MINUTES OF MEETING
CLEAR SPRINGS STEWARDSHIP DISTRICT

The Board of Supervisors of the Clear Springs Stewardship District held Public Hearings, a Regular Meeting and Audit Committee Meeting on March 25, 2024 at 1:00 p.m., at 6105 Spirit Lake Road, Winter Haven, Florida 33880.

Present were:

Patrick Carroll	Chair
Kyle Gashaw	Vice Chair
Craig Underhill	Assistant Secretary
Blake Goodman (via telephone)	Assistant Secretary
Michael Strahan (via telephone)	Assistant Secretary

Also present:

Ernesto Torres	District Manager
Jonathan Johnson (via telephone)	District Counsel

FIRST ORDER OF BUSINESS — **Call to Order/Roll Call**

Mr. Torres called the meeting to order at 1:01 p.m.

All Supervisors were present.

SECOND ORDER OF BUSINESS — **Public Comments**

No members of the public spoke.

THIRD ORDER OF BUSINESS — **Public Hearing to Hear Public Comments and Objections to the Adoption of the Rules of Procedure, Pursuant to Sections 120.54 and 190.035, Florida Statutes**

A. Affidavits of Publication

The affidavits of publication were included for informational purposes.

B. Consideration of Resolution 2024-24, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date

Mr. Torres and Mr. Johnson discussed the Rules of Procedure, which were introduced during the Organizational meeting. The rules comply with the Florida Statutes and include best practices for various District activities, such matters as public procurement.

On MOTION by Mr. Carroll and seconded by Mr. Gashaw, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Carroll and seconded by Mr. Gashaw, with all in favor, the Public Hearing was closed.

Mr. Torres presented Resolution 2024-24.

In response to a Board Member's question, Mr. Johnson stated that, should a change be desired, the Rules of Procedure can be amended in the future, after following the public notice and public hearing process.

On MOTION by Mr. Carroll and seconded by Mr. Underhill, with all in favor, Resolution 2024-24, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective Date, was adopted.

FOURTH ORDER OF BUSINESS **Public Hearing on Adoption of Fiscal Year 2023/2024 Budget**

A. Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2024-25, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Torres presented Resolution 2024-25. He reviewed the proposed Fiscal Year 2024 budget, which is a partial-year, Landowner-funded budget with expenses funded as they are incurred.

On MOTION by Mr. Gashaw and seconded by Mr. Underhill, with all in favor, the Public Hearing was opened.

No affected property owners or members of the public spoke.

On MOTION by Mr. Underhill and seconded by Mr. Gashaw, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Carroll and seconded by Mr. Underhill, with all in favor, Resolution 2024-25, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS **Consideration of Resolution 2024-26, Approving the Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date**

Mr. Torres presented Resolution 2024-26. He reviewed the proposed Fiscal Year 2025 budget, which is similar to the Fiscal Year 2024 budget. This is a Landowner-funded budget with expenses funded as they are incurred.

Mr. Carroll asked about the process to amend the budget in the event development begins. Mr. Johnson stated that the budget can be amended at a District meeting without another public hearing; however, the window to place any portion of the budget on the tax roll will be missed after the public hearing adopting the Fiscal Year 2025 budget. It was noted that the public hearing can be rescheduled if necessary.

On MOTION by Mr. Carroll and seconded by Mr. Gashaw, with all in favor, Resolution 2024-26, Approving the Proposed Budget for Fiscal Year 2024/2025 and Setting a Public Hearing Thereon Pursuant to Florida Law for May 29, 2024 at 1:00 p.m., at 6105 Spirit Lake Road, Winter Haven, Florida 33880; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS **Recess Regular Meeting/Commencement of Audit Selection Committee Meeting**

The Regular Meeting recessed at 1:13 p.m., and the Audit Selection Committee Meeting convened.

SEVENTH ORDER OF BUSINESS **Review of Response to Request for Proposals (RFP) for Annual Audit Services**

A. Affidavit of Publication

B. RFP Package

The above items were included for informational purposes.

C. Respondents

I. Berger, Toombs, Elam, Gaines & Frank

II. Grau & Associates

Mr. Torres stated that, as the District Manager of many Districts, his firm has worked with both respondents. In his opinion, both are qualified to perform the audit. He noted that cost is the factor that sets the firms apart.

Berger, Toombs, Elam, Gaines & Frank (BTEGF) bid $3,275 for the first year and $4,550 with bond issuance. Grau & Associates (Grau) bid $3,100 for the first year, $3,200 for the second year, $3,300 for the third year, $3,400 for the fourth year and $3,500 for the fifth year, plus an additional $1,500 fee increase if bonds are issued.

D. Auditor Evaluation Matrix/Ranking

Mr. Torres discussed the Evaluation Matrix and the ranking process.

The Board and Staff discussed the bids and rankings and the requirement for a third-party audit, once bonds have been issued.

Mr. Carroll stated that Grau is the lowest priced respondent. He presented the Audit Selection Committee's jointly agreed upon scores and ranking, as follows:

1. Grau & Associates 100 points
2. Berger, Toombs, Elam, Gaines & Frank 98 points

EIGHTH ORDER OF BUSINESS **Termination of Audit Selection Committee Meeting/Reconvene Regular Meeting**

The Audit Selection Committee Meeting terminated at 1:21 p.m., and the Regular Meeting reconvened.

NINTH ORDER OF BUSINESS **Consider Recommendation of Audit Selection Committee**

- **Award of Contract**

On MOTION by Mr. Underhill and seconded by Mr. Gashaw, with all in favor, accepting the scores, ranking and recommendation of the Audit Selection Committee, ranking Grau & Associates as the #1 ranked respondent to the RFP for Annual Audit Services, as its own scores and ranking, and authorizing District Staff to negotiate an agreement with Grau & Associates, was approved.

TENTH ORDER OF BUSINESS **Consideration of Resolution 2024-27, Designating a Date, Time, and Location of a Public Hearing Regarding the District's Intent to Use the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section 197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing; and Providing an Effective Date**

Mr. Torres presented Resolution 2024-27.

On MOTION by Mr. Carroll and seconded by Mr. Underhill, with all in favor, Resolution 2024-27, Designating a Date, Time, and Location of May 29, 2024 at 1:00 p.m., at 6105 Spirit Lake Road, Winter Haven, Florida 33880, for a Public Hearing Regarding the District's Intent to Use the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section 197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing; and Providing an Effective Date, was adopted.

ELEVENTH ORDER OF BUSINESS **Update: Required Ethics Training and Disclosure Filing**

- **Sample Form 1/Instructions**

Mr. Torres presented the Ethics Training Memorandum about completing the requirement and discussed the new process of filing Form 1 electronically and reporting completion of the ethics training requirement when filing Form 1 in Fiscal Year 2025.

Mr. Johnson stated that an electronic version of the Memorandum, which has clickable links to the Florida Commission on Ethics and the Florida Attorney General websites, can be emailed to the Board. Courses must be completed by December 31, 2024.

TWELFTH ORDER OF BUSINESS **Consideration of Resolution 2024-13, Adopting the Annual Meeting Schedule for Fiscal Year 2023-2024; and Providing for an Effective Date**

The Board and Staff agreed to schedule meetings on an as-needed basis.

This item was deferred.

THIRTEENTH ORDER OF BUSINESS **Acceptance of Unaudited Financial Statements as of February 29, 2024**

Mr. Torres presented the Unaudited Financial Statements as of February 29, 2024. Mr. Carroll stated that he followed up with Accounts Payable regarding a check that was not received and asked to be advised if it was not received, so that it can be reissued.

On MOTION by Mr. Carroll and seconded by Mr. Gashaw, with all in favor, the Unaudited Financial Statements as of February 29, 2024, were accepted.

FOURTEENTH ORDER OF BUSINESS **Approval of Minutes**

Mr. Torres presented the following:

A. November 13, 2023 Landowners' Meeting

B. November 13, 2023 Organizational Meeting

On MOTION by Mr. Carroll and seconded by Mr. Underhill, with all in favor, the November 13, 2023 Landowners' Meeting and Organizational Meeting Minutes, as presented, were approved.

FIFTEENTH ORDER OF BUSINESS **Staff Reports**

A. District Counsel: Kutak Rock LLP

There was no report.

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

- **NEXT MEETING DATE: TBD**

Supervisors Carroll, Gashaw, Goodman and Strahan confirmed their attendance at the May 29, 2024 meeting. Supervisor Underhill will attend via telephone.

SIXTEENTH ORDER OF BUSINESS **Public Comments**

No members of the public spoke.

SEVENTEENTH ORDER OF BUSINESS **Adjournment**

On MOTION by Mr. Carroll and seconded by Mr. Gashaw, with all in favor, the meeting adjourned at 1:29 p.m.

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Secretary/Assistant Secretary

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Chair/Vice Chair