

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**BALLANTRAE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Ballantrae Community Development District was held on **Monday, February 4, 2013 at 6:32 p.m.** at the Ballantrae Community Center, located at 17611 Mentmore Boulevard, Land O'Lakes, and FL 34638.

Present and constituting a quorum:

James Flateau	Board Supervisor, Chairman
Amanda Battistoni	Board Supervisor, Vice Chairman
Jenny Williams	Board Supervisor, Assistant Secretary
Steve White	Board Supervisor, Assistant Secretary
Rich Levy	Board Supervisor, Assistant Secretary <i>(joined the meeting in progress)</i>

Also present were:

Scott Brizendine	District Manager, Rizzetta & Company, Inc.
Tracy Robin	District Counsel, Straley & Robin
Ed Bulleit	Representative, MBS Capital Markets
Tony Smith	Representative, American Ecosystems
Bill Fletcher	Field Manager
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Mr. Flateau called the meeting to order and Mr. Brizendine read the roll call confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

**Consideration of Proposal for Pond
Aerator in Pond #4**

Mr. Flateau stated that Ms. Stewart would not be in attendance this evening as she had nothing significant to report, but did state that she is continuing to work with Mr. Smith on the ponds. Mr. Smith confirmed that proposals would be available next month for any work that needs to be completed to accomplish the Board's recommendations.

(Mr. Levy joined the meeting in progress.)

Mr. Brizendine presented the proposal from American Ecosystems to install an aerator in pond number 4 within Straiton that the Board requested last month totaling \$2,896.72. He stated that he confirmed that there is sufficient electrical service in the area to run the aerator, so the only additional cost would be to hook the aerator up to the electrical source. Mr. Smith stated that the system has three bubblers, which work to turn the negative micro-organisms on the bottom over and enhance the water quality in the pond. He stated that he pulled a water sample from that pond and another pond (where there have never been any issues) for comparison purposes so he can determine if the issues are related to nutrient levels or they are simple littoral shelve, shallow water issues.

On a Motion by Mr. White, seconded by Ms. Battistoni, with all in favor, the Board of Supervisors approved the proposal from American Ecosystems for installing an aerator in pond #4 at \$2,896.72 for Ballantrae Community Development District.

Mr. Flateau stated that he is looking to incorporate Ms. Stewart's and Mr. Smith's recommendations into the pond report and provide a timeframe for completion that can be referenced to address any questions the residents might have.

A brief discussion ensued regarding the email received from a resident expressing his concern with the plants in the pond behind his home. A request was made that Management respond back to the resident informing him that the plants will not be removed as they are beneficial to the pond. Mr. Smith offered to stop by and speak with the resident to address his concerns.

(Mr. Smith left the meeting.)

THIRD ORDER OF BUSINESS

MBS Capital Markets Presentation

Mr. Robin provided general information on Mr. Bulleit and his experience with the District, starting with being the underwriter for the initial bond issuance handled by Prager, Sealy and completing the numerous reports over the years. Mr. Bulleit explained that a couple of years ago MBS Capital Markets spun off from Prager with the goal of handling CDD financing.

Mr. Bulleit explained that refinancing bonds for a District is very similar to refinancing your mortgage with a few more innuendos. He reviewed the potential savings that the District might garner based on current market rates for each of the product types, as well as explaining the impact that refinancing now will have on the financing plan given that the call date for the bonds is May 2014. Mr. Bulleit reviewed the four options available to the Board in detail, noting the potential risks involved with each of them and estimates on the various fees associated with the process. A lengthy discussion ensued regarding the remote possibility that the bonds are deemed taxable at some point in the future and the impact this could have on the District, as well as the possibility of being able to use some of the savings to finance Capital Improvements for the District.

Mr. Robin noted which options would require the District to hold a public hearing and notice the landholders and which ones would not. He also opined that having the make whole provision in the private sale contract is an advantage, as it would alleviate the legal costs that could be incurred should the bonds be deemed taxable at some future date and law suits filed by the bondholders to recoup back taxes and fines, etc.

The Board indicated that it would be interested in pursuing option three with BB & T Bank. Ms. Battistoni made a motion to authorize MBS to move forward with option 3. Mr. Bulleit explained that he would initiate that sale but would also be working on a parallel path to sell the bonds in the public market just in case BB & T decides not to buy the bonds. He explained that the costs associated with preparing the documents are paid by his firm and should the deal fall through there would be no cost to the District. A brief discussion ensued regarding the timing for the sale for both options, the need to execute the engagement letter and the best way to word the motion. Ms. Battistoni amended her motion to include authorization to pursue potential refunding and for the Chairman to execute the engagement letter.

On a Motion by Ms. Battistoni, seconded by Mr. White, with all in favor, the Board of Supervisors authorized MBS Capital Markets to pursue the most efficient means and most beneficial refunding package available for the 2004 bonds and authorized the Chairman to execute the engagement letter based on review by District Counsel for Ballantrae Community Development District.

FOURTH ORDER OF BUSINESS

District Counsel & District Engineer Reports

- A. District Engineer
Not Present.
- B. District Counsel
No report.

(Mr. Robin and Mr. Bulleit left the meeting)

FIFTH ORDER OF BUSINESS

Consideration of the Minutes of the Board of Supervisors' Meetings held on January 7, 2013

On a Motion by Mr. White, seconded by Ms. Battistoni, with all in favor, the Board of Supervisors approved the minutes of the Board of Supervisor's meeting held on January 7, 2013 as presented for Ballantrae Community Development District.

SIXTH ORDER OF BUSINESS

Consideration of Operation and Maintenance Expenditures for December

There were no questions regarding any of the expenditures.

On a Motion by Mr. White, seconded by Ms. Battistoni, with all in favor, the Board of Supervisors accepted the Operation and Maintenance Expenditures paid for the period of December 1-31, 2012 totaling \$45,041.44 for Ballantrae Community Development District.

SEVENTH ORDER OF BUSINESS

**Updated on Status of Installation of
Security System**

Mr. Brizendine stated that Securiteam met with the electrician to review the needs and it is his understanding that Himes Electric submitted the permit request. He stated that once the equipment is in it will take about ten days to install. Mr. Fleteau inquired as to the status of the permit for the electrical, noting the need to ensure that the permit is obtained, as that is the one thing that the County emphasized they wanted.

A brief discussion ensued regarding who would be responsible for ensuring that the equipment is functioning properly and in the right positions. It was stated that Mr. Fletcher would be checking on it as part of his daily schedule, once it is installed and he has some training on it.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Field Manager
No Report.

B. District Manager

Mr. Brizendine provided a brief overview of the financial status report, noting that the District has received approximately 94% of the assessments placed on the tax roll through January and is continuing to operate under budget. He reviewed the various fund balances, confirming that money was pulled from the bill payment reserve account to pay operating expenses, but has been replenished. Mr. Brizendine stated that the replacement reserve and park development accounts have been funded for this year as well. A brief discussion ensued regarding the bill payment reserve account and the timing for repayment.

Mr. Brizendine stated that both Garry Kubler and Chris Webb have confirmed their availability to cover shifts for the pool monitoring and he has contacted a couple more individuals regarding covering the remaining shifts. He indicated that he is confident that everything will be in place by Spring Break as requested.

Mr. Brizendine informed the Board of hog damage that has occurred on one of the pond banks off Duke Firth. He stated that a trapper has been hired to address the issue at a cost of \$245 a week and he will be on site Wednesday to set up traps and run his dogs.

Mr. Brizendine informed the Board that Pasco County has updated their agreement for off duty-officers and are looking for District's to provide law enforcement officer's liability for the off-duty officers hired by the District.

Mr. Brizendine stated that while they have indicated a willingness to cross off that requirement for Ballantrae as it is a governmental entity, he is exploring the cost for this insurance to determine whether the costs out weighs the risk of not having it. In the meantime, the Board needs to determine whether it wants to keep the service in place until the insurance is in place. A brief discussion ensued regarding some dissatisfaction with the service being provided by the officers and whether it might be better to cancel the service or look at others options such as hiring Florida Highway Patrol officers or private security. No formal decision was made on this matter. Mr. Flateau stated that he would research the cost of using Florida Highway Patrol officers.

NINTH ORDER OF BUSINESS

Audience Comments and Supervisor Requests

There were no audience comments put forward.

There were no Supervisor requests put forward.

TENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Levy, seconded by Ms. Williams, with all in favor, the Board of Supervisors adjourned the meeting at 8:30 p.m. for Ballantrae Community Development District.


Assistant Secretary


Chairman/Vice Chairman