

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.

**SOMERSET
COMMUNITY DEVELOPMENT DISTRICT**

A regular meeting of the Board of Supervisors of the Somerset Community Development District was held on **Monday, May 12, 2014 at 2:25 p.m. CST** at the Alys Beach office located at 9581 County Hwy. 30A, Alys Beach, Florida 32413.

Present and constituting a quorum:

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| Jason White | Board Supervisor, Chair |
| John Rosenberg | Board Supervisor, Assistant Secretary |
| Charles Reichman | Board Supervisor, Assistant Secretary |
| Chris Gent | Board Supervisor, Assistant Secretary <i>(joined the Board after being sworn in)</i> |

Also present were:

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| Debra Anderson | District Manager, Rizzetta & Company, Inc. |
| Tucker Mackie | District Counsel, Hopping Green & Sams, P.A. |
| Sarah Sandy | District Counsel, Hopping Green & Sams, P.A. |
| Rick Moore | District Engineer, Moore-Bass Consulting, Inc <i>(via speakerphone)</i> |

FIRST ORDER OF BUSINESS

Call to Order

Ms. Anderson called the meeting to order performed roll call.

SECOND ORDER OF BUSINESS

Audience Comments

There was no audience in attendance.

THIRD ORDER OF BUSINESS

**Consideration of Board Supervisor
Resignation**

Ms. Anderson stated that as the Board is aware Jennifer Dargavell has submitted her resignation and asked for a motion to accept it.

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| <p>On a Motion by Mr. Rosenberg, seconded by Mr. White, with all in favor, the Board of Supervisors accepted the resignation of Jennifer Long Dargavell as Board Supervisor for the Somerset Community Development District.</p> |
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A brief discussion ensued regarding concerns with another Supervisor who rarely attends meetings and concerns with obtaining a quorum, as well as with having a Developer sit on the Board. Ms. Mackie stated that the Board could not remove Mr. Hartley from the Board, but should he resign they could appoint a replacement and there is no issue with having a Developer sitting on the Board. Mr. White nominated Mr. Chris Gent to fill seat number one on the Board, which expires in November of 2014.

On a Motion by Mr. White, seconded by Mr. Rosenberg, with all in favor, the Board of Supervisors appointed Chris Gent as Board Supervisor for the Somerset Community Development District.

Ms. Anderson, a Notary in the State of Florida, administered the oath of office to Mr. Gent. Mr. Gent swore and affirmed to the oath as read. Ms. Mackie stated that her firm would provide a new supervisor's packet and briefly touched on the form 1 and Sunshine Law requirements. Ms. Anderson emphasized the importance of not discussing District business with other members of the Board outside of a public meeting. Ms. Mackie stated that Ms. Anderson's office maintains copies of the District records and it is not necessary for him to do so, but should he desire to maintain copies of any District records, such as agenda books, etc. they should be kept separate from personal information. She stated that he could create a separate folder to place all District emails in rather than setting up a separate email account.

Mr. Gent declined to accept compensation for attending Board meetings.

Ms. Mackie confirmed that the matter of re-designating officers could be addressed at the next meeting.

FOURTH ORDER OF BUSINESS

**Consideration of Minutes of the Board of
Supervisors' Meeting Held on
February 10, 2014**

On a Motion by Mr. Rosenberg, seconded by Mr. White, with all in favor, the Board of Supervisors approved the Minutes of the Board of Supervisors' meeting held on February 10, 2014, for the Somerset Community Development District.

FIFTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for January
through March 2014**

A brief discussion ensued regarding some of the invoices and the services they represented.

On a Motion by Mr. White, seconded by Mr. Rosenberg, with all in favor, the Board of Supervisors ratified the Operation and Maintenance Expenditures for January (\$28,173.96), February (\$45,890.61), and March (\$37,605.78), for the Somerset Community Development District.

SIXTH ORDER OF BUSINESS

**Acceptance of Minutes of the Audit
Committee Meeting held on
February 10, 2014**

On a Motion by Mr. White, seconded by Mr. Gent, with all in favor, the Board of Supervisors accepted the Minutes of the Audit Committee meeting held on February 10, 2014, into the District's records for the Somerset Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Proposal from Innerlight
Engineering Corporation**

Ms. Mackie stated that based on conversations with Mr. White after the last Board meeting, Management reached out to Innerlight Engineering to see if there would be an interest in pursuing a position as the District Engineer and a "Letter of Interest" was provided. A brief discussion ensued regarding Mr. Martelli's experience with the District throughout the construction phase and the desire to keep him involved with the project on an as needed basis. A comparison of the current engineer's fees and the proposed fee was made and found to be acceptable.

On a Motion by Mr. White, seconded by Mr. Reichman, with all in favor, the Board of Supervisors accepted the proposal from Innerlight Engineering Corporation for District Engineering Services for the Somerset Community Development District.

Ms. Mackie stated that a motion would also need to be made terminating the contract with Moore Bass and she noted that their contract carries a 90-day termination clause. Mr. Moore offered to waive whatever portion of the clause needs to be waived in order to provide a seamless transition for the District.

On a Motion by Mr. White, seconded by Mr. Reichman, with all in favor, the Board of Supervisors terminated the contract with Moore Bass Engineering for District Engineering Services pursuant to their waving the 90-day termination clause for the Somerset Community Development District.

Ms. Mackie stated that she would take the proposal submitted by Innerlight Engineering and create a contract for the District that is in keeping with its standard form of contract. She stated that the contract would be presented to the Board at its next meeting.

EIGHTH ORDER OF BUSINESS

**Consideration of Audit Committee
Recommendation Regarding Auditing
Services**

Ms. Anderson stated that the Audit Committee met just prior to the Board of Supervisors meeting to rank the proposals for auditing services. She stated that the Committee ranked Carr, Riggs, and Ingram (CRI) as the highest top respondent with 100 points, Grau & Associates having 95 points and McDirmit Davis 96 points. She asked for a motion to accept the Committee's recommendation and authorize Staff to negotiate an engagement letter with Carr, Riggs, and Ingram or the next highest ranked proposer if no agreement is reached with Carr Riggs and Ingram. The Board set a not-to-exceed amount of \$4,100 for fiscal year 2014, \$4,200 for fiscal year 2015, and \$4,300 for fiscal year 2016.

On a Motion by Ms. Cook, seconded by Mr. Gardner, with all in favor, the Board of Supervisors accepted the Audit Committee's recommendation and rankings of the proposals received for auditing services and authorized Staff to negotiate an engagement letter with Carr, Riggs, and Ingram or the next highest ranked proposer if no agreement is reached with CRI as per the not-to-exceed amounts discussed for Pier Park Community Development District.

NINTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2014/2015
Proposed Budget**

Ms. Anderson stated that the fiscal year 2014/2015 budget was distributed under separate cover and she has copies available should anyone need them. She stated that she is proposing that the budget be essentially the same as last year with the one exception being the removal of the \$75,000 for lighting that was added to the budget during the public hearing last year and offset with carry forward funds from prior years to keep the assessment levels flat. A brief discussion ensued regarding the carry forward funds and whether it would be wise to set the balance of those funds aside as a reserve incase of an emergency and raise assessments this year or hold assessments flat for another year. It was decided to hold a workshop to review a prior reserve study to determine the best way to proceed.

On a Motion by Mr. Reichman, seconded by Mr. Gent, with all in favor, the Board of Supervisors scheduled a budget workshop on June 11, 2014 at 2:00 p.m. CST at the Alys Beach office located at 9581 County Hwy. 30A, Alys Beach, Florida 32413 for the Somerset Community Development District.

A brief discussion ensued regarding the timing for approving the proposed budget and setting a public hearing to approve the final budget. Ms. Mackie clarified that the Board could approve the proposed budget today and set the public hearing date for the August meeting and still make changes at the workshop, since there would be sufficient time to notice property owners of any proposed increase before the public hearing and meet the County's requirement to receive the proposed budget by June 15th.

On a Motion by Mr. Gent, seconded by Mr. Rosenberg, with all in favor, the Board of Supervisors approved Resolution 2014-03, approving the fiscal year 2014/2105 proposed budget totaling \$1,382,436.31 (\$232,874 - Operations and Maintenance and \$1,149,562.31 - Debt Service) and set the public hearing on the final budget for August 11, 2014 at 2:00 p.m. (CDT) at the Alys Beach office located at 9581 County Hwy. 30A, Alys Beach, Florida 32413 for the Somerset Community Development District.

TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Mackie reviewed the legislative actions that were approved and will require that all District's have a website by October 15, 2015 and gives the Governor the ability to remove Supervisors from Boards for specific reasons. She noted that the Governor has not yet signed these into law.

B. District Engineer

There was no report.

C. District Manager

Ms. Anderson stated the next Board meeting is scheduled for August 11, 2014 at 2:00 p.m. here at the Alys Beach office located at 9581 County Hwy. 30A, Alys Beach, Florida 32413.

Ms. Anderson stated that she is required by law to announce the number of registered voters residing in the District each year on April 15th. This year the District had 34 registered voters.

Ms. Anderson stated that she did not receive the fiscal year 2012/2013 audit in time to present it to the Board at this meeting and noted that it has to be submitted to the Auditor general by June 30th. With this in mind, she asked that the Board authorize the Chairman and Staff to review the audit and approve its distribution to the appropriate entities. Ms. Anderson stated that the audit would be presented to the Board at the next meeting for ratification.

On a Motion by Mr. Gent, seconded by Mr. White, with all in favor, the Board of Supervisors authorized the Chairman and Staff to accept the fiscal year 2012/2013 financial audit and approve its distribution to the appropriate entities for the Somerset Community Development District.

ELEVENTH ORDER OF BUSINESS

Supervisor Requests

There were no requests from the Supervisors.

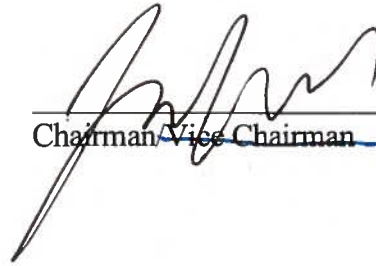
TWELFTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Reichman, seconded by Mr. White, with all in favor, the Board of Supervisors adjourned the meeting at 3:17 p.m. (CDT), for the Somerset Community Development District.



~~Secretary~~/Assistant Secretary



Chairman/~~Vice Chairman~~