

**MINUTES OF MEETING
BROOKSTONE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Brookstone Community Development District held a Regular Meeting on August 26, 2022 at 11:00 a.m., at the office of ZNS Engineering, 1023 Manatee Avenue W, Bradenton, Florida 34208 (7th Floor).

Present were:

Ryan Zook	Chair
Hal Lutz	Assistant Secretary
Nicolas Aparicio	Assistant Secretary

Also present were:

Daniel Rom	District Manager
Tucker Mackie (via telephone)	District Counsel
Cynthia Wilhelm (via telephone)	Bond Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 11:01 a.m.

Supervisors Zook, Lutz and Aparicio were present, in person. Supervisors Mundell and Janek were not present.

Mr. Rom stated Mr. Aparicio was appointed to the Board at the previous meeting and the Oath of Office was administered prior to this meeting commencing.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Supervisor, Nicolas Aparicio; SEAT 2 (*the following to be provided in separate package*)

This item was addressed during the First Order of Business.

Mr. Rom stated that Mr. Aparicio is familiar with the Sunshine Law and other requirements and obligations.

- A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. Membership, Obligations and Responsibilities**
- C. Chapter 190, Florida Statutes**
- D. Financial Disclosure Forms**
 - I. Form 1: Statement of Financial Interests**
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - III. Form 1F: Final Statement of Financial Interests**
- E. Form 8B: Memorandum of Voting Conflict**

FOURTH ORDER OF BUSINESS

Consideration of Series 2022 Financing Matters

A. Presentation of Supplemental Engineer’s Report II

Mr. Rom presented the Supplemental Engineers Report for the Phase II Infrastructure Improvements dated September 2022. He noted the pertinent information and reviewed Exhibits 1 through 4.

Ms. Mackie stated that the Supplemental Engineers’ and Methodology Reports are both preliminary in nature and are being presented today so they can be included in the Preliminary Limited Offering Memorandum (PLOM) that is expected to be published after further action is taken by the Board today. It is very likely that the Reports will continue to be updated so authority to provide for those updates and for the Chair to approve them is a part of Resolution 2022-11.

Ms. Mackie stated that, once the proposed series of bonds are priced, another Board Meeting will be scheduled to approve a Supplemental Assessment Resolution that will approve the final Engineer’s Report and Final Assessment Methodology, which will also be tied to the term of the bonds that are ultimately closed on. No action is being requested other than the approval of Resolution 2022-11.

B. Presentation of Preliminary Second Supplemental Special Assessment Methodology Report

Mr. Rom presented the Second Supplemental Special Assessment Methodology Report dated August 26, 2022. He noted the pertinent information, including the scope of the Report, special and general benefits, Development Program, project costs, financing plan, assigning bond assessment, True-Up Mechanism and the Appendix Tables on Pages 11 through 14.

C. Consideration of Resolution 2022-11, Delegating to the Chairman of the Board of Supervisors of Brookstone Community Development District (the "District") the Authority to Approve the Sale, Issuance and Terms of Sale of Brookston Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two), as a Single Series of Bonds Under the Master Trust Indenture (the "Series 2022 Bonds") In Order to Finance the Assessment Area Two Project; Establishing the Parameters for the Principal Amounts, Interest Rates, Maturity Dates, Redemption Provisions and Other Details Thereof; Approving the Form of and Authorizing the Chairman to Accept the Bond Purchase Contract for the Series 2022 Bonds; Approving a Negotiated Sale of The Series 2022 Bonds to the Underwriter; Ratifying the Master Trust Indenture And Approving the Form of Second Supplemental Trust Indenture And Authorizing the Execution and Delivery Thereof by Certain Officers of the District; Appointing a Trustee, Paying Agent and Registrar for the Series 2022 Bonds; Approving the Form of the Series 2022 Bonds; Approving the Form of and Authorizing the Use of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum Relating to the Series 2022 Bonds; Approving The Form of the Continuing Disclosure Agreement Relating to the Series 2022 Bonds; Authorizing Certain Officers Of the District to Take All Actions Required and to Execute and Deliver All Documents, Instruments And Certificates Necessary In Connection With the Issuance, Sale And Delivery of the Series 2022 Bonds; Authorizing the Vice Chairman and Assistant Secretaries to Act in the Stead of the Chairman or the Secretary, as the Case May Be; Specifying the Application of the Proceeds Of The Series 2022 Bonds; Authorizing Certain Officers of the District to Take All Actions and Enter Into All Agreements

Required In Connection with the Acquisition and Construction of the Assessment Area Two Project; and Providing an Effective Date

- I. Form of Bond Purchase Contract**
- II. Form of Second Supplemental Trust Indenture**
- III. Form of Preliminary Limited Offering Memorandum**
- IV. Form of Continuing Disclosure Agreement**

Ms. Wilhelm stated Resolution 2022-11 is also known as the “Delegated Award Resolution” and accomplishes the following:

- Delegates authority to the Chair to enter into the Bond Purchase Contract (BPC), so long as the terms are within the parameters that will be approved by the Board today and are attached to Schedule I of the Resolution.
- Approves the forms of certain documents that are required in order to market, price and sell the bonds.
- Sets forth that the maximum principal amount of bonds is not-to-exceed \$13 million.
- Sets forth that the maximum coupon rate is the maximum statutory rate.
- Sets forth that the maximum underwriting discount is 2.0%
- Sets forth that the not-to-exceed maturity date is the maximum allowed by law.
- Sets forth the redemption provisions, as are attached to the form of the bonds, and attached to the form of Supplemental Indenture.

Ms. Wilhelm recommended approval of the Bond Purchase Contract, Second Supplemental Trust Indenture, Preliminary Limited Offering Memorandum (PLOM) and Continuing Disclosure Agreement, in substantial form.

Updates will be provided as Staff moves through the process of posting the PLOM and when the bonds are priced.

Mr. Rom presented Resolution 2022-11.

On MOTION by Mr. Zook and seconded by Mr. Aparicio, with all in favor, Resolution 2022-11, Delegating to the Chairman of the Board of Supervisors of Brookstone Community Development District (the "District") the Authority to

Approve the Sale, Issuance and Terms of Sale of Brookston Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two), as a Single Series of Bonds Under the Master Trust Indenture (the "Series 2022 Bonds") In Order to Finance the Assessment Area Two Project; Establishing the Parameters for the Principal Amounts, Interest Rates, Maturity Dates, Redemption Provisions and Other Details Thereof; Approving the Form of and Authorizing the Chairman to Accept the Bond Purchase Contract for the Series 2022 Bonds; Approving a Negotiated Sale of The Series 2022 Bonds to the Underwriter; Ratifying the Master Trust Indenture And Approving the Form of Second Supplemental Trust Indenture And Authorizing the Execution and Delivery Thereof by Certain Officers of the District; Appointing a Trustee, Paying Agent and Registrar for the Series 2022 Bonds; Approving the Form of the Series 2022 Bonds; Approving the Form of and Authorizing the Use of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum Relating to the Series 2022 Bonds; Approving The Form of the Continuing Disclosure Agreement Relating to the Series 2022 Bonds; Authorizing Certain Officers Of the District to Take All Actions Required and to Execute and Deliver All Documents, Instruments And Certificates Necessary In Connection With the Issuance, Sale And Delivery of the Series 2022 Bonds; Authorizing the Vice Chairman and Assistant Secretaries to Act in the Stead of the Chairman or the Secretary, as the Case May Be; Specifying the Application of the Proceeds Of The Series 2022 Bonds; Authorizing Certain Officers of the District to Take All Actions and Enter Into All Agreements Required In Connection with the Acquisition and Construction of the Assessment Area Two Project; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Acquisition of Phase IIA-IA, IIA-IB & IIB Master Infrastructure Improvements (Stormwater Management, Utility and Landscape and Irrigation Improvements) for a Not-to-Exceed Amount of \$4.1 Million Dollars

Mr. Rom presented the Acquisition of Phase IIA-IA, IIA-IB & IIB Master Infrastructure Improvements for Stormwater Management, Utility and Landscape and Irrigation Improvements.

Ms. Mackie stated included in the Series 2022 Project are remaining improvements that were constructed within Phase IIA-IA, IIA-IB & IIB. The estimated total cost of those improvements, after the District Engineer has reviewed the contract and pay applications, is

approximately \$4.1 million. Staff is asking the Board to approve the acquisition of those improvements, pursuant to an Acquisition Agreement; FMSbonds is requiring certain documentation be provided to the CDD in connection with the acquisition. The intent of moving forward is to fund the acquisition immediately after the issuance of the bonds. The improvements are completed and ready for acquisition, after the District Engineer’s review.

On MOTION by Mr. Zook and seconded by Mr. Aparicio, with all in favor, the acquisition of the Phase IIA-IA, IIA-IB & IIB Master Infrastructure Improvements (Stormwater Management, Utility and Landscape and Irrigation Improvements) for a not-to-exceed amount of \$4.1 Million Dollars, was approved.

SIXTH ORDER OF BUSINESS

Consent Agenda

Mr. Rom presented the following:

- A. Acceptance of Unaudited Financial Statements as of July 31, 2022**
- B. Approval of August 5, 2022 Public Hearing and Regular Meeting Minutes**

On MOTION by Mr. Zook and seconded by Mr. Aparicio, with all in favor, the Consent Agenda Items, as presented, were accepted and approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel: *Kutak Rock LLP***

Mr. Rom stated that he previously conferred with Ms. Mackie and Mr. Kessler regarding setting another Board Meeting date prior to the bond issuance.

Ms. Mackie stated it would be beneficial to meet to approve the Supplemental Assessment Resolution and to execute documents prior to the pre-closing on the bonds.

Discussion ensued regarding potential meeting dates and venue, bond pricing timeframe and the pre-close date. The meeting was set for September 21, 2022 at 9:00 a.m.

- B. District Engineer: *ZNS Engineering, L.C.***

There was no report.

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

- **NEXT MEETING: October 7, 2022 at 11:00 a.m.**
 - **QUORUM CHECK**

The next meeting will be held on September 21, 2022 at 9:00 a.m. at Country Inn & Suites, 5610 Manor Lane, Bradenton, Florida 34203.

EIGHTH ORDER OF BUSINESS

Board Members' Comments/Requests

There were no Board Members' comments or requests.

NINTH ORDER OF BUSINESS

Public Comments

There were no public comments.

TENTH ORDER OF BUSINESS

Adjournment

<p>On MOTION by Mr. Zook and seconded by Mr. Aparicio, with all in favor, the meeting adjourned at 11:27 a.m.</p>
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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair