies. Copies of public records shall be made available to the requesting person at a charge of \$0.15 per page for one-sided copies and \$0.20 per page for two-sided copies if not more than 8 ½ by 14 inches. For copies of public records in excess of the sizes listed in this section and for outside duplication services, the charge shall be equal to the actual cost of reproduction. Certified copies of public records shall be made available at a charge of one dollar (\$1.00) per page. If the nature or volume of records requested requires extensive use of information technology resources or extensive clerical or supervisory assistance, the District may charge, in addition to the duplication charge, a special service charge that is based on the cost the District incurs to produce the records requested. This charge may include, but is not limited to, the cost of information technology resource, employee labor, and fees charged to the District by consultants employed in fulfilling the request. In cases where the special service charge is based in whole or in part on the costs incurred by the District due to employee labor, consultant fees, or other forms of labor, those portions of the charge shall be calculated based on the lowest labor cost of the individual(s) who is/are qualified to perform the labor, taking into account the nature or volume of the public records to be inspected or copied. The charge may include the labor costs of supervisory and/or clerical staff whose assistance is required to complete the records request, in accordance with Florida law. For purposes of this Rule, the word "extensive" shall mean that it will take more than 15 minutes to locate, review for confidential information, copy and re-file the requested material. In cases where extensive personnel time is determined by the District to be necessary to safeguard original records being inspected, the special service charge provided for in this section shall apply. If the total fees, including but not limited to special service charges, are anticipated to exceed twenty-five dollars (\$25.00), then, prior to commencing work on the request, the District will inform the person making the public records request of the estimated cost, with the understanding that the final cost may vary from that estimate. If the person making the public records request decides to proceed with the request, payment of the estimated cost is required in advance. Should the person fail to pay the estimate, the District is under no duty to produce

the requested records. After the request has been fulfilled, additional payments or credits may be due. The District is under no duty to produce records in response to future records requests if the person making the request owes the District for past unpaid duplication charges, special service charges, or other required payments or credits.

- (5) Records Retention. The Secretary of the District shall be responsible for retaining the District's records in accordance with applicable Florida law.
- (6) Policies. The Board may adopt policies related to the conduct of its business and the provision of services either by resolution or motion.
- (7) Financial Disclosure Coordination. Unless specifically designated by Board resolution otherwise, the Secretary shall serve as the Financial Disclosure Coordinator ("Coordinator") for the District as required by the Florida Commission on Ethics ("Commission"). The Coordinator shall create, maintain and update a list of the names, e-mail addresses, physical addresses, and names of the agency of, and the office or position held by, all Supervisors and other persons required by Florida law to file a statement of financial interest due to his or her affiliation with the District ("Reporting Individual"). The Coordinator shall provide this list to the Commission by February 1 of each year, which list shall be current as of December 31 of the prior year. Each Supervisor and Reporting Individual shall promptly notify the Coordinator in writing if there are any changes to such person's name, e-mail address, or physical address. Each Supervisor and Reporting Individual shall promptly notify the Commission in the manner prescribed by the Commission if there are any changes to such person's e-mail address.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 112.31446(3), 112.3145(8)(a)1., 119.07, 119.0701, 190.006, Fla. Stat.

**Rule 1.3 Public Meetings, Hearings, and Workshops.**

- (1) Notice. Except in emergencies, or as otherwise required by statute or these Rules, at least seven (7) days, but no more than thirty (30) days public notice shall be given of any public meeting, hearing or workshop of the Board. Public notice shall be given by publication in a newspaper of general circulation in the District and in the county in which the District is located. "General circulation" means a publication that is printed and published at least once a week for the preceding year, offering at least 25% of its words in the English language, qualifies as a periodicals material for postal purposes in the county in which the District is located, is for sale to the public generally, is available to the public generally for the publication of official or other notices, and is customarily containing information of a public character or of interest or of value to the residents or owners of property in the county where published, or of interest or of value to the general public. The annual meeting notice required to be published by Section 189.015 of the Florida Statutes, shall be published in a newspaper not of limited subject matter, which is published at least five days a week, unless the only newspaper in the county is published less than five days a week. Each Notice shall state, as applicable:
- (a) The date, time and place of the meeting, hearing or workshop;
  - (b) A brief description of the nature, subjects, and purposes of the meeting, hearing, or workshop;
  - (c) The District office address for the submission of requests for copies of the agenda, as well as a contact name and telephone number for verbal requests for copies of the agenda; and
  - (d) The following or substantially similar language: "Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (954) 721-8681. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770 or 1 (800) 955-8771, who can aid you in contacting the District Office."
  - (e) The following or substantially similar language: "A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the 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 the appeal is to be based."

- (f) The following or substantially similar language: “The meeting [or hearing or workshop] may be continued in progress without additional notice to a time, date, and location stated on the record.”
- (2) Mistake. In the event that a meeting is held under the incorrect assumption that notice required by law and these Rules has been given, the Board at its next properly noticed meeting shall cure such defect by considering the agenda items from the prior meeting individually and anew.
- (3) Agenda. The District Manager, under the guidance of District Counsel and the Chairperson or Vice-Chairperson, shall prepare an agenda of the meeting/hearing/workshop. The agenda and any meeting materials available in an electronic format, excluding any confidential and any confidential and exempt information, shall be available to the public at least seven days before the meeting/hearing/workshop, except in an emergency. Meeting materials shall be defined as, and limited to, the agenda, meeting minutes, resolutions, and agreements of the District that District staff deems necessary for Board approval. Inclusion of additional materials for Board consideration other than those defined herein as “meeting materials” shall not convert such materials into “meeting materials.” For good cause, the agenda may be changed after it is first made available for distribution, and additional materials may be added or provided under separate cover at the meeting. The requirement of good cause shall be liberally construed to allow the District to efficiently conduct business and to avoid the expenses associated with special meetings.

The District may, but is not required to, use the following format in preparing its agenda for its regular meetings:

- Call to order
- Roll call
- Public comment
- Organizational matters
- Review of minutes
- Specific items of old business
- Specific items of new business
- Staff reports
  - (a) District Counsel
  - (b) District Engineer
  - (c) District Manager
    - 1. Financial Report
    - 2. Approval of Expenditures
- Supervisor’s requests and comments
- Public comment
- Adjournment

- (4) Minutes. The Secretary shall be responsible for preparing and keeping the minutes of each meeting of the Board. Minutes shall be corrected and approved by the Board at a subsequent meeting. The Secretary may work with other staff members in preparing draft minutes for the Board's consideration.
- (5) Special Requests. Persons wishing to receive, by mail, notices or agendas of meetings, may so advise the District Manager or Secretary at the District Office. Such persons shall furnish a mailing address in writing and shall be required to pre-pay the cost of the copying and postage.
- (6) Emergency Meetings. The Chairperson, or Vice-Chairperson if the Chairperson is unavailable, upon consultation with the District Manager and District Counsel, if available, may convene an emergency meeting of the Board without first having complied with sections (1) and (3) of this Rule, to act on emergency matters that may affect the public health, safety, or welfare. Whenever possible, the District Manager shall make reasonable efforts to provide public notice and notify all Board members of an emergency meeting twenty-four (24) hours in advance. Reasonable efforts may include telephone notification. Notice of the emergency meeting must be provided both before and after the meeting on the District's website, if it has one. Whenever an emergency meeting is called, the District Manager shall be responsible for notifying at least one newspaper of general circulation in the District. After an emergency meeting, the Board shall publish in a newspaper of general circulation in the District, the time, date and place of the emergency meeting, the reasons why an emergency meeting was necessary, and a description of the action taken. Actions taken at an emergency meeting may be ratified by the Board at a regularly noticed meeting subsequently held.
- (7) Public Comment. The Board shall set aside a reasonable amount of time at each meeting for public comment and members of the public shall be permitted to provide comment on any proposition before the Board. The portion of the meeting generally reserved for public comment shall be identified in the agenda. Policies governing public comment may be adopted by the Board in accordance with Florida law.
- (8) Budget Hearing. Notice of hearing on the annual budget(s) shall be in accord with Section 190.008 of the Florida Statutes. Once adopted in accord with Section 190.008 of the Florida Statutes, the annual budget(s) may be amended from time to time by action of the Board. Approval of invoices by the Board in excess of the funds allocated to a particular budgeted line item shall serve to amend the budgeted line item.
- (9) Public Hearings. Notice of required public hearings shall contain the information required by applicable Florida law and by these Rules applicable to meeting notices and shall be mailed and published as required by Florida law. The District Manager shall ensure that all such notices, whether mailed or published, contain the information required by Florida law and these Rules and are mailed and

published as required by Florida law. Public hearings may be held during Board meetings when the agenda includes such public hearing.

- (10) Participation by Teleconference/Videoconference. District staff may participate in Board meetings by teleconference or videoconference. Board members may also participate in Board meetings by teleconference or videoconference if in the good judgment of the Board extraordinary circumstances exist; provided however, at least three Board members must be physically present at the meeting location to establish a quorum. Such extraordinary circumstances shall be presumed when a Board member participates by teleconference or videoconference, unless a majority of the Board members physically present determines that extraordinary circumstances do not exist.
- (11) Board Authorization. The District has not adopted Robert's Rules of Order. For each agenda item, there shall be discussion permitted among the Board members during the meeting. Unless such procedure is waived by the Board, approval or disapproval of resolutions and other proposed Board actions shall be in the form of a motion by one Board member, a second by another Board member, and an affirmative vote by the majority of the Board members present. Any Board member, including the Chairperson, can make or second a motion.
- (12) Continuances. Any meeting or public hearing of the Board may be continued without re-notice or re-advertising provided that:
  - (a) The Board identifies on the record at the original meeting a reasonable need for a continuance;
  - (b) The continuance is to a specified date, time, and location publicly announced at the original meeting; and
  - (c) The public notice for the original meeting states that the meeting may be continued to a date and time and states that the date, time, and location of any continuance shall be publicly announced at the original meeting and posted at the District Office immediately following the original meeting.
- (13) Attorney-Client Sessions. An Attorney-Client Session is permitted when the District's attorneys deem it necessary to meet in private with the Board to discuss pending litigation to which the District is a party before a court or administrative agency or as may be authorized by law. The District's attorney must request such session at a public meeting. Prior to holding the Attorney-Client Session, the District must give reasonable public notice of the time and date of the session and the names of the persons anticipated to attend the session. The session must commence at an open meeting in which the Chairperson or Vice-Chairperson announces the commencement of the session, the estimated length of the session, and the names of the persons who will be attending the session. The discussion during the session is confined to settlement negotiations or strategy related to

litigation expenses or as may be authorized by law. Only the Board, the District's attorneys (including outside counsel), the District Manager, and the court reporter may attend an Attorney-Client Session. During the session, no votes may be taken and no final decisions concerning settlement can be made. Upon the conclusion of the session, the public meeting is reopened, and the Chairperson or Vice-Chairperson must announce that the session has concluded. The session must be transcribed by a court-reporter and the transcript of the session filed with the District Secretary within a reasonable time after the session. The transcript shall not be available for public inspection until after the conclusion of the litigation.

- (14) Security and Firesafety Board Discussions. Portions of a meeting which relate to or would reveal a security or firesafety system plan or portion thereof made confidential and exempt by section 119.071(3)(a), Florida Statutes, are exempt from the public meeting requirements and other requirements of section 286.011, Florida Statutes, and section 24(b), Article 1 of the State Constitution. Should the Board wish to discuss such matters, members of the public shall be required to leave the meeting room during such discussion. Any records of the Board's discussion of such matters, including recordings or minutes, shall be maintained as confidential and exempt records in accordance with Florida law.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 189.069(2)(a)16, 190.006, 190.007, 190.008, 286.0105, 286.011, 286.0113, 286.0114, Fla. Stat.

**Rule 1.4 Internal Controls to Prevent Fraud, Waste and Abuse**

(1) Internal Controls. The District shall establish and maintain internal controls designed to:

- (a) Prevent and detect “fraud,” “waste” and “abuse” as those terms are defined in section 11.45(1), Florida Statutes; and
- (b) Promote and encourage compliance with applicable laws, rules contracts, grant agreements, and best practices; and
- (c) Support economical and efficient operations; and
- (d) Ensure reliability of financial records and reports; and
- (e) Safeguard assets.

(2) Adoption. The internal controls to prevent fraud, waste and abuse shall be adopted and amended by the District in the same manner as District policies.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** § 218.33(3), Fla. Stat.

**Rule 2.0 Rulemaking Proceedings.**

- (1) Commencement of Proceedings. Proceedings held for adoption, amendment, or repeal of a District rule shall be conducted according to these Rules. Rulemaking proceedings shall be deemed to have been initiated upon publication of notice by the District. A “rule” is a District statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the District (“Rule”). Nothing herein shall be construed as requiring the District to consider or adopt rules unless required by Chapter 190 of the Florida Statutes. Policies adopted by the District which do not consist of rates, fees, rentals or other monetary charges may be, but are not required to be, implemented through rulemaking proceedings.
  
- (2) Notice of Rule Development.
  - (a) Except when the intended action is the repeal of a Rule, the District shall provide notice of the development of a proposed rule by publication of a Notice of Rule Development in a newspaper of general circulation in the District before providing notice of a proposed rule as required by section (3) of this Rule. Consequently, the Notice of Rule Development shall be published at least twenty-nine (29) days prior to the public hearing on the proposed Rule. The Notice of Rule Development shall indicate the subject area to be addressed by rule development, provide a short, plain explanation of the purpose and effect of the proposed rule, cite the specific legal authority for the proposed rule, and include a statement of how a person may promptly obtain, without cost, a copy of any preliminary draft, if available.
  
  - (b) All rules as drafted shall be consistent with Sections 120.54(1)(g) and 120.54(2)(b) of the Florida Statutes.
  
- (3) Notice of Proceedings and Proposed Rules.
  - (a) Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, the District shall give notice of its intended action, setting forth a short, plain explanation of the purpose and effect of the proposed action, a reference to the specific rulemaking authority pursuant to which the rule is adopted, and a reference to the section or subsection of the Florida Statutes being implemented, interpreted, or made specific. The notice shall include a summary of the District’s statement of the estimated regulatory costs, if one has been prepared, based on the factors set forth in Section 120.541(2) of the Florida Statutes, and a statement that any person who wishes to provide the District with a lower cost regulatory alternative as provided by Section 120.541(1), must do so in writing within twenty-one (21) days after publication of the notice. The notice shall additionally include a statement that any affected person may request a public hearing

by submitting a written request within twenty-one (21) days after the date of publication of the notice. Except when intended action is the repeal of a rule, the notice shall include a reference to both the date on which and the place where the Notice of Rule Development required by section (2) of this Rule appeared.

- (b) The notice shall be published in a newspaper of general circulation in the District and each county in which the District is located not less than twenty-eight (28) days prior to the intended action. The proposed rule shall be available for inspection and copying by the public at the time of the publication of notice.
  - (c) The notice shall be mailed to all persons named in the proposed rule and to all persons who, at least fourteen (14) days prior to such mailing, have made requests of the District for advance notice of its rulemaking proceedings. Any person may file a written request with the District Manager to receive notice by mail of District proceedings to adopt, amend, or repeal a rule. Such persons must furnish a mailing address and may be required to pay the cost of copying and mailing.
- (4) Rule Development Workshops. Whenever requested in writing by any affected person, the District must either conduct a rule development workshop prior to proposing rules for adoption or the Chairperson must explain in writing why a workshop is unnecessary. The District may initiate a rule development workshop but is not required to do so.
- (5) Petitions to Initiate Rulemaking. All Petitions to Initiate Rulemaking proceedings must contain the name, address, and telephone number of the petitioner, the specific action requested, the specific reason for adoption, amendment, or repeal, the date submitted, the text of the proposed rule, and the facts showing that the petitioner is regulated by the District or has a substantial interest in the rulemaking. Not later than sixty (60) calendar days following the date of filing a petition, the Board shall initiate rulemaking proceedings or deny the petition with a written statement of its reasons for the denial. If the petition is directed to an existing policy that the District has not formally adopted as a rule, the District may, in its discretion, notice and hold a public hearing on the petition to consider the comments of the public directed to the policy, its scope and application, and to consider whether the public interest is served adequately by the application of the policy on a case-by-case basis, as contrasted with its formal adoption as a rule. However, this section shall not be construed as requiring the District to adopt a rule to replace a policy.
- (6) Rulemaking Materials. After the publication of the notice referenced in section (3) of this Rule, the Board shall make available for public inspection and shall provide, upon request and payment of the cost of copies, the following materials:

- (a) The text of the proposed rule, or any amendment or repeal of any existing rules;
  - (b) A detailed written statement of the facts and circumstances justifying the proposed rule;
  - (c) A copy of the statement of estimated regulatory costs if required by Section 120.541 of the Florida Statutes; and
  - (d) The published notice.
- (7) Hearing. The District may, or, upon the written request of any affected person received within twenty-one (21) days after the date of publication of the notice described in section (3) of this Rule, shall, provide a public hearing for the presentation of evidence, argument, and oral statements, within the reasonable conditions and limitations imposed by the District to avoid duplication, irrelevant comments, unnecessary delay, or disruption of the proceedings. The District shall publish notice of the public hearing in a newspaper of general circulation within the District either in the text of the notice described in section (3) of this Rule or in a separate publication at least seven (7) days before the scheduled public hearing. The notice shall specify the date, time, and location of the public hearing, and the name, address, and telephone number of the District contact person who can provide information about the public hearing. Written statements may be submitted by any person prior to or at the public hearing. All timely submitted written statements shall be considered by the District and made part of the rulemaking record.
- (8) Emergency Rule Adoption. The Board may adopt an emergency rule if it finds that immediate danger to the public health, safety, or welfare exists which requires immediate action. Prior to the adoption of an emergency rule, the District Manager shall make reasonable efforts to notify a newspaper of general circulation in the District. Notice of emergency rules shall be published as soon as possible in a newspaper of general circulation in the District. The District may use any procedure which is fair under the circumstances in the adoption of an emergency rule as long as it protects the public interest as determined by the District and otherwise complies with these provisions.
- (9) Negotiated Rulemaking. The District may use negotiated rulemaking in developing and adopting rules pursuant to Section 120.54(2)(d) of the Florida Statutes, except that any notices required under Section 120.54(2)(d) of the Florida Statutes, may be published in a newspaper of general circulation in the county in which the District is located.
- (10) Rulemaking Record. In all rulemaking proceedings, the District shall compile and maintain a rulemaking record. The record shall include, if applicable:

- (a) The texts of the proposed rule and the adopted rule;
- (b) All notices given for a proposed rule;
- (c) Any statement of estimated regulatory costs for the rule;
- (d) A written summary of hearings, if any, on the proposed rule;
- (e) All written comments received by the District and responses to those written comments; and
- (f) All notices and findings pertaining to an emergency rule.

(11) Petitions to Challenge Existing Rules.

- (a) Any person substantially affected by a rule may seek an administrative determination of the invalidity of the rule on the ground that the rule is an invalid exercise of the District's authority.
- (b) The petition seeking an administrative determination must state with particularity the provisions alleged to be invalid with sufficient explanation of the facts or grounds for the alleged invalidity and facts sufficient to show that the person challenging a rule is substantially affected by it.
- (c) The petition shall be filed with the District. Within 10 days after receiving the petition, the Chairperson shall, if the petition complies with the requirements of subsection (b) of this section, designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer who shall conduct a hearing within 30 days thereafter, unless the petition is withdrawn or a continuance is granted by agreement of the parties. The failure of the District to follow the applicable rulemaking procedures or requirements in this Rule shall be presumed to be material; however, the District may rebut this presumption by showing that the substantial interests of the petitioner and the fairness of the proceedings have not been impaired.
- (d) Within 30 days after the hearing, the hearing officer shall render a decision and state the reasons therefor in writing.
- (e) Hearings held under this section shall be de novo in nature. The petitioner has a burden of proving by a preponderance of the evidence that the existing rule is an invalid exercise of District authority as to the objections raised. The hearing officer may:
  - (i) Administer oaths and affirmations;

- (ii) Rule upon offers of proof and receive relevant evidence;
  - (iii) Regulate the course of the hearing, including any pre-hearing matters;
  - (iv) Enter orders; and
  - (v) Make or receive offers of settlement, stipulation, and adjustment.
- (f) The petitioner and the District shall be adverse parties. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (12) Variations and Waivers. A “variance” means a decision by the District to grant a modification to all or part of the literal requirements of a rule to a person who is subject to the rule. A “waiver” means a decision by the District not to apply all or part of a rule to a person who is subject to the rule. Variations and waivers from District rules may be granted subject to the following:
- (a) Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person, and when application of the rule would create a substantial hardship or would violate principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.
  - (b) A person who is subject to regulation by a District Rule may file a petition with the District, requesting a variance or waiver from the District’s Rule. Each petition shall specify:
    - (i) The rule from which a variance or waiver is requested;
    - (ii) The type of action requested;
    - (iii) The specific facts that would justify a waiver or variance for the petitioner; and
    - (iv) The reason why the variance or the waiver requested would serve the purposes of the underlying statute.
  - (c) The District shall review the petition and may request only that information needed to clarify the petition or to answer new questions

raised by or directly related to the petition. If the petitioner asserts that any request for additional information is not authorized by law or by Rule of the District, the District shall proceed, at the petitioner's written request, to process the petition.

(d) The Board shall grant or deny a petition for variance or waiver and shall announce such disposition at a publicly held meeting of the Board, within ninety (90) days after receipt of the original petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. The District's statement granting or denying the petition shall contain a statement of the relevant facts and reasons supporting the District's action.

(13) Rates, Fees, Rentals and Other Charges. All rates, fees, rentals, or other charges shall be subject to rulemaking proceedings. Policies adopted by the District which do not consist of rates, fees, rentals or other charges may be, but are not required to be, implemented through rulemaking proceedings.

**Specific Authority:** §§ 190.011(5), 190.011(15), 190.035, Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.035(2), Fla. Stat.

**Rule 3.0      Competitive Purchase.**

- (1) Purpose and Scope. In order to comply with Sections 190.033(1) through (3), 287.055 and 287.017 of the Florida Statutes, the following provisions shall apply to the purchase of Professional Services, insurance, construction contracts, design-build services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Board Authorization. Except in cases of an Emergency Purchase, a competitive purchase governed by these Rules shall only be undertaken after authorization by the Board.
- (3) Definitions.
  - (a) “Competitive Solicitation” means a formal, advertised procurement process, other than an Invitation to Bid, Request for Proposals, or Invitation to Negotiate, approved by the Board to purchase commodities and/or services which affords vendors fair treatment in the competition for award of a District purchase contract.
  - (b) “Continuing Contract” means a contract for Professional Services entered into in accordance with Section 287.055 of the Florida Statutes, between the District and a firm, whereby the firm provides Professional Services to the District for projects in which the costs do not exceed two million dollars (\$2,000,000), for a study activity when the fee for such Professional Services to the District does not exceed two hundred thousand dollars (\$200,000), or for work of a specified nature as outlined in the contract with the District, with no time limitation except that the contract must provide a termination clause (for example, a contract for general District engineering services). Firms providing Professional Services under Continuing Contracts shall not be required to bid against one another.
  - (c) “Contractual Service” means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors. Contractual Services do not include auditing services, Maintenance Services, or Professional Services as defined in Section 287.055(2)(a) of the Florida Statutes, and these Rules. Contractual Services also do not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of any facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Chapter 255 of the Florida Statutes, and Rules 3.5 or 3.6.

- (d) “Design-Build Contract” means a single contract with a Design-Build Firm for the design and construction of a public construction project.
- (e) “Design-Build Firm” means a partnership, corporation or other legal entity that:
  - (i) Is certified under Section 489.119 of the Florida Statutes, to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or
  - (ii) Is certified under Section 471.023 of the Florida Statutes, to practice or to offer to practice engineering; certified under Section 481.219 of the Florida Statutes, to practice or to offer to practice architecture; or certified under Section 481.319 of the Florida Statutes, to practice or to offer to practice landscape architecture.
- (f) “Design Criteria Package” means concise, performance-oriented drawings or specifications for a public construction project. The purpose of the Design Criteria Package is to furnish sufficient information to permit Design-Build Firms to prepare a bid or a response to the District’s Request for Proposals, or to permit the District to enter into a negotiated Design-Build Contract. The Design Criteria Package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project. Design Criteria Packages shall require firms to submit information regarding the qualifications, availability, and past work of the firms, including the partners and members thereof.
- (g) “Design Criteria Professional” means a firm who holds a current certificate of registration under Chapter 481 of the Florida Statutes, to practice architecture or landscape architecture, or a firm who holds a current certificate as a registered engineer under Chapter 471 of the Florida Statutes, to practice engineering, and who is employed by or under contract to the District to provide professional architect services, landscape architect services, or engineering services in connection with the preparation of the Design Criteria Package.
- (h) “Emergency Purchase” means a purchase necessitated by a sudden unexpected turn of events (for example, acts of God, riot, fires, floods, hurricanes, accidents, or any circumstances or cause beyond the control of the Board in the normal conduct of its business), where the Board finds

that the delay incident to competitive purchase would be detrimental to the interests of the District. This includes, but is not limited to, instances where the time to competitively award the project will jeopardize the funding for the project, will materially increase the cost of the project, or will create an undue hardship on the public health, safety, or welfare.

- (i) "Invitation to Bid" is a written solicitation for sealed bids with the title, date, and hour of the public bid opening designated specifically and defining the commodity or service involved. It includes printed instructions prescribing conditions for bidding, qualification, evaluation criteria, and provides for a manual signature of an authorized representative. It may include one or more bid alternates.
- (j) "Invitation to Negotiate" means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or services.
- (k) "Negotiate" means to conduct legitimate, arm's length discussions and conferences to reach an agreement on a term or price.
- (l) "Professional Services" means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of Florida, or those services performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper, in connection with the firm's or individual's professional employment or practice.
- (m) "Proposal (or Reply or Response) Most Advantageous to the District" means, as determined in the sole discretion of the Board, the proposal, reply, or response that is:
  - (i) Submitted by a person or firm capable and qualified in all respects to perform fully the contract requirements, who has the integrity and reliability to assure good faith performance;
  - (ii) The most responsive to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation as determined by the Board; and
  - (iii) For a cost to the District deemed by the Board to be reasonable.
- (n) "Purchase" means acquisition by sale, rent, lease, lease/purchase, or installment sale. It does not include transfer, sale, or exchange of goods, supplies, or materials between the District and any federal, state, regional or local governmental entity or political subdivision of the State of Florida.

- (o) “Request for Proposals” or “RFP” is a written solicitation for sealed proposals with the title, date, and hour of the public opening designated and requiring the manual signature of an authorized representative. It may provide general information, applicable laws and rules, statement of work, functional or general specifications, qualifications, proposal instructions, work detail analysis, and evaluation criteria as necessary.
  
- (p) “Responsive and Responsible Bidder” means an entity or individual that has submitted a bid that conforms in all material respects to the Invitation to Bid and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. “Responsive and Responsible Vendor” means an entity or individual that has submitted a proposal, reply, or response that conforms in all material respects to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an entity or individual is a Responsive and Responsible Bidder (or Vendor), the District may consider, in addition to factors described in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the following:
  - (i) The ability and adequacy of the professional personnel employed by the entity/individual;
  - (ii) The past performance of the entity/individual for the District and in other professional employment;
  - (iii) The willingness of the entity/individual to meet time and budget requirements;
  - (iv) The geographic location of the entity’s/individual’s headquarters or office in relation to the project;
  - (v) The recent, current, and projected workloads of the entity/individual;
  - (vi) The volume of work previously awarded to the entity/individual;
  - (vii) Whether the cost components of the bid or proposal are appropriately balanced; and
  - (viii) Whether the entity/individual is a certified minority business enterprise.

- (q) “Responsive Bid,” “Responsive Proposal,” “Responsive Reply,” and “Responsive Response” all mean a bid, proposal, reply, or response which conforms in all material respects to the specifications and conditions in the Invitation to Bid, Request for Proposals, Invitations to Negotiate, or Competitive Solicitation document and these Rules, and the cost components of which, if any, are appropriately balanced. A bid, proposal, reply or response is not responsive if the person or firm submitting it fails to meet any material requirement relating to the qualifications, financial stability, or licensing of the bidder.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.033, 255.20, 287.055, Fla. Stat.

**Rule 3.1 Procedure Under the Consultants' Competitive Negotiations Act.**

- (1) Scope. The following procedures are adopted for the selection of firms or individuals to provide Professional Services exceeding the thresholds herein described, for the negotiation of such contracts, and to provide for protest of actions of the Board under this Rule. As used in this Rule, "Project" means that fixed capital outlay study or planning activity when basic construction cost is estimated by the District to exceed the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FIVE, or for a planning study activity when the fee for Professional Services is estimated by the District to exceed the threshold amount provided in Section 287.017 for CATEGORY TWO, as such categories may be amended or adjusted from time to time.
  
- (2) Qualifying Procedures. In order to be eligible to provide Professional Services to the District, a consultant must, at the time of receipt of the firm's qualification submittal:
  - (a) Hold all required applicable state professional licenses in good standing;
  - (b) Hold all required applicable federal licenses in good standing, if any;
  - (c) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the consultant is a corporation; and
  - (d) Meet any qualification requirements set forth in the District's Request for Qualifications.

Evidence of compliance with this Rule may be submitted with the qualifications, if requested by the District. In addition, evidence of compliance must be submitted any time requested by the District.

- (3) Public Announcement. Except in cases of valid public emergencies as certified by the Board, the District shall announce each occasion when Professional Services are required for a Project or a Continuing Contract by publishing a notice providing a general description of the Project, or the nature of the Continuing Contract, and the method for interested consultants to apply for consideration. The notice shall appear in at least one (1) newspaper of general circulation in the District and in such other places as the District deems appropriate. The notice must allow at least fourteen (14) days for submittal of qualifications from the date of publication. The District may maintain lists of consultants interested in receiving such notices. These consultants are encouraged to submit annually statements of qualifications and performance data. The District shall make reasonable efforts to provide copies of any notices to such consultants, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process. The Board has the

right to reject any and all qualifications, and such reservation shall be included in the published notice. Consultants not receiving a contract award shall not be entitled to recover from the District any costs of qualification package preparation or submittal.

(4) Competitive Selection.

- (a) The Board shall review and evaluate the data submitted in response to the notice described in section (3) of this Rule regarding qualifications and performance ability, as well as any statements of qualifications on file. The Board shall conduct discussions with, and may require public presentation by consultants regarding their qualifications, approach to the Project, and ability to furnish the required services. The Board shall then select and list the consultants, in order of preference, deemed to be the most highly capable and qualified to perform the required Professional Services, after considering these and other appropriate criteria:
  - (i) The ability and adequacy of the professional personnel employed by each consultant;
  - (ii) Whether a consultant is a certified minority business enterprise;
  - (iii) Each consultant's past performance;
  - (iv) The willingness of each consultant to meet time and budget requirements;
  - (v) The geographic location of each consultant's headquarters, office and personnel in relation to the project;
  - (vi) The recent, current, and projected workloads of each consultant; and
  - (vii) The volume of work previously awarded to each consultant by the District.
- (b) Nothing in these Rules shall prevent the District from evaluating and eventually selecting a consultant if less than three (3) Responsive qualification packages, including packages indicating a desire not to provide Professional Services on a given Project, are received.
- (c) If the selection process is administered by any person or committee other than the full Board, the selection made will be presented to the full Board with a recommendation that competitive negotiations be instituted with the selected firms in order of preference listed.

- (d) Notice of the rankings adopted by the Board, including the rejection of some or all qualification packages, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's ranking decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

(5) Competitive Negotiation.

- (a) After the Board has authorized the beginning of competitive negotiations, the District may begin such negotiations with the firm listed as most qualified to perform the required Professional Services at a rate or amount of compensation which the Board determines is fair, competitive, and reasonable.
- (b) In negotiating a lump-sum or cost-plus-a-fixed-fee professional contract for more than the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, the firm receiving the award shall be required to execute a truth-in-negotiation certificate stating that "wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting." In addition, any professional service contract under which such a certificate is required, shall contain a provision that "the original contract price and any additions thereto, shall be adjusted to exclude any significant sums by which the Board determines the contract price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs."
- (c) Should the District be unable to negotiate a satisfactory agreement with the firm determined to be the most qualified at a price deemed by the District to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the District shall immediately begin negotiations with the second most qualified firm. If a satisfactory agreement with the second firm cannot be reached, those negotiations shall be terminated and negotiations with the third most qualified firm shall be undertaken.
- (d) Should the District be unable to negotiate a satisfactory agreement with one of the top three (3) ranked consultants, additional firms shall be selected by the District, in order of their competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.

- (6) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (7) Continuing Contract. Nothing in this Rule shall prohibit a Continuing Contract between a consultant and the District.
- (8) Emergency Purchase. The District may make an Emergency Purchase without complying with these Rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 190.011(3), 190.033, 287.055, Fla. Stat.

### **Rule 3.2 Procedure Regarding Auditor Selection.**

In order to comply with the requirements of Section 218.391 of the Florida Statutes, the following procedures are outlined for selection of firms or individuals to provide Auditing Services and for the negotiation of such contracts. For audits required under Chapter 190 of the Florida Statutes but not meeting the thresholds of Chapter 218 of the Florida Statutes, the District need not follow these procedures but may proceed with the selection of a firm or individual to provide Auditing Services and for the negotiation of such contracts in the manner the Board determines is in the best interests of the District.

(1) Definitions.

- (a) "Auditing Services" means those services within the scope of the practice of a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.
- (b) "Committee" means the auditor selection committee appointed by the Board as described in section (2) of this Rule.

(2) Establishment of Auditor Selection Committee. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Board shall establish an auditor selection committee ("Committee"), the primary purpose of which is to assist the Board in selecting an auditor to conduct the annual financial audit required by Section 218.39 of the Florida Statutes. The Committee shall include at least three individuals, at least one of which must also be a member of the Board. The establishment and selection of the Committee must be conducted at a publicly noticed and held meeting of the Board. The Chairperson of the Committee must be a member of the Board. An employee, a chief executive officer, or a chief financial officer of the District may not serve as a member of the Committee; provided however such individual may serve the Committee in an advisory capacity.

(3) Establishment of Minimum Qualifications and Evaluation Criteria. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Committee shall meet at a publicly noticed meeting to establish minimum qualifications and factors to use for the evaluation of Auditing Services to be provided by a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

- (a) Minimum Qualifications. In order to be eligible to submit a proposal, a firm must, at all relevant times including the time of receipt of the proposal by the District:

- (i) Hold all required applicable state professional licenses in good standing;
- (ii) Hold all required applicable federal licenses in good standing, if any;
- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation; and
- (iv) Meet any pre-qualification requirements established by the Committee and set forth in the RFP or other specifications.

If requested in the RFP or other specifications, evidence of compliance with the minimum qualifications as established by the Committee must be submitted with the proposal.

- (b) Evaluation Criteria. The factors established for the evaluation of Auditing Services by the Committee shall include, but are not limited to:
  - (i) Ability of personnel;
  - (ii) Experience;
  - (iii) Ability to furnish the required services; and
  - (iv) Such other factors as may be determined by the Committee to be applicable to its particular requirements.

The Committee may also choose to consider compensation as a factor. If the Committee establishes compensation as one of the factors, compensation shall not be the sole or predominant factor used to evaluate proposals.

- (4) Public Announcement. After identifying the factors to be used in evaluating the proposals for Auditing Services as set forth in section (3) of this Rule, the Committee shall publicly announce the opportunity to provide Auditing Services. Such public announcement shall include a brief description of the audit and how interested firms can apply for consideration and obtain the RFP. The notice shall appear in at least one (1) newspaper of general circulation in the District and the county in which the District is located. The public announcement shall allow for at least seven (7) days for the submission of proposals.
- (5) Request for Proposals. The Committee shall provide interested firms with a Request for Proposals ("RFP"). The RFP shall provide information on how proposals are to be evaluated and such other information the Committee

determines is necessary for the firm to prepare a proposal. The RFP shall state the time and place for submitting proposals.

- (6) Committee's Evaluation of Proposals and Recommendation. The Committee shall meet at a publicly held meeting that is publicly noticed for a reasonable time in advance of the meeting to evaluate all qualified proposals and may, as part of the evaluation, require that each interested firm provide a public presentation where the Committee may conduct discussions with the firm, and where the firm may present information, regarding the firm's qualifications. At the public meeting, the Committee shall rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to subsection (3)(b) of this Rule. If fewer than three firms respond to the RFP or if no firms respond to the RFP, the Committee shall recommend such firm as it deems to be the most highly qualified. Notwithstanding the foregoing, the Committee may recommend that any and all proposals be rejected.
- (7) Board Selection of Auditor.
- (a) Where compensation was not selected as a factor used in evaluating the proposals, the Board shall negotiate with the firm ranked first and inquire of that firm as to the basis of compensation. If the Board is unable to negotiate a satisfactory agreement with the first ranked firm at a price deemed by the Board to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the Board shall immediately begin negotiations with the second ranked firm. If a satisfactory agreement with the second ranked firm cannot be reached, those negotiations shall be terminated and negotiations with the third ranked firm shall be undertaken. The Board may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time. If the Board is unable to negotiate a satisfactory agreement with any of the selected firms, the Committee shall recommend additional firms in order of the firms' respective competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.
- (b) Where compensation was selected as a factor used in evaluating the proposals, the Board shall select the highest-ranked qualified firm or document in its public records the reason for not selecting the highest-ranked qualified firm.
- (c) In negotiations with firms under this Rule, the Board may allow the District Manager, District Counsel, or other designee to conduct negotiations on its behalf.

- (d) Notwithstanding the foregoing, the Board may reject any or all proposals. The Board shall not consider any proposal, or enter into any contract for Auditing Services, unless the proposed agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39 of the Florida Statutes, and the needs of the District.
- (8) Contract. Any agreement reached under this Rule shall be evidenced by a written contract, which may take the form of an engagement letter signed and executed by both parties. The written contract shall include all provisions and conditions of the procurement of such services and shall include, at a minimum, the following:
- (a) A provision specifying the services to be provided and fees or other compensation for such services;
  - (b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract;
  - (c) A provision setting forth deadlines for the auditor to submit a preliminary draft audit report to the District for review and to submit a final audit report no later than June 30 of the fiscal year that follows the fiscal year for which the audit is being conducted;
  - (d) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. The maximum contract period including renewals shall be five (5) years. A renewal may be done without the use of the auditor selection procedures provided in this Rule but must be in writing.
  - (e) Provisions required by law that require the auditor to comply with public records laws.
- (9) Notice of Award. Once a negotiated agreement with a firm or individual is reached, or the Board authorizes the execution of an agreement with a firm where compensation was a factor in the evaluation of proposals, notice of the intent to award, including the rejection of some or all proposals, shall be provided in writing to all proposers by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests regarding the award of contracts under this Rule shall be as provided for in Rule 3.11. No proposer shall be entitled to recover any costs of proposal preparation or submittal from the District.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** §§ 119.0701, 218.33, 218.391, Fla. Stat.



**Rule 3.3 Purchase of Insurance.**

- (1) Scope. The purchases of life, health, accident, hospitalization, legal expense, or annuity insurance, or all of any kinds of such insurance for the officers and employees of the District, and for health, accident, hospitalization, and legal expenses upon a group insurance plan by the District, shall be governed by this Rule. This Rule does not apply to the purchase of any other type of insurance by the District, including but not limited to liability insurance, property insurance, and directors and officers insurance. Nothing in this Rule shall require the District to purchase insurance.
- (2) Procedure. For a purchase of insurance within the scope of these Rules, the following procedure shall be followed:
  - (a) The Board shall cause to be prepared a Notice of Invitation to Bid.
  - (b) Notice of the Invitation to Bid shall be advertised at least once in a newspaper of general circulation within the District. The notice shall allow at least fourteen (14) days for submittal of bids.
  - (c) The District may maintain a list of persons interested in receiving notices of Invitations to Bid. The District shall make reasonable efforts to provide copies of any notices to such persons, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process.
  - (d) Bids shall be opened at the time and place noted in the Invitation to Bid.
  - (e) If only one (1) response to an Invitation is received, the District may proceed with the purchase. If no response to an Invitation to Bid is received, the District may take whatever steps are reasonably necessary in order to proceed with the purchase.
  - (f) The Board has the right to reject any and all bids and such reservations shall be included in all solicitations and advertisements.
  - (g) Simultaneously with the review of the submitted bids, the District may undertake negotiations with those companies that have submitted reasonable and timely bids and, in the opinion of the District, are fully qualified and capable of meeting all services and requirements. Bid responses shall be evaluated in accordance with the specifications and criteria contained in the Invitation to Bid; in addition, the total cost to the District, the cost, if any, to the District officers, employees, or their dependents, the geographic location of the company's headquarters and offices in relation to the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase

insurance shall be awarded to that company whose response to the Invitation to Bid best meets the overall needs of the District, its officers, employees, and/or dependents.

- (h) Notice of the intent to award, including rejection of some or all bids, shall be provided in writing to all bidders by United States Mail, by hand delivery, or by overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of insurance under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** § 112.08, Fla. Stat.

**Rule 3.4 Pre-qualification**

- (1) Scope. In its discretion, the District may undertake a pre-qualification process in accordance with this Rule for vendors to provide construction services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Procedure. When the District seeks to pre-qualify vendors, the following procedures shall apply:
  - (a) The Board shall cause to be prepared a Request for Qualifications.
  - (b) For construction services exceeding the thresholds described in Section 255.20 of the Florida Statutes, the Board must advertise the proposed pre-qualification criteria and procedures and allow at least seven (7) days notice of the public hearing for comments on such pre-qualification criteria and procedures. At such public hearing, potential vendors may object to such pre-qualification criteria and procedures. Following such public hearing, the Board shall formally adopt pre-qualification criteria and procedures prior to the advertisement of the Request for Qualifications for construction services.
  - (c) The Request for Qualifications shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall allow at least seven (7) days for submittal of qualifications for goods, supplies and materials, Contractual Services, maintenance services, and construction services under two hundred fifty thousand dollars (\$250,000). The notice shall allow at least twenty-one (21) days for submittal of qualifications for construction services estimated to cost over two hundred fifty thousand dollars (\$250,000) and thirty (30) days for construction services estimated to cost over five hundred thousand dollars (\$500,000).
  - (d) The District may maintain lists of persons interested in receiving notices of Requests for Qualifications. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any pre-qualification determination or contract awarded in accordance with these Rules and shall not be a basis for a protest of any pre-qualification determination or contract award.
  - (e) If the District has pre-qualified vendors for a particular category of purchase, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies or

responses in response to the applicable Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

- (f) In order to be eligible to submit qualifications, a firm or individual must, at the time of receipt of the qualifications:
  - (i) Hold all required applicable state professional licenses in good standing;
  - (ii) Hold all required applicable federal licenses in good standing, if any;
  - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
  - (iv) Meet any special pre-qualification requirements set forth in the Request for Qualifications.

Evidence of compliance with these Rules must be submitted with the qualifications if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the qualifications.

- (g) Qualifications shall be presented to the Board, or a committee appointed by the Board, for evaluation in accordance with the Request for Qualifications and this Rule. Minor variations in the qualifications may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature.
- (h) All vendors determined by the District to meet the pre-qualification requirements shall be pre-qualified. To assure full understanding of the responsiveness to the requirements contained in a Request for Qualifications, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion and revision of qualifications. For construction services, any contractor pre-qualified and considered eligible by the Department of Transportation to bid to perform the type of work the project entails shall be presumed to be qualified to perform the project.
- (i) The Board shall have the right to reject all qualifications if there are not enough to be competitive or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of qualification preparation or submittal from the District.

(j) Notice of intent to pre-qualify, including rejection of some or all qualifications, shall be provided in writing to all vendors by United States Mail, electronic mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's pre-qualification decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11; provided however, protests related to the pre-qualification criteria and procedures for construction services shall be resolved in accordance with section (2)(b) of this Rule and Section 255.20(1)(b) of the Florida Statutes.

(3) Suspension, Revocation, or Denial of Qualification

(a) The District, for good cause, may deny, suspend, or revoke a prequalified vendor's pre-qualified status. A suspension, revocation, or denial for good cause shall prohibit the vendor from bidding on any District construction contract for which qualification is required, shall constitute a determination of non-responsibility to bid on any other District construction or maintenance contract, and shall prohibit the vendor from acting as a material supplier or subcontractor on any District contract or project during the period of suspension, revocation, or denial. Good cause shall include the following:

- i. One of the circumstances specified under Section 337.16(2), Fla. Stat., has occurred.
- ii. Affiliated contractors submitted more than one proposal for the same work. In this event the pre-qualified status of all of the affiliated bidders will be revoked, suspended, or denied. All bids of affiliated bidders will be rejected.
- iii. The vendor made or submitted false, deceptive, or fraudulent statements, certifications, or materials in any claim for payment or any information required by any District contract.
- iv. The vendor or its affiliate defaulted on any contract or a contract surety assumed control of financial responsibility for any contract of the vendor.
- v. The vendor's qualification to bid is suspended, revoked, or denied by any other public or semi-public entity, or the vendor has been the subject of a civil enforcement proceeding or settlement involving a public or semi-public entity.
- vi. The vendor failed to comply with contract or warranty requirements or failed to follow District direction in the performance of a contract.

- vii. The vendor failed to timely furnish all contract documents required by the contract specifications, special provisions, or by any state or federal statutes or regulations. If the vendor fails to furnish any of the subject contract documents by the expiration of the period of suspension, revocation, or denial set forth above, the vendor's pre-qualified status shall remain suspended, revoked, or denied until the documents are furnished.
  - viii. The vendor failed to notify the District within 10 days of the vendor, or any of its affiliates, being declared in default or otherwise not completing work on a contract or being suspended from qualification to bid or denied qualification to bid by any other public or semi-public agency.
  - ix. The vendor did not pay its subcontractors or suppliers in a timely manner or in compliance with contract documents.
  - x. The vendor has demonstrated instances of poor or unsatisfactory performance, deficient management resulting in project delay, poor quality workmanship, a history of payment of liquidated damages, untimely completion of projects, uncooperative attitude, contract litigation, inflated claims or defaults.
  - xi. An affiliate of the vendor has previously been determined by the District to be non-responsible, and the specified period of suspension, revocation, denial, or non-responsibility remains in effect.
  - xii. The vendor or affiliate(s) has been convicted of a contract crime.
    - 1. The term "contract crime" means any violation of state or federal antitrust laws with respect to a public contract or any violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract.
    - 2. The term "convicted" or "conviction" means a finding of guilt or a conviction of a contract crime, with or without an adjudication of guilt, in any federal or state trial court of record as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
- (b) A denial, suspension, or revocation shall prohibit the vendor from being a subcontractor on District work during the period of denial, suspension, or revocation, except when a prime contractor's bid has used prices of a subcontractor who becomes disqualified after the bid, but before the request for authorization to sublet is presented.

- (c) The District shall inform the vendor in writing of its intent to deny, suspend, or revoke its pre-qualified status and inform the vendor of its right to a hearing, the procedure which must be followed, and the applicable time limits. If a hearing is requested within 10 days after the receipt of the notice of intent, the hearing shall be held within 30 days after receipt by the District of the request for the hearing. The decision shall be issued within 15 days after the hearing.
- (d) Such suspension or revocation shall not affect the vendor's obligations under any preexisting contract.
- (e) In the case of contract crimes, the vendor's pre-qualified status under this Rule shall be revoked indefinitely. For all violations of Rule 3.4(3)(a) other than for the vendor's conviction for contract crimes, the revocation, denial, or suspension of a vendor's pre-qualified status under this Rule shall be for a specific period of time based on the seriousness of the deficiency.

Examples of factors affecting the seriousness of a deficiency are:

- i. Impacts on project schedule, cost, or quality of work;
- ii. Unsafe conditions allowed to exist;
- iii. Complaints from the public;
- iv. Delay or interference with the bidding process;
- v. The potential for repetition;
- vi. Integrity of the public contracting process;
- vii. Effect on the health, safety, and welfare of the public.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** §§ 190.033, 255.0525, 255.20, Fla. Stat.

**Rule 3.5 Construction Contracts, Not Design-Build.**

- (1) Scope. All contracts for the construction or improvement of any building, structure, or other public construction works authorized by Chapter 190 of the Florida Statutes, the costs of which are estimated by the District in accordance with generally accepted cost accounting principles to be in excess of the threshold amount for applicability of Section 255.20 of the Florida Statutes, as that amount may be indexed or amended from time to time, shall be let under the terms of these Rules and the procedures of Section 255.20 of the Florida Statutes, as the same may be amended from time to time. A project shall not be divided solely to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of construction services is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation in the District and in the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least twenty-one (21) days for submittal of sealed bids, proposals, replies, or responses, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of bids, proposals, replies, or responses. If the Board has previously pre-qualified contractors pursuant to Rule 3.4 and determined that only the contractors that have been pre-qualified will be permitted to submit bids, proposals, replies, and responses, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation need not be published. Instead, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be sent to the pre-qualified contractors by United States Mail, hand delivery, facsimile, or overnight delivery service.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.

- (d) If the District has pre-qualified providers of construction services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses to Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations.
- (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
  - (i) Hold all required applicable state professional licenses in good standing;
  - (ii) Hold all required applicable federal licenses in good standing, if any;
  - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the bidder is a corporation; and
  - (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to, reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response, if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. Bids, proposals, replies, and responses shall be evaluated in

accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and these Rules. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.

- (g) The lowest Responsive Bid submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No contractor shall be entitled to recover any costs of bid, proposal, response, or reply preparation or submittal from the District.
- (i) The Board may require potential contractors to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses, shall be provided in writing to all contractors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of construction services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase construction services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of construction services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the construction services without further competitive selection processes.
- (3) Sole Source; Government. Construction services that are only available from a single source are exempt from this Rule. Construction services provided by governmental agencies are exempt from this Rule. This Rule shall not apply to the purchase of construction services, which may include goods, supplies, or materials, that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules. A contract for construction services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
- (4) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (5) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board Meeting.
- (6) Exceptions. This Rule is inapplicable when:
- (a) The project is undertaken as repair or maintenance of an existing public facility;
  - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
  - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contract; or
  - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

**Rule 3.6 Construction Contracts, Design-Build.**

- (1) Scope. The District may utilize Design-Build Contracts for any public construction project for which the Board determines that use of such contract is in the best interest of the District. When letting a Design-Build Contract, the District shall use the following procedure:
- (2) Procedure.
  - (a) The District shall utilize a Design Criteria Professional meeting the requirements of Section 287.055(2)(k) of the Florida Statutes, when developing a Design Criteria Package, evaluating the proposals and qualifications submitted by Design-Build Firms, and determining compliance of the project construction with the Design Criteria Package. The Design Criteria Professional may be an employee of the District, may be the District Engineer selected by the District pursuant to Section 287.055 of the Florida Statutes, or may be retained pursuant to Rule 3.1. The Design Criteria Professional is not eligible to render services under a Design-Build Contract executed pursuant to the Design Criteria Package.
  - (b) A Design Criteria Package for the construction project shall be prepared and sealed by the Design Criteria Professional. If the project utilizes existing plans, the Design Criteria Professional shall create a Design Criteria Package by supplementing the plans with project specific requirements, if any.
  - (c) The Board may either choose to award the Design-Build Contract pursuant to the competitive proposal selection process set forth in Section 287.055(9) of the Florida Statutes, or pursuant to the qualifications-based selection process pursuant to Rule 3.1.
    - (i) Qualifications-Based Selection. If the process set forth in Rule 3.1 is utilized, subsequent to competitive negotiations, a guaranteed maximum price and guaranteed completion date shall be established.
    - (ii) Competitive Proposal-Based Selection. If the competitive proposal selection process is utilized, the Board, in consultation with the Design Criteria Professional, shall establish the criteria, standards and procedures for the evaluation of Design-Build Proposals based on price, technical, and design aspects of the project, weighted for the project. After a Design Criteria Package and the standards and procedures for evaluation of proposals have been developed, competitive proposals from qualified firms shall be solicited pursuant to the design criteria by the following procedure:

1. A Request for Proposals shall be advertised at least once in a newspaper of general circulation in the county in which the District is located. The notice shall allow at least twenty-one (21) days for submittal of sealed proposals, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of proposals.
2. The District may maintain lists of persons interested in receiving notices of Requests for Proposals. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
3. In order to be eligible to submit a proposal, a firm must, at the time of receipt of the proposals:
  - a. Hold the required applicable state professional licenses in good standing, as defined by Section 287.055(2)(h) of the Florida Statutes;
  - b. Hold all required applicable federal licenses in good standing, if any;
  - c. Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation;
  - d. Meet any special pre-qualification requirements set forth in the Request for Proposals and Design Criteria Package.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects including but not limited to reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may

be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the proposal if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the proposal.

4. The proposals, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. In consultation with the Design Criteria Professional, the Board shall evaluate the proposals received based on evaluation criteria and procedures established prior to the solicitation of proposals, including but not limited to qualifications, availability, and past work of the firms and the partners and members thereof. The Board shall then select no fewer than three (3) Design-Build Firms as the most qualified.
5. The Board shall have the right to reject all proposals if the proposals are too high, or rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of proposal preparation or submittal from the District.
6. If less than three (3) Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no Responsive Proposals are received, the District may proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the design-build services without further competitive selection processes.
7. Notice of the rankings adopted by the Board, including the rejection of some or all proposals, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the

Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's rankings under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

8. The Board shall negotiate a contract with the firm ranking the highest based on the evaluation standards and shall establish a price which the Board determines is fair, competitive and reasonable. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the second most qualified firm, based on the ranking by the evaluation standards. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the third most qualified firm. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the third most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. Should the Board be unable to negotiate a satisfactory contract with any of the selected firms, the Board shall select additional firms in order of their rankings based on the evaluation standards and continue negotiations until an agreement is reached or the list of firms is exhausted.
  9. After the Board contracts with a firm, the firm shall bring to the Board for approval, detailed working drawings of the project.
  10. The Design Criteria Professional shall evaluate the compliance of the detailed working drawings and project construction with the Design Criteria Package and shall provide the Board with a report of the same.
- (3) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
  - (4) Emergency Purchase. The Board may, in case of public emergency, declare an emergency and immediately proceed with negotiations with the best qualified

Design-Build Firm available at the time. The fact that an Emergency Purchase has occurred shall be noted in the minutes of the next Board meeting.

(5) Exceptions. This Rule is inapplicable when:

- (a) The project is undertaken as repair or maintenance of an existing public facility;
- (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
- (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contractor; or
- (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

**Rule 3.7      Payment and Performance Bonds.**

- (1) Scope. This Rule shall apply to contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work and shall be construed in addition to terms prescribed by any other Rule that may also apply to such contracts.
  
- (2) Required Bond. Upon entering into a contract for any of the services described in section (1) of this Rule in excess of \$200,000, the Board should require that the contractor, before commencing the work, execute and record a payment and performance bond in an amount equal to the contract price. Notwithstanding the terms of the contract or any other law, the District may not make payment to the contractor until the contractor has provided to the District a certified copy of the recorded bond.
  
- (3) Discretionary Bond. At the discretion of the Board, upon entering into a contract for any of the services described in section (1) of this Rule for an amount not exceeding \$200,000, the contractor may be exempted from executing a payment and performance bond.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** § 255.05, Fla. Stat.

**Rule 3.8 Goods, Supplies, and Materials.**

- (1) Purpose and Scope. All purchases of goods, supplies, or materials exceeding the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, shall be purchased under the terms of this Rule. Contracts for purchases of “goods, supplies, and materials” do not include printing, insurance, advertising, or legal notices. A contract involving goods, supplies, or materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of goods, supplies, or materials is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, or Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
  - (d) If the District has pre-qualified suppliers of goods, supplies, and materials, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses.
  - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
    - (i) Hold all required applicable state professional licenses in good standing;
    - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

Any firm or individual whose principal place of business is outside the State of Florida must also submit a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that foreign state to business entities whose principal places of business are in that foreign state, in the letting of any or all public contracts. Failure to submit such a written opinion or submission of a false or misleading written opinion may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and this Rule. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid, after taking into account the preferences provided for in this subsection, submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be accepted. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which does not grant a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the

lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference of five (5) percent. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which grants a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference equal to the preference granted by such foreign state.

To assure full understanding of the responsiveness to the solicitation requirements contained in an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.

- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.
- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of goods, supplies, and materials under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase goods, supplies, or materials, or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct

purchase of the goods, supplies, and materials without further competitive selection processes.

- (3) Goods, Supplies, and Materials included in a Construction Contract Awarded Pursuant to Rule 3.5 or 3.6. There may be occasions where the District has undergone the competitive purchase of construction services which contract may include the provision of goods, supplies, or materials. In that instance, the District may approve a change order to the contract and directly purchase the goods, supplies, and materials. Such purchase of goods, supplies, and materials deducted from a competitively purchased construction contract shall be exempt from this Rule.
- (4) Exemption. Goods, supplies, and materials that are only available from a single source are exempt from this Rule. Goods, supplies, and materials provided by governmental agencies are exempt from this Rule. A contract for goods, supplies, or materials is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process. This Rule shall not apply to the purchase of goods, supplies or materials that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules.
- (5) Renewal. Contracts for the purchase of goods, supplies, and/or materials subject to this Rule may be renewed for a maximum period of five (5) years.
- (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 189.053, 190.033, 287.017, 287.084, Fla. Stat.

**Rule 3.9 Maintenance Services.**

- (1) Scope. All contracts for maintenance of any District facility or project shall be set under the terms of this Rule if the cost exceeds the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR. A contract involving goods, supplies, and materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of maintenance services is within the scope of this Rule, the following procedures shall apply:
  - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
  - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
  - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
  - (d) If the District has pre-qualified suppliers of maintenance services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, and responses.
  - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
    - (i) Hold all required applicable state professional licenses in good standing;
    - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and these Rules. Minor variations in the bids, proposals, replies, and responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid submitted in response to an Invitation to Bid by a Responsive and Responsible Bidder shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate or Competitive Solicitation the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, or responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No Vendor shall be

entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.

- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
  - (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of maintenance services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
  - (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase the maintenance services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may proceed with the procurement of maintenance services, in the manner the Board determines is in the best interests of the District, which may include but is not limited to a direct purchase of the maintenance services without further competitive selection processes.
- (3) Exemptions. Maintenance services that are only available from a single source are exempt from this Rule. Maintenance services provided by governmental agencies are exempt from this Rule. A contract for maintenance services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
  - (4) Renewal. Contracts for the purchase of maintenance services subject to this Rule may be renewed for a maximum period of five (5) years.
  - (5) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
  - (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

**Specific Authority:** §§ 190.011(5), 190.011(15), 190.033, Fla. Stat.  
**Law Implemented:** §§ 119.0701, 190.033, 287.017, Fla. Stat.

**Rule 3.10 Contractual Services.**

- (1) Exemption from Competitive Purchase. Pursuant to Section 190.033(3) of the Florida Statutes, Contractual Services shall not be subject to competitive purchasing requirements. If an agreement is predominantly for Contractual Services, but also includes maintenance services or the purchase of goods and services, the contract shall not be subject to competitive purchasing requirements. Regardless of whether an advertisement or solicitation for Contractual Services is identified as an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, no rights or remedies under these Rules, including but not limited to protest rights, are conferred on persons, firms, or vendors proposing to provide Contractual Services to the District.
  
- (2) Contracts; Public Records. In accordance with Florida law, each contract for Contractual Services shall include provisions required by law that require the contractor to comply with public records laws.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 119.0701, 190.011(3), 190.033, Fla. Stat.

**Rule 3.11 Protests with Respect to Proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9.**

The resolution of any protests with respect to proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9 shall be in accordance with this Rule.

(1) Filing.

- (a) With respect to a protest regarding qualifications, specifications, documentation, or other requirements contained in a Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation issued by the District, the notice of protest shall be filed in writing within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after the first advertisement of the Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's intended decision. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (b) Except for those situations covered by subsection (1)(a) of this Rule, any firm or person who is affected adversely by a District's ranking or intended award under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9 and desires to contest the District's ranking or intended award, shall file with the District a written notice of protest within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after receipt of the notice of the District's ranking or intended award. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's ranking or intended award. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (c) If the requirement for the posting of a protest bond and the amount of the protest bond, which may be expressed by a percentage of the contract to be awarded or a set amount, is disclosed in the District's competitive solicitation documents for a particular purchase under Rules 3.1, 3.2, 3.3,

3.4, 3.5, 3.6, 3.8, or 3.9, any person who files a notice of protest must post the protest bond. The amount of the protest bond shall be determined by District staff after consultation with the Board and within the limits, if any, imposed by Florida law. In the event the protest is successful, the protest bond shall be refunded to the protestor. In the event the protest is unsuccessful, the protest bond shall be applied towards the District's costs, expenses, and attorney's fees associated with hearing and defending the protest. In the event the protest is settled by mutual agreement of the parties, the protest bond shall be distributed as agreed to by the District and protestor.

- (d) The District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (2) Contract Execution. Upon receipt of a notice of protest which has been timely filed, the District shall not execute the contract under protest until the subject of the protest is resolved. However, if the District sets forth in writing particular facts and circumstances showing that delay incident to protest proceedings will jeopardize the funding for the project, will materially increase the cost of the project, or will create an immediate and serious danger to the public health, safety, or welfare, the contract may be executed.
- (3) Informal Proceeding. If the Board determines a protest does not involve a disputed issue of material fact, the Board may, but is not obligated to, schedule an informal proceeding to consider the protest. Such informal proceeding shall be at a time and place determined by the Board. Notice of such proceeding shall be sent via facsimile, United States Mail, or hand delivery to the protestor and any substantially affected persons or parties not less than three (3) calendar days prior to such informal proceeding. Within thirty (30) calendar days following the informal proceeding, the Board shall issue a written decision setting forth the factual, legal, and policy grounds for its decision.
- (4) Formal Proceeding. If the Board determines a protest involves disputed issues of material fact or if the Board elects not to use the informal proceeding process provided for in section (3) of this Rule, the District shall schedule a formal hearing to resolve the protest. The Chairperson shall designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer to conduct the hearing. The hearing officer may:
  - (a) Administer oaths and affirmations;
  - (b) Rule upon offers of proof and receive relevant evidence;
  - (c) Regulate the course of the hearing, including any pre-hearing matters;

- (d) Enter orders; and
- (e) Make or receive offers of settlement, stipulation, and adjustment.

The hearing officer shall, within thirty (30) days after the hearing or receipt of the hearing transcript, whichever is later, file a recommended order which shall include a caption, time and place of hearing, appearances entered at the hearing, statement of the issues, findings of fact and conclusions of law, separately stated, and a recommendation for final District action. The District shall allow each party fifteen (15) days in which to submit written exceptions to the recommended order. The District shall issue a final order within sixty (60) days after the filing of the recommended order.

- (5) Intervenors. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (6) Rejection of all Qualifications, Bids, Proposals, Replies and Responses after Receipt of Notice of Protest. If the Board determines there was a violation of law, defect, or an irregularity in the competitive solicitation process, the Bids, Proposals, Replies, and Responses are too high, or if the Board determines it is otherwise in the District's best interest, the Board may reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew. If the Board decides to reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew, any pending protests shall automatically terminate.
- (7) Settlement. Nothing herein shall preclude the settlement of any protest under this Rule at any time.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.  
**Law Implemented:** § 190.033, Fla. Stat.

**Rule 4.0      Effective Date.**

These Rules shall be effective May 20, 2020, except that no election of officers required by these Rules shall be required until after the next regular election for the Board.

**Specific Authority:** §§ 190.011(5), 190.011(15), Fla. Stat.

**Law Implemented:** §§ 190.011(5), 190.011(15), Fla. Stat.

**RESOLUTION 2020-02**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE  
COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT  
ADOPTING AN INTERNAL CONTROLS POLICY CONSISTENT  
WITH SECTION 218.33, FLORIDA STATUTES; PROVIDING AN  
EFFECTIVE DATE.**

**WHEREAS**, the Coconut Cay Community Development District (the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Miami-Dade County, Florida; and

**WHEREAS**, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

**WHEREAS**, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE COCONUT CAY COMMUNITY  
DEVELOPMENT DISTRICT:**

**SECTION 1.** The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

**SECTION 2.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 3.** This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED THIS 20<sup>TH</sup> DAY OF MAY, 2020.**

**ATTEST:**

**COCONUT CAY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairperson, Board of Supervisors

**EXHIBIT "A"**

**COCONUT CAY  
COMMUNITY DEVELOPMENT DISTRICT  
INTERNAL CONTROLS POLICY**

**1. Purpose.**

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the Coconut Cay Community Development District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
  - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
  - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
  - 1.2.3. Support economical and efficient operations.
  - 1.2.4. Ensure reliability of financial records and reports.
  - 1.2.5. Safeguard Assets (as hereinafter defined).

**2. Definitions.**

- 2.1. "Abuse" means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. "Assets" means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. "Auditor" means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. "Board" means the Board of Supervisors for the District.
- 2.5. "District Management" means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. "Fraud" means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity's assets, bribery, or the use of one's position for personal enrichment through the deliberate misuse or misapplication of an organization's resources.
- 2.7. "Internal Controls" means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. "Risk" means anything that could negatively impact the District's ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. "Waste" means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

### **3. Control Environment.**

#### **3.1. Ethical and Honest Behavior.**

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

### **4. Risk Assessment.**

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management's Risk assessments shall include, but not be limited to:
  - 4.1.1. Identifying potential hazards.
  - 4.1.2. Evaluating the likelihood and extent of harm.
  - 4.1.3. Identifying cost-justified precautions and implementing those precautions.

### **5. Control Activities.**

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.

5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.

5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).

5.1.1.5. Maintaining a schedule of the District's material fixed Assets.

5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).

5.1.1.7. Retaining and restricting access to sensitive documents.

5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.

5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

- 5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.
  - 5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.
  - 5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.
- 5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

## **6. Information and Communication.**

- 6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.
- 6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

## **7. Monitoring Activities.**

- 7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:
  - 7.1.1.1. Review its operational processes.
  - 7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.
  - 7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.
  - 7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

- 7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.
  - 7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.
- 7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

**Specific Authority:** §§ 190.011(5)], 218.33(3), *Florida Statutes*  
**Effective date:** May 20, 2020

**RESOLUTION 2020-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2020/2021 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has heretofore prepared and submitted to the Board of Supervisors (“**Board**”) of the Coconut Cay Community Development District (“**District**”) prior to June 15, 2020, a proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”); and

**WHEREAS**, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT:**

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2020/2021 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for \_\_\_\_\_, 2020 at \_\_\_\_\_ p.m. The hearing may be conducted remotely, pursuant to \_\_\_\_\_ media technology and/or by telephone pursuant to Executive Orders 20-52, 20-69 and 20-112 issued by Governor DeSantis on March 9, 2020, March 20, 2020, and April 29, 2020, as such orders may be extended, respectively, and pursuant to Section 120.54(5)(b)2., Florida Statutes. In the event that conditions allow the meeting to be held in person, it will be held at the following location:

LOCATION:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to Miami-Dade County at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget on the District’s website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED THIS 20<sup>TH</sup> DAY OF MAY, 2020.**

ATTEST:

**COCONUT CAY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Its: \_\_\_\_\_

***Proposed Budget  
Fiscal Year 2021***

***Coconut Cay  
Community Development District***

***May 20, 2020***



**Coconut Cay  
Community Development District**

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# Coconut Cay

## Community Development District

General Fund

Description	Adopted Budget FY 2020	Actual Thru 4/30/2020	Projected Next 5 Months	Total Projected 9/30/2020	Adopted Budget FY 2021
<b>Revenues</b>					
Special Assessment - Levy	\$108,600	\$103,115	\$5,485	\$108,600	\$108,600
Interest Income	\$0	\$600	\$428	\$1,028	\$0
Unassigned Fund Balance	\$67,093	\$83,640	\$0	\$83,640	\$60,983
<b>TOTAL REVENUES</b>	<b>\$175,693</b>	<b>\$187,355</b>	<b>\$5,913</b>	<b>\$193,268</b>	<b>\$169,583</b>
<b>Expenditures</b>					
<i>Administrative</i>					
Supervisor Fees	\$6,000	\$600	\$5,400	\$6,000	\$6,000
FICA Expense	\$459	\$46	\$413	\$459	\$459
Engineering Fees	\$6,500	\$1,586	\$4,915	\$6,500	\$6,500
Arbitrage Calculation	\$1,250	\$0	\$1,250	\$1,250	\$1,250
Dissemination Agent	\$1,100	\$642	\$458	\$1,100	\$1,100
Attorney Fees	\$16,550	\$2,482	\$14,069	\$16,550	\$16,550
Annual Audit	\$3,525	\$3,525	\$0	\$3,525	\$3,525
Trustee Fees	\$3,795	\$2,726	\$1,069	\$3,795	\$3,895
Management Fees	\$35,278	\$20,579	\$14,699	\$35,278	\$35,278
Website Compliance	\$1,000	\$583	\$417	\$1,000	\$1,000
Telephone	\$50	\$11	\$39	\$50	\$50
Postage	\$850	\$352	\$300	\$652	\$850
Printing & Binding	\$450	\$178	\$272	\$450	\$450
Insurance	\$6,646	\$6,193	\$0	\$6,193	\$6,812
Legal Advertising	\$1,200	\$339	\$574	\$913	\$1,100
Other Current Charges	\$575	\$341	\$234	\$575	\$575
Office Supplies	\$50	\$51	\$0	\$51	\$50
Dues, Licenses & Subscriptions	\$175	\$175	\$0	\$175	\$175
Monitoring Fee	\$5,430	\$0	\$5,430	\$5,430	\$5,430
<b>TOTAL ADMINISTRATIVE</b>	<b>\$90,883</b>	<b>\$40,407</b>	<b>\$49,538</b>	<b>\$89,946</b>	<b>\$91,049</b>
<i>Field Maintenance</i>					
Lake Maintenance	\$2,340	\$585	\$1,755	\$2,340	\$2,340
Drainage Maintenance	\$82,470	\$6,936	\$33,064	\$40,000	\$4,000
Pump Maintenance	\$0	\$0	\$0	\$0	\$72,194
<b>TOTAL Maintenance</b>	<b>\$84,810</b>	<b>\$7,521</b>	<b>\$34,819</b>	<b>\$42,340</b>	<b>\$78,534</b>
<b>TOTAL EXPENDITURES</b>	<b>\$175,693</b>	<b>\$47,929</b>	<b>\$84,357</b>	<b>\$132,286</b>	<b>\$169,583</b>
<b>EXCESS REVENUES</b>	<b>\$0</b>	<b>\$139,427</b>	<b>(\$78,444)</b>	<b>\$60,983</b>	<b>\$0</b>

	FY 2018	FY 2019	FY 2020	FY 2021
Net Assessment	\$ 108,600	\$ 108,600	\$ 108,600	\$ 108,600
Plus Collection Fees & Discounts (5%)	\$ 5,717	\$ 5,716	\$ 5,716	\$ 5,716
Gross Assessment	\$ 114,316	\$ 114,316	\$ 114,316	\$ 114,316
No. of Units	543	543	543	543
<b>Net Per Unit Assessment</b>	<b>\$ 200.00</b>	<b>\$ 200.00</b>	<b>\$ 200.00</b>	<b>\$ 200.00</b>
Gross Per Unit Assessment	\$ 210.53	\$ 210.53	\$ 210.53	\$ 210.53

**REVENUES:**

**Special Assessments**

The District will levy a non-ad valorem special assessment on all taxable property within the District to fund all of the General Operating Expenditures for the fiscal year.

**Interest Income**

Interest Income earned from State Board account held for the District.

**EXPENDITURES:**

**Administrative:**

**Supervisor Fees**

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$4,800 in one year. The amount for the fiscal year is based upon all five supervisors attending the estimated 12 annual meetings.

**FICA Expense**

Represents the Employer's share of Social Security and Medicare taxes withheld from Board of Supervisors checks.

**Engineering Fees**

The District's engineer will be providing general engineering services to the District including attendance and preparation for board meetings, etc.

**Arbitrage**

The District is required to annually have an arbitrage rebate calculation on the District's Series 2006A Special Assessment Revenue Bonds.

**Dissemination Agent**

The District is required by the Security and Exchange Commission to comply with Rule 15(c)(2)-12(b)(5), which relates to additional reporting requirements for un-rated bond issues. The District has contracted with Prager, Sealy & Company, the District's bond underwriter, to provide this service.

**Attorney Fees**

The District's legal counsel will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, etc.

**Annual Audit**

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

**Trustee Fees**

The District issued Series 2006A Special Assessment Revenue Bonds which are held with a Trustee at US Bank. The amount of the trustee fees is based on the agreement between US Bank and the District.

**Management Fees**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-South Florida. These services are further outlined in Exhibit "A" of the Management Agreement.

**Website Compliance**

Per Section 189.069 F.S., all Districts must have a website by October 1, 2015 to provide detailed information on the CDD as well as links to useful websites regarding Compliance issues. This website will be maintained by GMS-SF, LLC and updated as required by the Statute.

**Administrative: (continued)**

**Telephone**

Telephone and fax machine.

**Postage**

Mailing of agenda packages, overnight deliveries, correspondence, etc.

**Printing & Binding**

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc.

**Insurance**

The District's General Liability & Public Officials Liability Insurance policy is with Florida Insurance Alliance (FIA). FIA specializes in providing insurance coverage to governmental agencies.

**Legal Advertising**

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

**Other Current Charges**

Bank charges and any other miscellaneous expenses that are incurred during the year.

**Office Supplies**

Miscellaneous office supplies.

**Dues, Licenses & Subscriptions**

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

**Monitoring Fee**

The City Council for the City of Miami Gardens imposes an annual monitoring fee for each Community Development District that is located wholly within the boundaries of the City of Miami Gardens, in the amount of \$1,000 per Community Development District, or \$10.00 per residential unit, whichever is greater. Based on the assessment methodology, the budgeted amount represents 543 residential units at \$10.00 per residential unit.

**Field Maintenance:**

**Lake Maintenance**

Monthly water management services to all the lakes throughout the District.

**Drainage Maintenance**

Storm Drain Cleaning for all Storm Drains throughout the District.

**Pump Maintenance**

Routine maintenance and preventative services provided by Hoover throughout the District.

# Coconut Cay

Community Development District

## Debt Service Fund

Series 2006A Special Assessment Revenue Bonds

Description	Adopted Budget FY 2020	Actual Thru 4/30/2020	Projected Next 5 Months	Total Projected 9/30/2020	Adopted Budget FY 2021
<b>Revenues</b>					
Special Assessments - A Bonds <sup>(1)</sup>	\$466,328	\$441,356	\$24,972	\$466,328	\$466,328
Interest Income	\$40	\$334	\$239	\$573	\$300
Carry Forward Surplus <sup>(2)</sup>	\$141,641	\$146,481	\$0	\$146,481	\$144,962
<b>TOTAL REVENUES</b>	<b>\$608,008</b>	<b>\$588,171</b>	<b>\$25,211</b>	<b>\$613,381</b>	<b>\$611,590</b>
<b>Expenditures</b>					
<b>Series 2006A</b>					
Interest - 11/01	\$137,331	\$137,331	\$0	\$137,331	\$132,225
Interest - 05/01	\$137,331	\$0	\$137,331	\$137,331	\$132,225
Principal - 05/01	\$190,000	\$0	\$190,000	\$190,000	\$200,000
<b>TOTAL EXPENDITURES</b>	<b>\$464,663</b>	<b>\$137,331</b>	<b>\$327,331</b>	<b>\$464,663</b>	<b>\$464,450</b>
<b>Other Financing Sources and Uses</b>					
Interfund Transfer <sup>(3)</sup>	(\$3,757)	(\$21,133)	\$17,376	(\$3,757)	(\$13,638)
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<b>(\$3,757)</b>	<b>(\$21,133)</b>	<b>\$17,376</b>	<b>(\$3,757)</b>	<b>(\$13,638)</b>
<b>EXCESS REVENUES</b>	<b>\$139,589</b>	<b>\$429,706</b>	<b>(\$284,745)</b>	<b>\$144,962</b>	<b>\$133,502</b>

Parcel	Unit Count	Gross	Total	11/21 Interest 2006A
Single Family	543	\$904.00	\$490,872	\$126,850
Total	543		\$490,872	\$126,850

Net Assessment	\$466,328
Plus Collection Fees & Discounts (5%)	\$24,544
Gross Assessment	\$490,872

<sup>(1)</sup> Based on Assessment Methodology from the Series 2006A Special Assessment Revenue Bonds.

<sup>(2)</sup> Carry forward surplus is net of the reserve requirement.

<sup>(3)</sup> After November 1, 2006, interest income earned on the Reserve Account is transferred to the Construction/Acquisition Account until Completion of the Project. After Completion to Deferred Costs, and if no deferred costs, to the Revenue Account. Excess Reserves are also transferred to the construction account until completion of the project. Also, excess revenues from the Revenue account get transferred to the Construction account.

**Coconut Cay**  
Community Development District

Amortization Schedule  
Series 2006A, Special Assessment Bonds

<u>DATE</u>	<u>BALANCE</u>	<u>RATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
11/01/20	\$ 4,920,000	5.375%	\$ -	\$ 132,225.00	\$ 459,556.25
05/01/21	\$ 4,920,000	5.375%	\$ 200,000.00	\$ 132,225.00	\$ -
11/01/21	\$ 4,720,000	5.375%	\$ -	\$ 126,850.00	\$ 459,075.00
05/01/22	\$ 4,720,000	5.375%	\$ 210,000.00	\$ 126,850.00	\$ -
11/01/22	\$ 4,510,000	5.375%	\$ -	\$ 121,206.25	\$ 458,056.25
05/01/23	\$ 4,510,000	5.375%	\$ 220,000.00	\$ 121,206.25	\$ -
11/01/23	\$ 4,290,000	5.375%	\$ -	\$ 115,293.75	\$ 456,500.00
05/01/24	\$ 4,290,000	5.375%	\$ 235,000.00	\$ 115,293.75	\$ -
11/01/24	\$ 4,055,000	5.375%	\$ -	\$ 108,978.13	\$ 459,271.88
05/01/25	\$ 4,055,000	5.375%	\$ 250,000.00	\$ 108,978.13	\$ -
11/01/25	\$ 3,805,000	5.375%	\$ -	\$ 102,259.38	\$ 461,237.50
05/01/26	\$ 3,805,000	5.375%	\$ 260,000.00	\$ 102,259.38	\$ -
11/01/26	\$ 3,545,000	5.375%	\$ -	\$ 95,271.88	\$ 457,531.25
05/01/27	\$ 3,545,000	5.375%	\$ 275,000.00	\$ 95,271.88	\$ -
11/01/27	\$ 3,270,000	5.375%	\$ -	\$ 87,881.25	\$ 458,153.13
05/01/28	\$ 3,270,000	5.375%	\$ 290,000.00	\$ 87,881.25	\$ -
11/01/28	\$ 2,980,000	5.375%	\$ -	\$ 80,087.50	\$ 457,968.75
05/01/29	\$ 2,980,000	5.375%	\$ 305,000.00	\$ 80,087.50	\$ -
11/01/29	\$ 2,675,000	5.375%	\$ -	\$ 71,890.63	\$ 456,978.13
05/01/30	\$ 2,675,000	5.375%	\$ 325,000.00	\$ 71,890.63	\$ -
11/01/30	\$ 2,350,000	5.375%	\$ -	\$ 63,156.25	\$ 460,046.88
05/01/31	\$ 2,350,000	5.375%	\$ 340,000.00	\$ 63,156.25	\$ -
11/01/31	\$ 2,010,000	5.375%	\$ -	\$ 54,018.75	\$ 457,175.00
05/01/32	\$ 2,010,000	5.375%	\$ 360,000.00	\$ 54,018.75	\$ -
11/01/32	\$ 1,650,000	5.375%	\$ -	\$ 44,343.75	\$ 458,362.50
05/01/33	\$ 1,650,000	5.375%	\$ 380,000.00	\$ 44,343.75	\$ -
11/01/33	\$ 1,270,000	5.375%	\$ -	\$ 34,131.25	\$ 458,475.00
05/01/34	\$ 1,270,000	5.375%	\$ 400,000.00	\$ 34,131.25	\$ -
11/01/34	\$ 870,000	5.375%	\$ -	\$ 23,381.25	\$ 457,512.50
05/01/35	\$ 870,000	5.375%	\$ 425,000.00	\$ 23,381.25	\$ -
11/01/35	\$ 445,000	5.375%	\$ -	\$ 11,959.38	\$ 460,340.63
05/01/36	\$ 445,000	5.375%	\$ 445,000.00	\$ 11,959.38	\$ 456,959.38
<b>Total</b>			<b>\$ 4,920,000.00</b>	<b>\$ 2,545,868.75</b>	<b>\$ 7,793,200.00</b>

**AGREEMENT FOR ACCESS TO CERTAIN EXEMPT INFORMATION MAINTAINED  
BY THE MIAMI-DADE COUNTY PROPERTY APPRAISER**

THIS AGREEMENT TO ACCESS CERTAIN EXEMPT INFORMATION MAINTAINED BY THE MIAMI-DADE COUNTY PROPERTY APPRAISER (AGREEMENT), made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the **Coconut Cay Community Development District** (hereinafter referred to as the “**CDD**”) and the **MIAMI-DADE COUNTY PROPERTY APPRAISER**, (hereinafter referred as the “**Property Appraiser**”).

**WITNESSETH**

**WHEREAS**, the CDD is an independent special purpose unit of local government that helps plan, finance, construct, operate and maintain infrastructure and services for the benefit of its residents,

**WHEREAS**, the CDD may finance infrastructure and services by levying ad valorem taxes or non-ad valorem assessments,

**WHEREAS**, the CDD has requested access to certain records maintained by the Property Appraiser relating to specific property owners, including name, home addresses, telephone numbers, dates of birth, and photographs, which are exempt from public disclosure under section 119.071 of the Florida Statutes (“**Exempt Information**”),

**WHEREAS**, under section 119.071 of the Florida Statutes, “home addresses” includes the physical address, mailing address, street address, parcel identification number, plot identification number, legal property description, neighborhood name and lot number, GPS coordinates, and any other descriptive property information that may reveal the home address,

**WHEREAS**, the CDD shall only request Exempt Information when there is a statutory or official need for the Exempt Information,

**WHEREAS**, the CDD shall take full responsibility for protecting all Exempt Information provided pursuant to this agreement in accordance with Florida law,

**NOW, THEREFORE**, in consideration of the covenants herein provided, the CDD and the Property Appraiser agree as follows:

1. The foregoing recitals are incorporated herein.
2. Before the CDD requests any Exempt Information from the Property Appraiser, the CDD shall establish sufficient safeguards to ensure that Exempt Information will not be disclosed, whether intentionally or inadvertently, by the CDD or any of its agents or employees, except as authorized by Florida law.
3. The CDD shall only use Exempt Information to fulfill the official administration, duties, and responsibilities of the CDD and such Exempt Information may not be disclosed or shared for any other purpose other than as prescribed by Florida law.

4. When in receipt of Exempt Information from the Property Appraiser, the CDD acknowledges that its employees, successors, and authorized agents are subject to the same requirements exempting such records from public disclosure and the same penalties for violation of those requirements as the Property Appraiser. The CDD accepts full responsibility for the actions of its employees, successors, and authorized agents with regards to the Exempt Information, unless otherwise provided by Florida law and subject to the limitations of section 768.28, Florida Statutes, to the extent applicable.
5. To the extent allowed by, and subject to the limitations of, section 768.28 of the Florida Statutes, if applicable, the CDD does hereby agree to indemnify and hold the Property Appraiser, its officials, employees, and instrumentalities, harmless from any and all liability for any damage, injury, or claim that may arise by virtue of the Property Appraiser's disclosure of the Exempt Information to the CDD, or the exercise of any rights, obligations or actions under this Agreement, including, but not limited to, the CDD's failure to maintain the Exempt Information in accordance with Florida law.
6. The undersigned further agrees that these conditions shall be deemed a continuing obligation between the CDD and the Property Appraiser and shall remain in full force and effect and be binding on the CDD, and any permitted successors or assigns.
7. In the event that the CDD requests any third party to assume any of its responsibilities as it relates to the Exempt Information or this Agreement, the CDD must require the third party to agree in writing that it is subject to, and must comply with, all terms of this Agreement and that it must protect the Exempt Information from disclosure. Such agreement by the third party must be signed before the CDD allows the third party to access any Exempt Information. The CDD acknowledges that such assumption by a third party shall not relieve the CDD from any obligations or responsibilities hereunder. Any failure by any third party shall not subject the Property Appraiser to any liability for any damage, injury, or claim that may arise. A failure of the CDD to comply with this section shall be a breach of this Agreement and therefore a termination of the Agreement without the notice requirement in section 9.
8. Nothing in this Agreement, expressed or implied, is intended to: (a) confer upon any entity or person other than the parties and any permitted successors or assigns, any rights or remedies under or by reason of the Agreement as a third party beneficiary or otherwise except as specifically provided in this Agreement; or (b) authorize anyone not a party to this Agreement to maintain an action pursuant to or based upon this Agreement. Additionally, nothing herein shall be deemed to constitute a waiver of any rights under section 768.28 of the Florida Statutes, or as a waiver of the Property Appraiser's sovereign rights.
9. Either party to this Agreement may terminate the Agreement with seven (7) days' written notice to the other party. The CDD's obligation to protect the Exempt Information from disclosure shall remain in full force and effect following the termination of the Agreement.
10. The language agreed to herein expresses the mutual intent and agreement of the Property Appraiser and the CDD, and shall not, as a matter of judicial construction, be construed more severely against one of the parties from the other.

11. Any notices to be given hereunder shall be in writing and shall be deemed to have been given if sent by hand delivery, recognized overnight courier (e.g., Federal Express), or by written certified U.S. mail, with return receipt requested, addressed to the party for whom it is intended, at the place specified. The method of delivery shall be consistent among all of the persons listed herein. For the present, the CDD and Property Appraiser designate the following as the respective places for notice purposes:

Community Development District: Coconut Cay CDD  
5385 N. Nob Hill Road  
Sunrise, FL 33351

With a Copy to: District Counsel  
Hopping, Green, and Sams P.A.  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301  
Attn: Alyssa C. Willsom, Esq.

Property Appraiser: Miami-Dade County  
Office of the Property Appraiser  
111 Northwest First Street, Suite 710  
Miami, Florida 33128

With a Copy to: Miami-Dade County Attorney's Office  
111 Northwest First Street, Suite 2810  
Miami, Florida 33128

**IN WITNESS WHEREOF**, the Coconut Cay Community Development District has caused this instrument to be executed by its respective officials thereunto duly authorized, this the day and year above written.

**COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT**

ATTEST:

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairperson

APPROVED AS TO LEGAL FORM  
AND CORRECTNESS:

\_\_\_\_\_  
CDD Attorney

**MIAMI-DADE COUNTY PROPERTY APPRAISER**

ATTEST:

By: \_\_\_\_\_  
Property Appraiser/ Designee

\_\_\_\_\_  
Date

**Coconut Cay Community  
Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2019**

Coconut Cay Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2019

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Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

## REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors  
Coconut Cay Community Development District  
Miami-Dade County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of Coconut Cay Community Development District as of and for the year ended September 30, 2019, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Accounting Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart

To the Board of Supervisors  
Coconut Cay Community Development District

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of Coconut Cay Community Development District, as of September 30, 2019, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coconut Cay Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 31, 2020

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

Management's discussion and analysis of Coconut Cay Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and debt service.

*Fund financial statements* present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

*Fund financial statements* include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including land, buildings and improvements, and infrastructure are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

*Notes to financial statements* provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

**Financial Highlights**

The following are the highlights of financial activity for the year ended September 30, 2019.

- ◆ The District's total liabilities exceeded total assets by \$(2,742,017) (net position). Unrestricted net position for Governmental Activities was \$(2,470,303). Governmental Activities restricted net position was \$138,676 and net investment in capital assets was \$(410,390).
- ◆ Governmental Activities revenues totaled \$579,360 while Governmental Activities expenses totaled \$588,235.

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

**Net Position**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
Current assets	\$ 90,998	\$ 67,971
Restricted assets	425,326	420,144
Capital assets	2,611,048	2,822,736
Total Assets	<u>3,127,372</u>	<u>3,310,851</u>
Current liabilities	317,220	301,824
Non-current liabilities	5,552,169	5,742,169
Total Liabilities	<u>5,869,389</u>	<u>6,043,993</u>
Net position - net investment in capital assets	(410,390)	(214,925)
Net position - restricted	138,676	123,397
Net position - unrestricted	(2,470,303)	(2,641,614)
Total Net Position	<u>\$ (2,742,017)</u>	<u>\$ (2,733,142)</u>

The increase in current assets and current liabilities was related to timing of payables.

The decrease in capital assets is due to depreciation in the current year.

The decrease in non-current liabilities is primarily the result of the principal payments on long-term debt.

The decrease in net investments in capital assets is related to depreciation exceeding principal payments in the current year.

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

**Change in Net Position**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2018</b>
Program Revenues		
Charges for services	\$ 577,285	\$ 578,266
Operating contributions	-	217,286
General Revenues		
Investment earnings	2,075	1,272
Total Revenues	<u>579,360</u>	<u>796,824</u>
Expenses		
General government	65,209	69,136
Physical environment	242,719	428,014
Interest on long-term debt	280,307	289,667
Total Expenses	<u>588,235</u>	<u>786,817</u>
Change in Net Position	(8,875)	10,007
Net Position - Beginning of Year	<u>(2,733,142)</u>	<u>(2,743,149)</u>
Net Position - End of Year	<u>\$ (2,742,017)</u>	<u>\$ (2,733,142)</u>

The decrease in operating contributions is related to developer funding of the increased drainage maintenance in the prior year.

The decrease in physical environment is primarily the result of a large drainage maintenance project in the prior year.

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets as of September 30, 2019 and 2018.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Infrastructure	\$ 4,308,273	\$ 4,308,273
Less: accumulated depreciation	(1,697,225)	(1,485,537)
Total	<u>\$ 2,611,048</u>	<u>\$ 2,822,736</u>

Capital activity for the year consisted of depreciation of \$211,688.

**General Fund Budgetary Highlights**

The budgeted expenditures exceeded actual expenditures primarily because of less attorney fees and drainage maintenance expenditures than were anticipated.

The September 30, 2019 budget was not amended.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In May 2006, the District issued \$6,840,000 Series 2006 construction of certain improvements Special Assessment Bonds. These bonds were issued to finance the acquisition and construction of certain improvements within the District. The balance outstanding at September 30, 2019 was \$5,110,000.
- ◆ The District determined in fiscal year 2015 that a \$632,169 deferred cost liability exists for capital improvements to the District that were not paid with bond proceeds. These amounts were advanced by the Developer under the Acquisition Agreement. The balance outstanding at September 30, 2019 was \$632,169.

**Coconut Cay Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Economic Factors and Next Year's Budget**

Coconut Cay Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2020.

**Request for Information**

The financial report is designed to provide a general overview of Coconut Cay Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Coconut Cay Community Development District, GMS-SF, LLC, 5385 N Nob Hill Road, Sunrise, Florida 33351.

**Coconut Cay Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2019**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 20,557
Investments	61,522
Prepaid expenses	8,919
Total Current Assets	90,998
Non-current Assets	
Restricted assets	
Investments	425,326
Capital assets, being depreciated	
Infrastructure	4,308,273
Less: accumulated depreciation	(1,697,225)
Total Non-current Assets	3,036,374
Total Assets	3,127,372
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable and accrued expenses	12,777
Accrued interest	114,443
Bonds payable	190,000
Total Current Liabilities	317,220
Non-current liabilities	
Bonds payable	4,920,000
Note payable-developer	632,169
Total Noncurrent Liabilities	5,552,169
Total Liabilities	5,869,389
<b>NET POSITION</b>	
Net investment in capital assets	(410,390)
Restricted for debt service	43,833
Restricted for capital projects	94,843
Unrestricted	(2,470,303)
Total Net Position	\$ (2,742,017)

*See accompanying notes to financial statements.*

**Coconut Cay Community Development District**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Governmental Activities</u>
Governmental Activities			
General government	\$ (65,209)	\$ 73,953	\$ 8,744
Physical environment	(242,719)	35,192	(207,527)
Interest on long-term debt	(280,307)	468,140	187,833
Total Governmental Activities	<u>\$ (588,235)</u>	<u>\$ 577,285</u>	<u>(10,950)</u>
<b>General revenues:</b>			
			<u>2,075</u>
			(8,875)
			<u>(2,733,142)</u>
			<u>\$ (2,742,017)</u>

See accompanying notes to financial statements.

**Coconut Cay Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2019**

ASSETS	General	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Cash	\$ 20,557	\$ -	\$ -	\$ 20,557
Investments, at fair value	61,522	-	-	61,522
Prepaid expenses	8,919	-	-	8,919
Restricted assets:				
Investments, at fair value	-	330,483	94,843	425,326
Total Assets	\$ 90,998	\$ 330,483	\$ 94,843	\$ 516,324
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 12,777	\$ -	\$ -	\$ 12,777
<b>FUND BALANCES</b>				
Nonspendable - prepaid expense	8,919	-	-	8,919
Restricted:				
Debt service	-	330,483	-	330,483
Capital projects	-	-	94,843	94,843
Unassigned	69,302	-	-	69,302
Total Fund Balances	78,221	330,483	94,843	503,547
Total Liabilities and Fund Balances	\$ 90,998	\$ 330,483	\$ 94,843	\$ 516,324

See accompanying notes to financial statements.

**Coconut Cay Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2019**

Total Governmental Fund Balances	\$	503,547
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets being depreciated, infrastructure, \$4,308,273, net of accumulated depreciation, \$(1,697,225), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		2,611,048
Long-term liabilities, including bonds payable, \$(5,110,000) and note payable, \$(632,169) are not due and payable in the current period and therefore, are not reported at the fund level.		(5,742,169)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.		<u>(114,443)</u>
Net Position of Governmental Activities	\$	<u><u>(2,742,017)</u></u>

*See accompanying notes to financial statements.*

**Coconut Cay Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2019**

	General	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Special assessments	\$ 109,145	\$ 468,140	\$ -	\$ 577,285
Investment earnings	695	1,115	265	2,075
Total Revenues	<u>109,840</u>	<u>469,255</u>	<u>265</u>	<u>579,360</u>
Expenditures				
Current				
General government	65,209	-	-	65,209
Physical environment	31,031	-	-	31,031
Debt service				
Principal	-	180,000	-	180,000
Interest	-	284,338	-	284,338
Total Expenditures	<u>96,240</u>	<u>464,338</u>	<u>-</u>	<u>560,578</u>
Excess of revenues over expenditures	<u>13,600</u>	<u>4,917</u>	<u>265</u>	<u>18,782</u>
Other financing sources (uses)				
Operating transfers in	-	-	11,061	11,061
Operating transfers out	-	(11,061)	-	(11,061)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(11,061)</u>	<u>11,061</u>	<u>-</u>
Net change in fund balances	13,600	(6,144)	11,326	18,782
Fund Balances - October 1, 2018	<u>64,621</u>	<u>336,627</u>	<u>83,517</u>	<u>484,765</u>
Fund Balances - September 30, 2019	<u>\$ 78,221</u>	<u>\$ 330,483</u>	<u>\$ 94,843</u>	<u>\$ 503,547</u>

See accompanying notes to financial statements.

**Coconut Cay Community Development District**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2019**

Net Change in Fund Balances - Total Governmental Funds	\$	18,782
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period.		(211,688)
Repayment of bond principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the Statement of Net Position.		180,000
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals.		<u>4,031</u>
Change in Net Position of Governmental Activities	\$	<u><u>(8,875)</u></u>

*See accompanying notes to financial statements.*

**Coconut Cay Community Development District  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
GENERAL FUND**

**For the Year Ended September 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 108,600	\$ 108,600	\$ 109,145	\$ 545
Investment earnings	-	-	695	695
Total Revenues	<u>108,600</u>	<u>108,600</u>	<u>109,840</u>	<u>1,240</u>
Expenditures				
Current				
General government	91,255	91,255	65,209	26,046
Physical environment	80,162	80,162	31,031	49,131
Total Expenditures	<u>171,417</u>	<u>171,417</u>	<u>96,240</u>	<u>75,177</u>
Net change in fund balances	(62,817)	(62,817)	13,600	76,417
Fund Balances - October 1, 2018	<u>62,817</u>	<u>62,817</u>	<u>64,621</u>	<u>1,804</u>
Fund Balances - September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,221</u>	<u>\$ 78,221</u>

See accompanying notes to financial statements.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Coconut Cay Community Development District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

**1. Reporting Entity**

The District was established on September 8, 2005 by the Board of County Commissioners of Miami-Dade County, Florida pursuant to Ordinance 05-164 created by the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of managing and financing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or without the boundaries of the Coconut Cay Community Development District. The District is governed by a five-member Board of Supervisors, who are elected for terms of four years. The District operates within the criteria established by Chapter 190.

The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility. Oversight responsibility includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters. As required by GAAP, these financial statements present the Coconut Cay Community Development District (the primary government) as a stand-alone government.

Based upon the application of the above-mentioned criteria as set forth in principles established by the Governmental Accounting Standard, the District has identified no component units.

**2. Measurement Focus and Basis of Accounting**

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

**a. Government-wide Financial Statements**

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements (Continued)**

Governmental activities, which normally are supported by special assessments, developer assessments and interest, are reported separately from business-type activities. Program revenues include charges for services, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

**b. Fund Financial Statements**

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

**Governmental Funds**

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

The District has various policies governing the fund balance classifications.

**Nonspendable Fund Balance** – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**Assigned Fund Balance** – This classification consists of the Board of Supervisors' intent for funds to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

**Unassigned Fund Balance** – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**Fund Balance Spending Hierarchy** – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund – Accounts for the debt service requirements to retire certain capital improvement revenue bonds, which were used to finance the construction of District infrastructure improvements and finance certain additional improvements.

Capital Projects Fund – The Capital Project Fund accounts for the construction of infrastructure improvements within the boundaries of the District.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Presentation (Continued)**

**b. Non-current Governmental Assets/Liabilities**

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide statement of net position.

**4. Assets, Liabilities and Net Position or Equity**

**a. Cash and Investments**

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

**Coconut Cay Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities and Net Position or Equity (Continued)**

**b. Restricted Net Position**

Certain net position of the District are classified as restricted assets on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

**c. Capital Assets**

Capital assets, which includes infrastructure, is reported in the applicable governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure	15-30 years
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**Coconut Cay Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2019**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**4. Assets, Liabilities and Net Position or Equity (Continued)**

**d. Budgets**

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget variance columns of the accompanying financial statements may occur.

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

“Total fund balances” of the District’s governmental funds, \$503,547, differs from “net position” of governmental activities, \$(2,742,017), reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balances. The effect of the differences is illustrated below.

**Capital related items**

When capital assets (infrastructure that is to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Infrastructure	\$ 4,308,273
Less: accumulated depreciation	<u>(1,697,225)</u>
Total	<u>\$ 2,611,048</u>

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2019

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

**Long-term debt transactions**

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2019 were:

Note payable	\$ (632,169)
Bonds payable	<u>(5,110,000)</u>
Total	<u>\$ (5,742,169)</u>

**Accrued interest**

Accrued liabilities in the statement of net position differ from the amount reported in governmental funds due to accrued interest on bonds.

Accrued interest on bonds payable	<u>\$ (114,443)</u>
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**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities**

The "net change in fund balances" for government funds, \$18,782, differs from the "change in net position" for governmental activities, \$(8,875), reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated as follows.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities (Continued)**

**Capital related items**

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Depreciation	\$ <u>(211,688)</u>
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**Long-term debt transactions**

Repayments of bond principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. At the government wide level, these payments are reflected as a reduction of bonds payable.

Principal payments	\$ <u>180,000</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net decrease in accrued interest payable	\$ <u>4,031</u>
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**Coconut Cay Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2019**

**NOTE C – CASH AND INVESTMENTS**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2019, the District's bank balance was \$21,107 and the carrying value was \$20,557. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2019, the District had the following investments and maturities:

Investment	Maturity	Fair Value
Florida Prime	37 days*	\$ 61,522
U S Bank Money Market Fund	N/A	425,326
Total		\$ 486,848

\* Maturity is weighted average maturity

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, US Bank Money Market Fund is a Level 1 asset.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Coconut Cay Community Development District  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2019**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Credit Risk

The District's investments in treasury funds, commercial paper, and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2019, the District's investments in Florida Prime was rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in U S Bank Money Market Fund are 87% of the District's total investments. The investments in Florida Prime are 13% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2019 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – SPECIAL ASSESSMENT REVENUES**

Special assessment revenues recognized for the 2018-2019 fiscal year were levied in July 2018. All levies are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Amounts paid in March are without discount.

All unpaid assessments become delinquent as of April 1. Virtually all unpaid assessments are collected via the sale of tax certificates on, or prior to, June 1; therefore, there were no material amounts receivable at fiscal year end.

**NOTE E – CAPITAL ASSETS**

Capital Asset activity for the year ended September 30, 2019 was as follows:

	Balance October 1, 2018	Additions	Deletions	Balance September 30, 2019
<u>Governmental Activities:</u>				
Capital assets, being depreciated:				
Infrastructure	\$ 4,308,273	\$ -	\$ -	\$ 4,308,273
Less accumulated depreciation for:				
Infrastructure	(1,485,537)	(211,688)	-	(1,697,225)
Total Capital Assets Depreciated, Net	<u>\$ 2,822,736</u>	<u>\$ (211,688)</u>	<u>\$ -</u>	<u>\$ 2,611,048</u>

Depreciation, \$211,688, was charged to physical environment.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE F – LONG-TERM DEBT**

The following is a summary of the activity of long-term debt of the District for the year ended September 30, 2019:

Long-term debt at October 1, 2018	\$ 5,290,000
Principal payments	<u>(180,000)</u>
Long-term debt at September 30, 2019	<u>\$ 5,110,000</u>

**Special Assessment Bonds**

Long-term debt is comprised of the following:

\$6,840,000 Series 2006 Special Assessment Bonds due in annual principal installments beginning May 2007, maturing in May 2036. Interest is due semi-annually on May 1 and November 1, beginning November 1, 2006, at a rate of 5.375%. Current portion is \$190,000.

\$ 5,110,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2019 are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	\$ 190,000	\$ 274,663	\$ 464,663
2021	200,000	264,450	464,450
2022	210,000	253,700	463,700
2023	220,000	242,413	462,413
2024	235,000	230,588	465,588
2025-2029	1,380,000	948,956	2,328,956
2030-2034	1,805,000	535,081	2,340,081
2035-2036	870,000	70,681	940,681
Totals	<u>\$ 5,110,000</u>	<u>\$ 2,820,532</u>	<u>\$ 7,930,532</u>

**Coconut Cay Community Development District  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2019**

**NOTE F – LONG-TERM DEBT (CONTINUED)**

Summary of Significant Bonds Resolution Terms and Covenants

The District levies special assessments pursuant to Chapter 170, Chapter 197 and Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to levy special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. However, payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date, or in part on an interest payment date, without premium, together with accrued interest to the redemption date if monies are available to retire the debt in accordance with the provisions of the indenture.

The bond resolution and the trust indenture provide for the establishment of certain accounts and an order in which revenues are to be deposited into these accounts. The accounts include a construction, revenue, redemption, reserve, interest and prepayment account and are maintained by a trustee.

The bond indenture provides for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of reserve requirements and balances in the reserve accounts at September 30, 2019:

	<u>Balance</u>	<u>Requirement</u>
Special Assessment Bonds		
Series 2006	\$ 184,002	\$ 172,207

Developer Note Payable

The Developer advanced funds for construction of the 2006 improvements. The advances were intended to be reimbursed as the improvements were completed and were repaid in the prior fiscal year. Furthermore, deferred costs of \$632,169 related to the Series 2006 Project exist at September 30, 2019. The balance owed to the Developer is not included in a maturity schedule as the District will not make scheduled payments.

**Coconut Cay Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**NOTE G – INTERFUND ACTIVITY**

Interfund activity for the year ended September 30, 2019 consisted of the following:

Fund	Transfer In	Transfer Out
Debt Service Fund	\$ -	\$ 11,061
Capital Projects Fund	11,061	-
Total	\$ 11,061	\$ 11,061

The transfers consist of the excess funds from the debt service fund estate, which were transferred to the deferred costs account in accordance with the Series 2006 Bond Indenture.

**NOTE I – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; threats of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue  
Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors  
Coconut Cay Community Development District  
Miami-Dade County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Coconut Cay Community Development District, as of and for the year ended September 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Coconut Cay Community Development District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coconut Cay Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Coconut Cay Community Development District's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Berger, Toombs, Elam,  
Gaines & Frank  
Certified Public Accountants PL

To the Board of Supervisors  
Coconut Cay Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Coconut Cay Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Berger Toombs Elam  
(Gaines) + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants  
Fort Pierce, Florida

March 31, 2020



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

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Fort Pierce, Florida 34950

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FAX: 772/468-9278

**MANAGEMENT LETTER**

To the Board of Supervisors  
Coconut Cay Community Development District  
Miami-Dade County, Florida

**Report on the Financial Statements**

We have audited the financial statements of the Coconut Cay Community Development District as of and for the year ended September 30, 2019, and have issued our report thereon dated March 31, 2020.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 31, 2020, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding audit.

**Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Coconut Cay Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Coconut Cay Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.

Fort Pierce / Stuart



To the Board of Supervisors  
Coconut Cay Community Development District

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Coconut Cay Community Development District. It is management's responsibility to monitor the Coconut Cay Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2019.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

#### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

#### **Purpose of this Letter**

Our Management Letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 31, 2020



Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

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Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors  
Coconut Cay Community Development District  
Miami-Dade County, Florida

We have examined Coconut Cay Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2019. Management is responsible for Coconut Cay Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Coconut Cay Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Coconut Cay Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Coconut Cay Community Development District's compliance with the specified requirements.

In our opinion, Coconut Cay Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2019.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 31, 2020

Fort Pierce / Stuart

**NOTICE OF QUALIFYING PERIOD FOR CANDIDATES FOR THE  
BOARD OF SUPERVISORS OF THE  
COCONUT CAY COMMUNITY DEVELOPMENT DISTRICT**

Notice is hereby given that the qualifying period for candidates for the office of Supervisor of the Coconut Cay Community Development District will commence at noon on June 8, 2020 and close at noon on June 12, 2020. Candidates must qualify for the office of Supervisor with the Miami - Dade Supervisor of Elections located at 2700 NW 87 Avenue, Doral, Florida 33172 and the telephone number is 305-499-8683 / 305-499-8410. All candidates shall qualify for individual seats in accordance with section 99.061, Florida Statutes, and must also be qualified electors of the District. A qualified elector is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is registered to vote with the Miami-Dade County Supervisor of Elections. Campaigns shall be conducted in accordance with Chapter 106, Florida Statutes.

The Coconut Cay Community Development District has three seats up for election, specifically seat #2, seat #4 and seat #5. Each seat carries a four-year term of office. Elections are nonpartisan and will be held at the same time as the general election on November 3, 2020, in the manner prescribed by law for general elections.

For additional information, please contact the Miami-Dade County Supervisor of Elections.



**Elections**  
2700 NW 87th Avenue  
Miami, Florida 33172  
T 305-499-8683 F 305-499-8547  
TTY 305-499-8480

[miamidade.gov](http://miamidade.gov)

## CERTIFICATION

STATE OF FLORIDA)

COUNTY OF MIAMI-DADE)

I, Christina White, Supervisor of Elections of Miami-Dade County, Florida, do hereby certify that Coconut Cay, as described in the attached EXHIBIT A & B, has 1323 voters.

A handwritten signature in black ink, appearing to read "Christina White", written over a horizontal line.

Christina White  
Supervisor of Elections

WITNESS MY HAND  
AND OFFICIAL SEAL,  
AT MIAMI, MIAMI-DADE  
COUNTY, FLORIDA,  
ON THIS 7<sup>th</sup> DAY OF  
MAY, 2020

*Please submit a check for \$90.00 to our office payable to "Miami-Dade County" for the cost of certifying the number of registered voters.*

# Coconut Cay Community Development District

## Check Run Summary

May 20, 2020

<u>Date</u>	<u>Check Numbers</u>	<u>Amount</u>
02/19/20	933	\$5,420.00
02/21/20	934	\$12,853.46
03/05/20	935-938	\$3,604.38
04/10/20	940-942	\$31,740.97
05/07/20	943-945	\$4,512.36
Total		<u>\$58,131.17</u>

\*\*\* CHECK DATES 02/12/2020 - 05/08/2020 \*\*\*

COCONUT CAY - GENERAL FUND  
BANK A COCONUT CAY CDD - GF

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
2/19/20	00008	9/30/19	51839	201909	310	51300	49300		FY19 ANNUAL MONITOR FEE	*	5,420.00		
									CITY OF MIAMI GARDENS			5,420.00	000933
2/21/20	00010	2/21/20	02212020	202002	300	20700	10000		TRANSFER OF TAX RECEIPTS	*	12,853.46		
									COCONUT CAY CDD			12,853.46	000934
3/05/20	00030	2/11/20	455771	202002	310	51300	48000		NOTICE OF MEETING DATES	*	57.65		
									ALM MEDIA LLC			57.65	000935
3/05/20	00012	2/19/20	69322427	202002	310	51300	42000		DELIVERIES THRU 2/19/20	*	174.30		
									FEDEX			174.30	000936
3/05/20	00001	3/01/20	162	202003	310	51300	34000		MAR 20 - MGMT FEES	*	2,939.83		
		3/01/20	162	202003	310	51300	31300		MAR 20 - DISSEMINATION	*	91.67		
		3/01/20	162	202003	310	51300	35100		MAR 20 - WEBSITE ADMIN	*	83.33		
		3/01/20	162	202003	310	51300	51000		MAR 20 - OFFICE SUPPLIES	*	15.00		
		3/01/20	162	202003	310	51300	42500		MAR 20 - COPIES	*	26.10		
									GMS-SF, LLC			3,155.93	000937
3/05/20	00004	2/21/20	112905	202001	310	51300	31500		JAN 20 - ATTORNEY FEES	*	216.50		
									HOPPING GREEN & SAMS			216.50	000938
3/10/20	00038	3/10/20	3102020	202003	310	51300	49000		PERIOD ENDING 6/28/2019	*	184.70		
		3/10/20	3102020	202003	310	51300	49000		PERIOD ENDING 6/28/2019	V	184.70-		
									TROY T. JONES			.00	000939
4/10/20	00035	4/05/20	349107	202004	310	51300	32200		AUDIT FYE 09/30/2019	*	3,525.00		
									BERGER TOOMBS ELAM GAINES & FRANK			3,525.00	000940
4/10/20	00010	4/10/20	04102020	202004	300	20700	10000		TRANSFER OF TAX RECEIPTS	*	25,100.99		
									COCONUT CAY CDD			25,100.99	000941
									COCO COCONUT CAY ACOOPER				

\*\*\* CHECK DATES 02/12/2020 - 05/08/2020 \*\*\*

COCONUT CAY - GENERAL FUND  
BANK A COCONUT CAY CDD - GF

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
4/10/20	00001	4/01/20	163			202004	310-51300	34000		*	2,939.83		
			APR 20						- MGMT FEES				
4/01/20		4/01/20	163			202004	310-51300	31300		*	91.67		
			APR 20						- DISSEMINATION				
4/01/20		4/01/20	163			202004	310-51300	35100		*	83.33		
			APR 20						- WEBSITE ADMIN				
4/01/20		4/01/20	163			202004	310-51300	51000		*	.15		
			APR 20						- OFFICE SUPPLIES				
GMS-SF, LLC											3,114.98	000942	
5/07/20	00030	4/20/20	467535-0			202004	310-51300	48000		*	82.50		
									RULE DEVELOPMENT NOTICE				
4/21/20		4/21/20	467713-0			202004	310-51300	48000		*	141.48		
									NOTICE OF RULE MAKING				
5/01/20		5/01/20	467744-0			202005	310-51300	48000		*	65.00		
									CANDIDATES FOR BOARD SUP				
ALM MEDIA LLC											288.98	000943	
5/07/20	00001	5/01/20	164			202005	310-51300	34000		*	2,939.83		
			MAY 20						- MGMT FEES				
5/01/20		5/01/20	164			202005	310-51300	31300		*	91.67		
			MAY 20						- DISSEMINATION				
5/01/20		5/01/20	164			202005	310-51300	35100		*	83.33		
			MAY 20						- WEBSITE ADMIN				
5/01/20		5/01/20	164			202005	310-51300	51000		*	.15		
			MAY 20						- OFFICE SUPPLIES				
5/01/20		5/01/20	164			202005	310-51300	42500		*	5.40		
			MAY 20						- COPIES				
GMS-SF, LLC											3,120.38	000944	
5/07/20	00004	3/31/20	114117			202003	310-51300	31500		*	1,103.00		
			MAR 20						- ATTORNEY FEES				
HOPPING GREEN & SAMS											1,103.00	000945	
TOTAL FOR BANK A											58,131.17		
TOTAL FOR REGISTER											58,131.17		

**COCONUT CAY  
COMMUNITY DEVELOPMENT DISTRICT**

Special Assessment Receipts  
Fiscal Year 2020

\$ 114,317.79    \$ 490,872.00    \$605,189.79

**TOTAL ASSESSMENT LEVY**

**ASSESSED THROUGH COUNTY**

DATE	DESCRIPTION	GROSS AMT	COMMISSIONS	DISC/PENALTY	INTEREST	NET RECEIPTS	18.89%	81.11%	100.00%
							36300.10000	36300.10000	Total
							O&M Portion	DSF Portion	Total
11/15/19	11/1/2019	\$2,752.87	\$26.29	\$123.44	\$ -	\$2,603.14	\$491.72	\$2,111.42	\$2,603.14
11/16/19	11/1/19 - 11/8/19	\$13,374.36	\$128.40	\$534.96	\$ -	\$12,711.00	\$2,401.05	\$10,309.95	\$12,711.00
11/27/19	11/9/19-11/14/19	\$6,687.18	\$64.20	\$267.48	\$ -	\$6,355.50	\$1,200.53	\$5,154.97	\$6,355.50
12/06/19	11/15/19-11/30/19	\$492,622.26	\$4,729.17	\$19,704.36	\$ -	\$468,188.73	\$88,438.87	\$379,749.86	\$468,188.73
12/19/19	12/01/19 - 12/13/19	\$24,519.66	\$235.73	\$947.32	\$ -	\$23,336.61	\$4,408.19	\$18,928.42	\$23,336.61
01/08/20	11/2/19 - 12/31/19	\$852.63	\$8.26	\$25.58	\$ -	\$818.79	\$154.67	\$664.12	\$818.79
01/08/20	12/14/19 - 12/31/19	\$7,801.71	\$75.57	\$245.21	\$ -	\$7,480.93	\$1,413.12	\$6,067.81	\$7,480.93
01/23/20	10/1/19 - 12/31/19	\$0.00	\$0.00	\$0.00	\$ 304.94	\$304.94	\$304.94	\$0.00	\$304.94
02/05/20	01/01/20 - 01/31/20	\$7,801.71	\$76.24	\$178.32	\$ -	\$7,547.15	\$1,425.62	\$6,121.53	\$7,547.15
03/05/20	02/01/20 - 02/29/20	\$8,916.24	\$88.27	\$89.17	\$ -	\$8,738.80	\$1,650.72	\$7,088.08	\$8,738.80
04/06/20	01/01/20 - 03/31/20	\$852.62	\$8.52	\$0.00	\$ -	\$844.10	\$159.45	\$684.65	\$844.10
04/06/20	03/01/20 - 03/31/20	\$5,572.65	\$55.73	\$0.00	\$ -	\$5,516.92	\$1,042.12	\$4,474.80	\$5,516.92
04/22/20	01/01/20 - 03/31/20	\$ -	\$ -	\$ -	\$ 24.41	\$24.41	\$24.41	\$0.00	\$24.41
05/06/20	04/01/20 - 04/30/20	\$8,916.24	\$89.15	(\$99.29)	\$ -	\$8,926.38	\$1,686.16	\$7,240.22	\$8,926.38
						\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>		<b>\$580,670.13</b>	<b>\$5,585.53</b>	<b>\$22,016.55</b>	<b>\$329.35</b>	<b>\$553,397.40</b>	<b>\$104,801.57</b>	<b>\$448,595.83</b>	<b>\$553,397.40</b>

**Assessed on Roll:**

<b>95.95%</b>	<b>Gross Percent Collected</b>
<b>\$24,519.66</b>	<b>Balance Remaining to Collect</b>

	GROSS AMOUNT ASSESSED	PERCENTAGE	ASSESSMENTS COLLECTED	ASSESSMENTS TRANSFERRED	AMOUNT TO BE TFR.
O & M	\$114,317.79	18.8896%	\$104,801.57	(\$104,801.57)	\$0.00
DEBT SERVICE	\$490,872.00	81.1104%	\$448,595.83	(\$454,209.07)	<b>(\$5,613.24)</b>
<b>TOTAL</b>	<b>\$605,189.79</b>	<b>100.00%</b>	<b>\$553,397.40</b>	<b>(\$559,010.64)</b>	<b>(\$5,613.24)</b>

001.300.20700.10000 V#10

**TRANSFERS TO DEBT SERVICE:**

DATE	CHECK #	AMOUNT
12/12/2019	922	\$397,326.20
1/7/2020	925	\$18,928.42
2/21/2020	934	\$12,853.46
4/10/2020	941	\$25,100.99
<b>TOTAL</b>		<b>\$454,209.07</b>

**COCONUT CAY**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**COMBINED BALANCE SHEET**  
April 30, 2020

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b><u>ASSETS:</u></b>				
Cash	\$60,359	---	---	\$60,359
Assessment Receivable	\$8,926	---	---	\$8,926
Due From Other Funds	\$5,613	\$0	---	\$5,613
State Board	\$62,121	---	---	\$62,121
Investments:				
Reserve	---	\$172,207	---	\$172,207
Interest	---	---	---	\$0
Revenue	---	\$454,355	---	\$454,355
Prepayment	\$0	\$0	---	\$0
Deferred Cost	---	---	\$116,053	\$116,053
Prepaid Expenses	\$0	---	---	\$0
<b>TOTAL ASSETS</b>	<b><u>\$137,020</u></b>	<b><u>\$626,562</u></b>	<b><u>\$116,053</u></b>	<b><u>\$879,634</u></b>
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$1,327	---	---	\$1,327
Due To Other Funds	\$0	\$5,613	\$0	\$5,613
<b>TOTAL LIABILITIES</b>	<b><u>\$1,327</u></b>	<b><u>\$5,613</u></b>	<b><u>\$0</u></b>	<b><u>\$6,940</u></b>
<b>FUND BALANCES:</b>				
Restricted for:	---			
Debt Service	---	\$620,948	---	\$620,948
Capital Projects	---	---	\$116,053	\$116,053
Unassigned	\$135,693	---	---	\$135,693
<b>TOTAL FUND BALANCES</b>	<b><u>\$135,693</u></b>	<b><u>\$620,948</u></b>	<b><u>\$116,053</u></b>	<b><u>\$872,694</u></b>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b><u>\$137,020</u></b>	<b><u>\$626,562</u></b>	<b><u>\$116,053</u></b>	<b><u>\$879,634</u></b>

**COCONUT CAY**  
**COMMUNITY DEVELOPMENT DISTRICT**

**GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Period Ended April 30, 2020

<u>DESCRIPTION</u>	<u>ADOPTED BUDGET</u>	<u>PRORATED BUDGET THRU 04/30/20</u>	<u>ACTUAL THRU 04/30/20</u>	<u>VARIANCE</u>
<b><u>REVENUES:</u></b>				
Special Assessments	\$108,600	\$108,600	\$104,802	(\$3,798)
Interest Income	\$0	\$0	\$600	\$600
Developer Contributions	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b><u>\$108,600</u></b>	<b><u>\$108,600</u></b>	<b><u>\$105,401</u></b>	<b><u>(\$3,199)</u></b>
<b><u>EXPENDITURES:</u></b>				
<b><u>ADMINISTRATIVE:</u></b>				
Supervisor Fees	\$6,000	\$3,500	\$600	\$2,900
FICA Expense	\$459	\$268	\$46	\$222
Engineering	\$6,500	\$3,792	\$1,586	\$2,206
Arbitrage Calculation	\$1,250	\$729	\$0	\$729
Dissemination	\$1,100	\$642	\$642	(\$0)
Attorney	\$16,550	\$9,654	\$2,482	\$7,173
Annual Audit	\$3,525	\$3,525	\$3,525	\$0
Trustee Fees	\$3,795	\$3,795	\$2,726	\$1,069
Management Fees	\$35,278	\$20,579	\$20,579	\$0
Telephone	\$50	\$29	\$11	\$18
Postage	\$850	\$496	\$352	\$144
Printing & Binding	\$450	\$263	\$178	\$85
Insurance	\$6,646	\$6,646	\$6,193	\$453
Legal Advertising	\$1,200	\$700	\$339	\$361
Other Current Charges	\$575	\$335	\$341	(\$6)
Office Supplies	\$50	\$29	\$51	(\$22)
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Monitoring Fee	\$5,430	\$5,430	\$0	\$5,430
Website Compliance	\$1,000	\$583	\$583	\$0
<b>TOTAL ADMINISTRATIVE</b>	<b><u>\$90,883</u></b>	<b><u>\$61,170</u></b>	<b><u>\$40,407</u></b>	<b><u>\$20,762</u></b>
<b><u>MAINTENANCE</u></b>				
Lake Maintenance	\$2,340	\$1,365	\$585	\$780
Drainage Maintenance	\$82,470	\$48,108	\$6,936	\$41,171
<b>TOTAL MAINTENANCE</b>	<b><u>\$84,810</u></b>	<b><u>\$49,473</u></b>	<b><u>\$7,521</u></b>	<b><u>\$41,951</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>\$175,693</u></b>	<b><u>\$110,642</u></b>	<b><u>\$47,929</u></b>	<b><u>\$83,476</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>(\$67,093)</u></b>	<b><u>(\$2,042)</u></b>	<b><u>\$57,473</u></b>	<b><u>\$80,277</u></b>
FUND BALANCE - Beginning	\$67,093		\$78,220	
FUND BALANCE - Ending	<u>\$0</u>		<u>\$135,693</u>	

**COCONUT CAY**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**DEBT SERVICE FUND - SERIES 2006A**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Period Ended April 30, 2020

<u>DESCRIPTION</u>	<u>ADOPTED BUDGET</u>	<u>PRORATED BUDGET THRU 04/30/20</u>	<u>ACTUAL THRU 04/30/20</u>	<u>VARIANCE</u>
<b><u>REVENUES:</u></b>				
Special Assessments	\$466,328	\$466,328	\$448,596	(\$17,733)
Interest Income	\$40	\$40	\$334	\$294
<b>TOTAL REVENUES</b>	<b><u>\$466,368</u></b>	<b><u>\$466,368</u></b>	<b><u>\$448,930</u></b>	<b><u>(\$17,438)</u></b>
<b><u>EXPENDITURES:</u></b>				
<b><u>Series 2006</u></b>				
Interest - 11/01	\$137,331	\$137,331	\$137,331	\$0
Interest - 05/01	\$137,331	\$0	\$0	\$0
Principal - 05/01	\$190,000	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b><u>\$464,663</u></b>	<b><u>\$137,331</u></b>	<b><u>\$137,331</u></b>	<b><u>\$0</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b><u>\$1,706</u></b>	<b><u>\$329,037</u></b>	<b><u>\$311,599</u></b>	<b><u>(\$17,438)</u></b>
<b><u>OTHER FINANCING SOURCES/(USES)</u></b>				
Interfund Transfer <sup>(1)</sup>	(\$3,757)	(\$21,133)	(\$21,133)	\$0
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<b><u>(\$3,757)</u></b>	<b><u>(\$21,133)</u></b>	<b><u>(\$21,133)</u></b>	<b><u>\$0</u></b>
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>(\$2,051)</u></b>	<b><u>\$307,904</u></b>	<b><u>\$290,465</u></b>	<b><u>(\$17,438)</u></b>
FUND BALANCE - Beginning	\$141,640		\$330,483	
FUND BALANCE - Ending	<u>\$139,588</u>		<u>\$620,948</u>	

<sup>(1)</sup> Per the Master Trust Indenture, investment earnings on the 2006A Reserve Account is transferred to the Acquisition/Construction Account.

**COCONUT CAY  
COMMUNITY DEVELOPMENT DISTRICT  
Long Term Debt Report  
FY 2020**

<b>Series 2006, Special Assessment Bonds</b>	
Interest Rate;	5.375%
Maturity Date:	5/1/2036
	3.37% of Outstanding Aggregate Principal
Bonds outstanding - 9/30/2018	\$5,290,000.00
Less - 05/01/2019	\$180,000.00
<b>Current Bonds Outstanding</b>	<b>\$5,470,000.00</b>

<b>Total Current Bonds Outstanding</b>	<b>\$5,470,000.00</b>
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Deferred Cost Obligation - 9/30/2018	\$632,169.00
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<b>Total Deferred Cost Obligation</b>	<b>\$632,169.00</b>
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<b>Total Long-Term Liabilities</b>	<b>\$6,102,169.00</b>
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# COCONUT CAY

## COMMUNITY DEVELOPMENT DISTRICT CAPITAL PROJECTS FUND

Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Period Ended April 30, 2020

<u>DESCRIPTION</u>	<u>ADOPTED BUDGET</u>	<u>PRORATED THRU 04/30/20</u>	<u>ACTUAL THRU 04/30/20</u>	<u>VARIANCE</u>
<b>REVENUES:</b>				
Interest Income	\$0	\$0	\$76	\$76
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$76</b>	<b>\$76</b>
<b>EXPENDITURES:</b>				
Capital Outlay	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$76</b>	<b>\$76</b>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Interfund Transfer <sup>(1)</sup>	\$0	\$0	\$21,133	\$21,133
<b>TOTAL OTHER FINANCING SOURCES AND USES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,133</b>	<b>\$21,133</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,210</b>	<b>\$21,210</b>
FUND BALANCE - Beginning	\$0		\$94,843	
FUND BALANCE - Ending	\$0		\$116,053	