

MINUTES OF MEETING

**BALLANTRAE
COMMUNITY DEVELOPMENT DISTRICT**

The first regular meeting of the Board of Supervisors of Ballantrae Community Development District was held on **Monday, October 6, 2003 at 10:00 a.m.** at 17835 State Road 54, Lutz, Florida 33558.

Present and constituting a quorum:

Fred Sikorski	Development Representative
Theresa Collins	Development Representative
Bob Ollweiler	Development Representative
Dana Bennett	Development Representative
Jim Bagley	Development Representative

Also present were:

Pete Williams	Rizzetta & Company, Inc.
Brian Lamb	Rizzetta & Company, Inc.
Mark Straley	Akerman Senterfitt
Serge Gootan	M/I Homes
Ed Andrews	Andrews Asset Management
Bob Griffiths	King Engineering
John McKay	Rizzetta & Company, Inc.
Danny Tyler	Nabors, Giblin & Nickerson, P.A.
Ed Bulleit	Prager, Sealy & Co., LLC

FIRST ORDER OF BUSINESS

Call to Order

Mr. Williams called the meeting to order.

SECOND ORDER OF BUSINESS

**Oath of Office for Newly Appointed
Supervisors**

Mr. Williams stated that he is a Notary Public in the State of Florida and is authorized to administer the oath of office to new supervisors (located behind tab 1). Mr. Williams asked each Supervisor to raise their right hand and swear and affirm to the oath. All five Supervisors swore and affirmed to the oath.

THIRD ORDER OF BUSINESS

General District Items and Overview

Mr. Williams stated that the Board received an Overview of District Responsibilities and Purpose (located behind tab 2), Chapter 190 of the Florida Statutes (located behind tab 3), and a Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees (under separate cover). Also, each Supervisor needs to complete a Form 1-Financial Statement. This form requires a Supervisor to identify his or her sources of income, but not the amounts. Mr. Williams asked each Board member to complete this form and submit it to the District Office. It will then be filed with the Supervisor of Elections for the county in which each Supervisor resides. He asked if there were any questions. There were none.

FOURTH ORDER OF BUSINESS

**Administrative and Organizational
Resolutions and Appointment
of the Board Officers**

A. Chairman - Resolution 2004-01

Mr. Williams stated that the next order of business would be the appointment of the Chairman. Mr. Williams asked the Board for a motion to approve Resolution 2004-01.

On MOTION by Mr. Sikorski, seconded by Mr. Ollweiler, with all in favor, the Board approved Resolution 2004-01, appointing Fred Sikorski as Chairman for Ballantrae Community Development District.

Mr. Sikorski asked Mr. Williams to continue chairing the meeting.

B. Vice Chairman - Resolution 2004-02

Mr. Williams stated that the next order of business would be the appointment of the Vice Chairman. Mr. Sikorski nominated Theresa Collins. Mr. Bagley seconded the nomination. There were no other nominations. Mr. Williams asked the Board for a motion to approve Resolution 2004-02.

On MOTION by Mr. Sikorski, seconded by Mr. Bagley, with all in favor, the Board approved Resolution 2004-02, appointing Theresa Collins as Vice Chairman for Ballantrae Community Development District.

C. Assistant Secretaries – Resolution 2004-03

Mr. Williams stated that the next item is to appoint the Assistant Secretaries. He stated that the normal course of business is that the remaining Board members who have not been appointed as Chairman or Vice Chairman will be appointed as Assistant Secretaries. Bob Ollweiler, Dana Bennett, and Jim Bagley would then be considered as Assistant Secretaries. Also, Pete Williams from Rizzetta & Company, Inc. should be appointed as an Assistant Secretary for the primary purpose of a backup for signatory purposes. Mr. Williams asked for a motion to approve Resolution 2004-03, naming the Assistant Secretaries.

On MOTION by Mr. Sikorski, seconded by Mr. Ollweiler, with all in favor, the Board approved Resolution 2004-03, appointing Bob Ollweiler, Dana Bennett, Jim Bagley, and Pete Williams as Assistant Secretaries for Ballantrae Community Development District.

D. District Manager – Resolution 2004-04

Mr. Williams stated that the next item would be to appoint the District Manager. A contract has been initially entered into, between the Developer and Rizzetta & Company, Inc., in order to prepare information provided today and also for the initial petition process. Mr. Williams asked if there were any other firms that the Board would like to consider for management services. There were none, so he asked for a motion to approve Resolution 2004-04, appointing Rizzetta & Company, Inc. as District Manager.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-04, appointing Rizzetta & Company, Inc. as District Manager for Ballantrae Community Development District.

E. Secretary – Resolution 2004-05

Mr. Williams stated that the next item would be to appoint the Secretary. Mr. Williams stated that it is recommended that Brian Lamb of Rizzetta & Company, Inc. be appointed as the Secretary. Mr. Williams asked for a motion to approve Resolution 2004-05, naming Brian Lamb as Secretary.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-05, appointing Brian Lamb of Rizzetta & Company, Inc. as Secretary for Ballantrae Community Development District.

F. Treasurer and Assistant Treasurer- Resolution 2004-06

Mr. Williams stated that the next item would be to appoint the Treasurer. Mr. Williams stated that it is recommended that William Rizzetta be named as Treasurer of the District, and Stacey Thomas of Rizzetta & Company, Inc. be named as Assistant Treasurer. Mr. Williams asked the Board if there were any other nominations. Hearing and seeing none, he asked for a motion to approve Resolution 2004-06, naming William Rizzetta as Treasurer and Stacey Thomas as Assistant Treasurer.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-06, appointing William Rizzetta of Rizzetta & Company, Inc. as Treasurer and Stacey Thomas as Assistant Treasurer for Ballantrae Community Development District.

G. District Agent and Registered Office – Resolution 2004-07

Mr. Williams stated that the next item is to designate the District Agent and Registered Office. Mr. Williams recommended that William Rizzetta of Rizzetta & Company, Inc. be appointed as District Agent. Based on this, the registered office will be 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614. Mr. Williams asked for a motion to approve Resolution 2004-07, naming the Agent & Office.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-07, designating William Rizzetta as the District Agent, and the Registered Office would be the Agent's office located at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 for Ballantrae Community Development District.

H. Location of District Records

Mr. Williams stated that, in regards to the storage of the District's records, Staff would recommend that they be located at the office of Rizzetta & Company, located at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614. Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board designated the location of the District's records as the office of Rizzetta & Company, Inc., located at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614 for Ballantrae Community Development District.

I. District Counsel – Resolution 2004-08

Mr. Williams stated that the next item is to appoint District Counsel. He stated that Akerman Senterfitt has circulated an engagement letter to the Board today. Mr. Williams asked for a motion to approve Resolution 2004-08, appointing Akerman Senterfitt as District Counsel.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-08, appointing Akerman Senterfitt as District Counsel for Ballantrae Community Development District.

J. Designate Regular Monthly Meeting Dates, Time and Location–Resolution 2004-09

Mr. Williams stated that Resolution 2004-09 designates the regular monthly meeting dates, time, and location. There was a discussion regarding the best time to meet. Mr. Williams stated that the schedule is then submitted to Hillsborough County (as required by Statute). The schedule is also advertised in the legal classified section of the local newspaper. Staff recommends meeting on the first Monday of each month at 11:00 a.m. at 17835 State Road 54, Lutz, Florida 33558. The Board discussed having four evening meetings per year. They decided to schedule the meetings for the first year at 11:00 a.m. and would consider having quarterly evening meetings once lots have been sold to residents. Mr. Williams asked the Board for a motion to approve Resolution 2004-09.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-09, designating the regular monthly meeting dates, time and location for Board of Supervisors meetings for Ballantrae Community Development District.

K. Consideration of Policy for Compensation of Board Members

Mr. Williams stated that the next item on the agenda is to consider a policy for Board Member compensation. He explained that per Florida Statute, each Board member is entitled to collect the sum of up to \$200.00 per meeting with a maximum of \$4,800 per year for their attendance at Board meetings. Mr. Williams explained that the Board may choose to waive the option of payment for Board meeting attendance as policy. Mr. Williams stated that Jim Bagley should be compensated for his attendance at the meetings; however, the other remaining Supervisors are waiving their right to compensation.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved compensation for attendance at Board meetings for Jim Bagley for Ballantrae Community Development District.

L. Designate Landowners' Meeting Date, Time and Location – Resolution 2004-10

Mr. Williams stated that, by Statute, within 90 days of the actual effective date the District was approved and recorded by Hillsborough County, there must be a landowners' meeting to elect the Board of Supervisors. He further stated that the current Board was initially appointed for the purposes of governing the District through the creation and the initial period up until this election. The recommendation from District Staff is that the Board designate December 1, 2003 at 11:00 a.m. (just prior to the regular monthly meeting). Mr. Williams asked for a motion to approve Resolution 2004-10.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-10, designating the Landowners' meeting date, time and location for Ballantrae Community Development District.

M. Consideration of Budget for Fiscal Year 2003/2004 - Resolution 2004-11

Mr. Williams stated that the next item on the agenda is the consideration of Resolution 2004-11, adopting the proposed budget for fiscal year 2003/2004 and setting the public hearing on the final budget.

Mr. Williams stated that Resolution 2004-11 also adopts a Developer Funding Agreement, which is necessary because the District requires funds to operate (Exhibit B). Mr. Williams asked if there were any questions. Mr. Williams asked for a motion to approve Resolution 2004-11. It is recommended that the public hearing be held at 11:00 a.m. on January 4, 2004 (in conjunction with the regular Board meeting). Mr. Williams asked for a motion to approve the resolution.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-11, approving the Fiscal Year 2003/2004 Budget, setting a public hearing, and adopting a Developer Funding Agreement for Ballantrae Community Development District.

N. Set Date, Time & Place and Authorize Publication of Notice of Public Hearing on Rules of Procedure – Resolution 2004-12

Mr. Williams stated that the next item for discussion is Resolution 2004-12 to set the date, time and location, and authorize the publication of a notice of the public hearing on the Rules of Procedure. Mr. Williams reminded the Board that the District is required by Statute to adopt the Rules of Procedure. He stated that notification of a public hearing to adopt these rules needs to be published at least 28 days in advance of the intended date. It is recommended that the public hearing be held at 11:00 a.m. on December 1, 2003 (in conjunction with the regular Board meeting). Mr. Williams asked for a motion to approve the resolution.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-12, setting the public hearing to adopt the Rules of Procedure for Ballantrae Community Development District.

- O. Set forth policy re: Support and Legal defense for Board Members and District Staff - Resolution 2004-13

Mr. Williams stated that the next item for discussion is Resolution 2004-13. Mr. Williams stated that due to the potential liability and risk of possible lawsuits, this resolution provides that the District would cover any defense for the Board in case a suit is brought against them. The District would not support or pay for the defense of any illegal activities, malfeasance, willful neglect, misrepresentation of material facts, etc. Mr. Williams noted that Sovereign Immunity does not apply to federally based law suits, such as civil rights violations. After approval of this resolution, District Staff will begin collecting bids for public liability insurance. Mr. Williams asked for a motion to approve the resolution.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-13, setting forth a policy for support and legal defense for Board members and District Staff for Ballantrae Community Development District.

- P. Approve Notice of Establishment -- Resolution 2004-14

Mr. Williams stated that the next item is to approve the Notice of Establishment. Mr. Williams stated that by law, 30 days after the District is established, the District must file a Notice of Establishment. He stated that this serves as public notice to any future potential purchasers of property within the confines of the District that the District is authorized to collect non-ad valorem assessments. This resolution authorizes District Counsel to file the notice. The information regarding the establishing ordinance will be filled in on the final copy. Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-14 for Ballantrae Community Development District.

- Q. Authorize RFQ for District Engineer

Mr. Williams stated that the next item on the agenda is the authorization to place an advertisement for a District Engineer. Mr. Williams stated that the District is required to advertise a Request for Qualifications (RFQ) for a District Engineer, and he stated that the Board is being requested to authorize the publication.

Mr. Williams stated that the results of this submittal will be discussed at an upcoming Board meeting. Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved advertising the RFQ for District Engineer Services for Ballantrae Community Development District.

R. Consideration of Hiring an Engineer on an Interim Basis

Mr. Williams stated that the Board needs to authorize the District to hire an interim engineer. Mr. Lawson named King Engineering to serve as the interim engineer. Mr. Williams stated that the designation of an interim engineer is needed to prepare an initial Engineer's Report for the Bond Validation Complaint. This may need to be filed prior to a District Engineer being appointed.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board designated the firm of King Engineering as the interim engineer for Ballantrae Community Development District.

S. Appointment of Contract Manager

Mr. Williams stated that the Developer has requested that the Board appoint a Contract Manager. It is recommended that Serge Gootan of M/I Homes be named as the Contract Manager. Mr. Williams asked if there were any other considerations. There were none, so he asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board appointed Serge Gootan as Contract Manager for Ballantrae Community Development District.

FIFTH ORDER OF BUSINESS

**Resolutions Relating to Bond Issuance
and Banking**

A. Appoint Investment Banker – Resolution 2004-15

Mr. Williams stated that the next order of business is to appoint an investment banker. Mr. Williams stated that a letter of interest from Ed Bulleit of Prager, Sealy and Co., LLC was distributed to the Board. There were no other firms for consideration, so Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-15, appointing Prager, Sealy & Co., LLC as Investment Banker for Ballantrae Community Development District.

B. Appoint Bond Counsel – Resolution 2004-16

Mr. Williams stated that Resolution 2004-16 is to appoint Bond Counsel. Mr. Williams stated that a retainer agreement from Danny Tyler of Nabors, Giblin & Nickerson, LLC has been circulated to the Board. There were no other firms for consideration, so Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-16, appointing Nabors, Giblin & Nickerson, LLC as Bond Counsel for Ballantrae Community Development District.

C. Appoint Financial Advisor and Investment Representative – Resolution 2004-17

Mr. Williams stated that Resolution 2004-17 is for the appointment of a Financial Advisor and Investment Representative. He submitted a proposal from John McKay of Rizzetta & Company, Inc. to the Board. There were no other firms for consideration, so Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-17, appointing Rizzetta & Company, Inc. as Financial Advisor and Investment Representative for Ballantrae Community Development District.

D. Consideration of Bond Resolution, to include Form of Trust Indenture and Authorize Issuance of Bonds and Authorize Filing of Validation Complaint and Appoint a Trustee – Resolution 2004-18

Mr. Williams stated that the next issue to be discussed is the consideration of Bond Resolution 2004-18. Mr. Williams stated that, as a part of Resolution 2004-18, the Board is requested to make a determination on a not-to-exceed figure. Mr. McKay distributed a calculation for the not-to exceed amount of the bond validation process based on the anticipated construction costs. Those costs are then used to estimate an anticipated bond issuance. Based on this, it is estimated that \$48,430,000 in total bonds would be required. This figure was rounded up to \$50 Million. He noted that this does not obligate the Board to issue this amount of bonds, but simply establishes a not-to-exceed number required for validation. He asked if there were any questions. There were none.

Mr. Danny Tyler reviewed the resolution. He stated that Florida law requires that bonds issued by CDDs with maturity dates of greater than five years be validated. Basically, the District brings an action against the State of Florida and the citizens of the District requesting that the District be enabled to issue bonds pursuant to the powers granted to the District under Chapter 190.

Resolution 2004-18 authorizes a not-to-exceed limit of \$50 million in bonds for the District. The approval of this resolution also approves the forms of a Master Trust Indenture and Supplemental Trust Indenture and authorizes District Counsel and Bond Counsel to commence the bond validation proceedings. Staff recommends that the Board appoint SunTrust Bank as the Trustee and paying agent for the District.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-18 to include the forms of the Master Trust Indenture and Supplemental Trust Indenture; authorizing issuance of bonds (not-to-exceed \$50 Million); authorizing the filing of the Validation Complaint; and appointing a Trustee (SunTrust Bank) for Ballantrae Community Development District.

E. Selection of District Depository - Resolution 2004-19

Mr. Williams stated that the next item was Resolution 2004-19 to select the District depository. Mr. Williams stated that this resolution authorizes the opening of the actual operating account by which the District will be paying its normal operating expenses. He stated that SunTrust Bank has been designated as Trustee and District Staff recommends keeping the same depository. Mr. Williams asked for a motion to approve Resolution 2004-19.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-19, appointing SunTrust Bank as the District Depository for Ballantrae Community Development District.

F. Authorize Bank Account Signatories – Resolution 2004-20

Mr. Williams stated that the next item to be discussed was Resolution 2004-20. Mr. Williams stated that the purpose of this resolution is to approve five officers of the District as account signatories (Chairman, Vice Chairman, Secretary, Assistant Secretary and Treasurer). Each check would require two authorized signatures. Mr. Williams asked if there were any questions. Hearing and seeing none, Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-20, authorizing five District officers as bank signatories (Chairman, Vice Chairman, Secretary, Assistant Secretary and Treasurer) for Ballantrae Community Development District.

G. Approve Disbursement for Recurring Expenses -- Resolution 2004-21

Mr. Williams stated that the next item to be discussed was Resolution 2004-21 to approve disbursement for recurring expenses. Mr. Williams stated that this is an operational issue that the Board needs to consider. He stated that there will be invoicing from contractual agreements with vendors that will be entered into. These will require payment prior to actual Board meetings being held. This resolution allows certain invoicing to be paid prior to the next scheduled Board meeting. This only comes into effect for payment of invoices that meet the following requirements: the invoice must be due on or before the next scheduled meeting; the invoice must be for continuing goods or services pursuant to a contract or agreement previously authorized; the total amount paid must be equal to or less than the amount specified in the contract; and the invoice amount will not cause payments to exceed the approved budget of the District.

Mr. Williams asked if there was any discussion or questions regarding this resolution. Hearing and seeing none, he asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Resolution 2004-21, authorizing disbursement for recurring expenses for Ballantrae Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Funding Request 2004-01

Mr. Williams stated that the next item on the agenda was the consideration of Funding Request 2004-01 for \$10,000. Mr. Williams stated that this will be used to set up the operating account for paying the District's bills for the first one to two months for items such as advertising, printing costs, etc. Mr. Williams asked for a motion to approve.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved Funding Request 2004-01 for Ballantrae Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
Mr. Straley stated that he will file the Bond Validation complaint. The hearing should be held in about five to six weeks. He requested that the District Engineer and Mr. Sikorski plan to attend the hearing once the date has been set.

- B. District Manager
Mr. Williams reminded the Board that future meetings will be held on the first Monday of each month at 11:00 a.m.

- C. Interim District Engineer
Mr. Griffiths distributed copies of the Engineer's Report to the Board. He stated that the report basically itemizes the intended construction plan and associated costs. He asked if there were any questions. There were none, so Mr. Williams asked for a motion to approve the Engineer's Report dated October 3, 2003.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board approved the Engineer's Report dated October 3, 2003 (as presented) for Ballantrae Community Development District.

EIGHTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

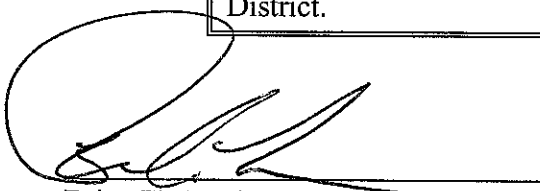
Mr. Williams stated that the next item on the agenda is Supervisor requests and audience comments. The only audience members in attendance are those mentioned at the beginning of the meeting. There were no audience comments. Mr. Williams asked if there were any Supervisor requests. There were none.

NINTH ORDER OF BUSINESS

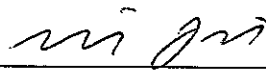
Adjournment

Mr. Williams stated that there were no other agenda items to come before the Board and asked for a motion to adjourn.

On MOTION by Mr. Sikorski, seconded by Ms. Collins, with all in favor, the Board adjourned the meeting for Ballantrae Community Development District.



Brian K. Lamb
Secretary



Fred Sikorski
Chair