

Sunny Hills Units 12-15 Dependent District

12051 Corporate Boulevard, Orlando, FL 32817
Phone: 407-723-5900; Fax: 407-723-5901

The following is the proposed agenda for the **Sunny Hills Units 12-15 Dependent District** ("District") Board of Supervisors' Meeting, scheduled to be held **via telephonic conferencing due to the COVID-19 Executive Orders 20-52, 20-69 & 20-123 on Thursday, June 25, 2020 at 1:30 pm CST / 2:30 pm EST**. A quorum will be confirmed prior to the start of the Meeting.

Please use the following information to join the telephonic conferencing:

Phone: 1-844-621-3956 Participant Code: 796 580 192#

AUDITOR SELECTION COMMITTEE MEETING AGENDA

- Call to Order & Roll Call
- Public Comment Period
- 1) Review of Auditing Services Proposals - CRI
- 2) Ranking of Auditing Services Proposals
- Adjournment

BOARD OF SUPERVISOR'S MEETING AGENDA

Organizational Matters

- Call to Order & Roll Call
- Oaths of Office
- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*
- Announcement of the Date, Time, and Location of the Annual Landowner's Election (with Friday, November 13, 2020 at 1:30 p.m. CST at 4083 Challenger Blvd., Sunny Hills, Florida suggested)
 - 1) Swearing in Newly Elected Supervisor
 - 2) Discussion regarding Executive Orders 20-52, 20-69 & 20-123
 - 3) Consideration of the Minutes of the June 21, 2019 Board of Supervisors Meeting
 - 4) Consideration of the Minutes of the June 21, 2019 Auditor Selection Committee Meeting
 - 5) Consideration of the Minutes of the November 15, 2019 Landowner's Election
 - 6) Letter from Supervisor of Elections – Washington County

Business Matters

- 7) Review of Auditor Selection Committee Rankings & Selection of Auditor
- 8) Consideration of Resolution 2020-01, Canvassing and Certifying the Results of the Landowner's Election
- 9) Consideration of Resolution 2020-02, Appointing District Officers
- 10) Consideration of Resolution 2020-03, Adopting an Internal Controls Policy
- 11) Consideration of Resolution 2020-04, Setting Public Hearing to Adopt Amended and Restated Rules of Procedures

- a) Memorandum of Updated Provisions of the District's Rules of Procedures
- b) Redlined Rules of Procedures
- 12) Consideration of 1st Amendment to the Website Services Agreement
- 13) Consideration of Resolution 2020-05, Approving an Annual Budget for the District's 2020-2021 Fiscal Year (Beginning October 1, 2020)
- 14) Consideration of Fiscal Year 2020-2021 Funding Agreement
- 15) Ratification of Fiscal Year 2019 Audit Engagement Letter
- 16) Review of Fiscal Year 2019 Audit
- 17) Ratification of Funding Request 2019-09 – 2019-16 and 17 – 35
- 18) Review of Statements of the District's Financial Position

Staff Reports

- District Counsel
- District Manager

Supervisor's Requests and/or Audience Comments

Adjournment

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

CRI

CRI

Helping You Shine
by Illuminating Solutions



professional services

PROPOSAL FOR Sunny Hills Units 12-15 Dependent District

May 1, 2020

PROPOSER

Carr, Riggs & Ingram
500 Grand Blvd., Suite 210
Miramar Beach, FL 32550
(850) 837-3141



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRICpa.com

SUBMITTED BY

Alan Jowers
Engagement Partner
ajowers@cricpa.com

Katie Sidrony
Concurring Partner
ksidrony@cricpa.com

Dear Sunny Hills Unit 12-15 Dependent District:

Carr, Riggs & Ingram, LLC (CRI) appreciates the opportunity to propose on auditing services to Sunny Hills Units 12-15 Dependent District. We are genuinely excited about the prospect of continuing to serve you and strengthening our long-term relationship. We pride ourselves on getting to know our clients and illuminating solutions by providing innovative ideas to move them from compliance to providing them a competitive advantage.

Investment in You. We believe in developing long-term, mutually beneficial relationships and quickly demonstrating value with a fee structure and service solutions that provide immediate and continued savings. Our investment starts on “Day 1” as your assigned team begins with our proven, streamlined process that minimizes your time and disruption during the service provider change and continues throughout the relationship.

Dedicated Team. CRI’s team consists of more than 1,900 professionals, which allows us to tailor your service team by aligning their industry, service, and specialty skills with your needs. Our dedicated teams deliver the highest level of business acumen and knowledge to your organization; our commitment to consistent staffing allows you to maximize savings and remain focused on your needs.

Equilibrium. CRI delivers big firm expertise with small firm service. Of approximately 45,000 public accounting firms in the United States, CRI currently ranks in the top 20. Additionally, as a part of PrimeGlobal, an association of independent accounting firms, we have access to international resources as – and when – needed. Leveraging these resources while maintaining local decision-making authority means that simplified solutions are only a phone call away. And we believe that’s the best of both worlds for our clients.

Active Partner Participation. Collectively, our partners deliver expertise derived from more than 7,500 years of business experience. With this level of talent, we thoughtfully choose a partner that aligns with your business’ needs and industry. Our hands-on, working partners “show up” to convey our genuine commitment to your success. They strive to earn trusted advisor roles by digging in, proactively learning your business, and producing long-term value for you.

Simplified Solutions. While our 500+ cumulative partner certifications is an impressive statistic, success is measured by translating complex concepts into client solutions. While accounting is the language of business, we’re here to decipher the jargon and help you make educated decisions. CRInnovate embraces agility and invention.

The CRI vSTAR™ process, our initiative delivering a virtual audit, is designed to provide you with maximized efficiencies, reduced workload, and an improved experience.

We have enjoyed being your business partner for the last nine years and we welcome the opportunity to continue demonstrating the same teamwork, expertise, innovation, and responsiveness that have made us one of the fastest growing public accounting firms in the United States. Again, we appreciate your consideration.

Sincerely,

Engagement Partner

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UNDERSTANDING & MEETING YOUR NEEDS

From the RFP or during our recent visit with your team, we understood your team to express the following needs, requests, and/or issues. We've detailed our proposed solutions below and are happy to discuss other related projects as they arise and upon request.

| | | |
|------------|--|---|
| Technical | The District is required to have independent audits performed on its financial statements. | Perform external audit services in accordance with auditing standards generally accepted in the United States of America (GAAS), in order to express an opinion on the Sunny Hills Units 12-15 Dependent District's financial statements. |
| Relational | The District's Board of Supervisors and management expect open and continuous communication with their CPA firm in order to avoid surprise findings at the end of the audit. | Communicate contemporaneously and directly with management regarding the results of our procedures. Anticipate and respond to concerns of management and/or the Audit Committee (if/when formed). |

YOUR SERVICES & FEES

We value creating mutually rewarding, long-term relationships with our clients. Our goal is to provide high quality, responsive service that yields returns far greater than your investment in our professional fees. Please find below our proposal of fees to provide the requested services for the upcoming fiscal years.

| | | | |
|---|---------|---------|---------|
| Perform external audit services in accordance with auditing standards generally accepted in the United States of America (GAAS) | \$4,500 | \$4,500 | \$4,500 |
|---|---------|---------|---------|

**Actual out-of-pocket expenses will be billed separately and are not included in the fee.*

If Sunny Hills Units 12-15 Dependent District requests additional services outside of this proposal, professional fee hourly rates are as follows, but may be negotiated depending on the project request:

| | |
|------------------|-------|
| Partner | \$400 |
| Manager | \$300 |
| Senior | \$190 |
| Staff | \$140 |
| IT Specialist | \$250 |
| Fraud Specialist | \$250 |

Our professional fees are based on the key assumptions that Sunny Hills Units 12-15 Dependent District will:

- Ensure that the predecessor's work papers will be made available for timely review.
- Make available documents and work papers for review at Sunny Hills Units 12-15 Dependent District's headquarters location, although we may choose to review at alternate locations.
- Prepare certain schedules and analyses and provide supporting documents as requested.
- Assist us in obtaining an understanding of the accounting systems of Sunny Hills Units 12-15 Dependent District.
- Not experience a significant change in business operations or financial reporting standards.

FIRM PROFILE

GOVERNMENT CREDENTIALS

RELEVANT EXPERIENCE

CRI delivers a depth of resources that ensures our understanding of your challenges and innovative solutions for overcoming them. Our team’s combined experience is derived from providing audit, tax, consulting, and accounting outsourcing services. We parlay this vast experience and derived best practices into proven solutions that benefit you. Below we share specific, relevant client references; we encourage you to consult with them.

| | | | |
|--|----------------|--|--|
| Rizzetta & Company Shawn Wildermuth 3434 Colwell Avenue Suite 200 Tampa, FL 33614 813.933.5571 | 2006 – Present | Annual Financial Statement Audits of Multiple CDDs | Client service experience Responsiveness to client needs Long-term relationship CDD management co. |
| GMS, LLC Dave DeNagy 14785 Old St. Augustine Road Suite 4 Jacksonville, FL 32258 904.288.9130 | 2006 – Present | Annual Financial Statement Audits of Multiple CDDs | Client service experience Responsiveness to client needs Long-term relationship CDD management co. |
| Wrathell, Hunt & Associates, LLC Jeffrey Pinder 2300 Glades Road Suite 410W Boca Raton, FL 33431 561.571.0010 | 2006 – Present | Annual Financial Statement Audits of Multiple CDDs | Client service experience Responsiveness to client needs Long-term relationship CDD management co. |
| PFM Group Consulting, LLC Jennifer Glasgow 12051 Corporate Blvd. Orlando, FL 32817 407.382.3256 | 2007 – Present | Annual Financial Statement Audits of Multiple CDDs | Client service experience Responsiveness to client needs Long-term relationship CDD management co. |

YOUR SOLUTION TEAM

K. Alan Jowers

Engagement Partner

ajowers@CRlcpa.com

850.837.3141

Representative Clients

Santa Rosa County
District School Board
Okaloosa Gas District
Santa Rosa Island
Authority
Pasco County
Okaloosa County
District School Board
Pinellas County School
District
Celebration Community
Development District
Hammock Bay
Community
Development District
Amelia National
Community
Development District

Experience

Alan has over 25 years of experience in public accounting primarily with financial statement assurance engagements. His practice includes local governmental entities, condominium and homeowner associations, non-profit organizations, and nonpublic companies. He currently has direct engagement responsibility for a significant number of audits throughout the state of Florida

Alan is licensed to practice as a certified public accountant in Florida and Georgia. He is a member of the Board of Directors of the Florida Institute of Certified Public Accountants (FICPA), has been an active member of the FICPA's State and Local Governmental Committee, and is a past chair of its Common Interest Realty Association Committee. He is also active in the Panhandle Chapter of the Florida Governmental Finance Officers Association (FGFOA) and is a former member of the FGFOA's statewide Technical Resource Committee.

Education, Licenses & Certifications

Masters of Accountancy, University of Alabama
BS, Accounting, Florida State University
Certified Public Accountant

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA) - member of the Board of Governors
Governmental Finance Officers Association (GFOA)
Florida Governmental Finance Officers Association (FGFOA)

YOUR SOLUTION TEAM

Katie Sidrony

Concurring Partner

ksidrony@CRlcpa.com

850.837.3141

Representative Clients

Community
Development Districts
Condominium and
Homeowner
Associations
County and Local
Governments
Non-Profit Organizations
Privately-held
corporations

Experience

Katie has over 13 years accounting and audit experience with CRI. Her practice includes audits, reviews, and compilation of governmental entities, condominium and homeowner associations, non-profit organizations and privately-held corporations.

Katie is licensed to practice as a certified public accountant in Florida. She is a member of the Florida Institute of Certified Public Accountants and exceeds all continuing professional education requirements related to Government Auditing Standards.

Katie has direct engagement responsibility for many special districts in the State of Florida including community development districts, fire districts, utility districts and school districts. She is active in our firm's condominium and homeowner association practice.

Education, Licenses & Certifications

Master of Business Administration, Troy University
BSBA, Professional Accountancy, University of West Florida
Certified Public Accountant
Community Association Manager (CAM), Licensed in Florida

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)

YOUR SOLUTION TEAM

Stephen Riggs, IV

Consulting Partner

scriggs@CRlcpa.com

850.837.3141

Representative Clients

Community
Development Districts
Condominium and
Homeowner
Associations
County and Local
Governments
Non-Profit Organizations
Privately-held
corporations

Experience

Stephen has over 17 years accounting and audit experience, including three years with the international public accounting firm, Ernst & Young, LLP. His experience includes numerous clients in industries including governmental, not-for-profit, healthcare, SEC and privately held corporations.

Stephen is licensed to practice as a certified public accountant in Florida. He is a member of the State and local Governmental section of the Florida Institute of Certified Public Accountants and exceeds all continuing professional education requirements related to Government Auditing Standards.

He is currently a partner on engagements for many special districts in the State of Florida, including community development districts, fire districts and school districts. In addition to his public accounting experience, Stephen has served on the Board of Directors for a Community Development District and a non-profit organization.

Education, Licenses & Certifications

Masters of Accountancy, University of West Florida
BA, Economics, University of Florida
Certified Public Accountant

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
Past President, Emerald Coast Chapter of Florida Institute of Certified Public Accountants (FICPA)

YOUR SOLUTION TEAM

Grace Hartness

Senior Manager

ghartness@CRlcpa.com

850.837.3141

Representative Clients

Community
Development Districts
Condominium and
Homeowner
Associations
Utility Services
School Districts
County and Local
Governments
Non-Profit Organizations

Experience

Grace has over 12 years accounting and audit experience with CRI. She has worked on several major construction companies, government entities, community development districts, condominium and homeowner associations and non-profit organizations. In addition, she has been involved in special audit projects for the Miami-Dade Airport Authority. Grace is licensed to practice as a certified public accountant in Florida and exceeds all continuing professional education requirements related to Government Auditing Standards. In addition, Grace fluently speaks several languages including French and Arabic. Grace currently supervises engagements for many special districts in the State of Florida including community development districts and school districts. She is active in our firm's condominium and homeowner association practice. Grace started with CRI in August 2006, upon completion of her master's degree, and was promoted to manager in 2011.

Education, Licenses & Certifications

MAcc, Accounting, University of West Florida
Certified Public Accountant
Community Association Manager (CAM), Licensed in Florida

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
Accounting & Financial Women's Alliance (AFWA)

YOUR SOLUTION TEAM

Chad Branson

Senior Manager

cbranson@CRlcpa.com

850.837.3141

Representative Service Areas

Local Governments including Water and Sewer Organizations and Fire Districts
School Districts including Foundations
Nonprofit Organizations

Representative Clients (including previous clients)

School Districts - Pinellas County, Okaloosa County, Pasco County, Santa Rosa County
Florida Office of Early Learning Coalition
Florida Department of Elder Affairs
Fire Districts -Destin, Ocean City, North Bay
Utilities - Regional Utilities, Midway Water Systems, Inc., Emerald Coast Utilities Authority
Escambia County

Experience

Chad Branson has over 17 years of experience in public accounting, with practice concentrations in auditing governmental, nonprofit and for profit entities. Chad has accumulated experience throughout his career in Federal and Florida Single Audit Acts compliance monitoring and auditing. During his career he has supervised and managed audit engagements for a wide variety of governmental and nonprofit organization clients. In addition, he has performed internal audit work, information technology general controls testing, forensic investigations, and risk assessments for governmental entities.

Chad has been with Carr, Riggs and Ingram, LLC since 2005.

Education, Licenses & Certifications

Bachelor and Master of Accountancy – University of Mississippi, Oxford MS
Certified Public Accountant (CPA) – Licensed in Florida and Mississippi
Community Association Manager (CAM) – Florida
Certified Information Technology Professional – AICPA

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
Emerald Coast Chapter (FICPA) Board
Florida Governmental Finance Officers Association (FGFOA)

YOUR SOLUTION TEAM

Ali Gorman

Senior Manager

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850.837.3141

Representative Service Areas

Community
Development Districts
Condominium and
Homeowner
Associations
Utility Services
School Districts
County and Local
Governments
Non-Profit Organizations

Experience

Ali has over 12 years auditing and accounting experience with CRI. She is an audit manager with primary responsibility for fieldwork and reporting on audits of clients in a variety of industries including local governmental and non-profit entities as well as financial institutions and commercial businesses.

Ali is licensed to practice as a Certified Public Accountant in Florida. She is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. She exceeds all continuing professional education requirements related to *Government Auditing Standards*.

Ali currently supervises engagements for many governmental entities in the State of Florida including community development districts, municipalities, utility districts, and other special governments. In addition, Ali has accumulated experience throughout her career in Federal and Florida Single Audit Acts compliance monitoring and auditing. Ali has performed many single audits of federal grants under OMB Circular A-133 and Uniform Grant Guidance (UGG).

Education, Licenses & Certifications

BS, Accounting, Florida State University
Certified Public Accountant

Professional Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
Governmental Finance Officers Association (FGFOA)

DELIVERING QUALITY TO YOU

AUDIT METHODOLOGY

Our audit, tax, consulting, and client accounting services documentation is maintained electronically. Compliance with our methodology is regularly reviewed and evaluated as part of our internal quality program, which is further discussed in this section under **INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS**. Comprehensive policies and procedures governing all of our practices and addressing professional and regulatory standards and implementation issues are constantly updated for new professional developments and emerging issues. See the table of contents to identify the relevant audit approach and methodology detailed description section.

ENGAGEMENT QUALITY REVIEW PARTNER (CONCURRING PARTNER)

Audit engagements are assigned engagement quality review (EQR) partner, as appropriate. This role is one of the most important elements of our quality assurance process, as it provides for a timely, independent review of key accounting and auditing issues. The EQR partner also reviews the financial statements and related supporting documentation—including the disclosures—to evaluate their fair presentation under accounting principles generally accepted in the United States of America (GAAP).

INTERNAL QUALITY CONTROL REVIEWS AND EXTERNAL REVIEWS

Experienced partners and professional staff of our firm conduct quality control reviews of our audits. Our partners' work is reviewed annually, and the inspection process includes periodic testing of the effectiveness of our quality controls and a continuous improvement program. This risk-based annual inspection is intended to mimic the triennial peer review described in the following paragraph and are performed on completed engagements. In addition to this inspection, we perform in-process, "pre-issuance" reviews of partners' work that are chosen for using a risk-based selection process; these reviews are performed by our corporate quality control team. The combination of the in-process and completed engagements is part of our continuous improvement processes.

Peer reviews are performed every three years by another independent public accounting firm. The most recent review of our firm was performed in 2019 by Brown Edwards, whose report was the most favorable possible "Pass".

In addition, we are registered with the PCAOB and our 2018 PCAOB inspection report was also the most favorable possible—no audit deficiencies or quality control defects identified. The 2018 PCAOB report can be viewed at <https://pcaobus.org/Inspections/Reports/Documents/104-2019-029-Carr-Riggs-Ingram-LLC.pdf>.

SHARING CRI'S VALUES WITH YOU

We are proud of our hands-on, service-centric, and results-oriented approach. Combining that approach with quality controls and superior talent allows us to help you achieve your goals and strengthen your management systems and processes. This approach is further emphasized through our three core values which guide our team's behavior and function as the foundation for interactions with our clients and each other.

TRANSITIONING YOU

When choosing to change firms, the time involved in working with new accounting professionals is often a concern. CRI's well-defined efficient, seamless transition process is designed to:

- Provide you with value from the very first encounter,
- Avoid interruption of service,
- Minimize disruption and investment of management's time,
- Raise the standard of service, and
- Establish ongoing channels of communication with Sunny Hills Units 12-15 Dependent District's management.

The transition plan is comprised of the following key activities and can occur within approximately two weeks, depending on the availability of the parties involved:

CRI'S GLOBAL RESOURCES

Many businesses are expanding and/or evaluating their global reach, and they require assistance in order to comprehensively consider the various financial implications of growing in international markets. In addition to CRI's internal resources, we deliver the expertise and support of some of the world's most highly regarded accounting firms through shared alliance as members of PrimeGlobal.

WHO IS PRIMEGLOBAL?

HOW OUR PRIMEGLOBAL MEMBERS CAN BENEFIT YOU

We supplement our in-depth, industry knowledge and specialized services through our collaborations with other PrimeGlobal firms to help you evaluate your options globally. CRI's goal is to provide you with the information you need to make well-informed, smart business decisions.

4 KEY BENEFITS TO CRI CLIENTS FROM OUR PRIMEGLOBAL MEMBERSHIP

JOIN OUR CONVERSATION

We know that some information that makes perfect sense to a CPA may not be as clear to our clients. Therefore, we produce original content in the form of articles, videos, white papers, webinars, and more to provide timely, down-to-earth translations of complex subjects. We publish this original content on [CRIcpa.com](https://www.cricpa.com) and across all our many social channels. Check out our website for more information about the topics below.

FOLLOW @CRICPA ON SOCIAL

CRI RESOURCES

IT FIGURES: THE CRI PODCAST

Created to provide insight into the latest developments and regulations in the accounting and finance space, It Figures is an accounting and advisory focused podcast for business and organization leaders, entrepreneurs, and anyone who is looking to go beyond the status quo.

Listen on Apple Podcasts, Spotify, iHeart Radio, and more.
[itfigurespodcast.com](https://www.itfigurespodcast.com)

CRI AUDIT FRAMEWORK

Our proposed services require a coordinated effort between us and Sunny Hills Units 12-15 Dependent District's team. Planning and continual communication are essential to developing the appropriate procedures, working collaboratively to resolve any identified issues, and meeting your timelines.

CRI's audit approach occurs within a framework of our client's business and industry; therefore, we assess risk by:

- Understanding management's perspectives and goals, and
- Considering business conditions and threats that could prevent management from achieving its business objectives.

We assess risks in the following areas:

CRI AUDIT FRAMEWORK

Our ultimate intent is to drill down from these broad risks to specific financial reporting risks. We understand both these risks and management's processes and procedures for mitigating them (i.e. internal controls) in order to develop our procedures to carry out our audit responsibilities.

Although our audits are conducted through a structured, risk-based model, we focus on understanding the client's needs, requirements, and expectations. We work collaboratively with management and the Audit Committee (or similar function) to develop a communication and work plan to continuously improve client service, by doing so we help in moving your team from simple compliance to providing you with a competitive advantage.

In planning, we concentrate on "key risks," (items with a greater risk of a material misstatement, a material weakness in internal controls, or other matters resulting in the issuance of an inappropriate audit report). We focus on "material" items (i.e. those items that would be important to the user of your financial statements). When evaluating materiality of identified misstatements, certain quantitative and qualitative factors must be considered—which may include:

- Impact on operating trends (revenue/income, expenses, net income, etc).
- Nature of the misstatement (i.e., did the misstatement result from an unlawful transaction?).
- Impact on liquidity, capital/surplus, earnings capacity, etc.
- Impact to loan covenants and contractual and regulatory requirements.

Consistent communication is a key to completion of the audit. By ensuring constant involvement, we are in a better position to respond to your issues timely and efficiently. Therefore, we plan to meet with your management to:

- Set-up the audit by reviewing the mapping of Sunny Hills Units 12-15 Dependent District's financial information (financial statements and notes) to significant processes and IT systems to ensure that all significant account balances, transactions, procedures, and systems are tested as deemed necessary.
- Discuss ongoing changes—specifically new accounting pronouncements and key business transactions in their early stages, enabling us to agree on the resolution of various complex business issues on a timely basis.

CRI AUDIT APPROACH

Our audit approach is a four stage approach, as depicted in the summary below. Our client acceptance and risk assessment procedures occur during detailed conversations and observations with your team. The results of those procedures allow us to tailor an audit program to your specific risks and needs. We then execute the audit, report the results, and evaluate continuous improvement opportunities for ongoing service and benefit to you.

CRI AUDIT APPROACH

APPENDIX A - RFP DOCUMENTS

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Ranking of Auditing Services Proposals

Sunny Hills Units 12-15 Dependent District Auditor Selection - Manager Recommended Rankings

| Criteria | Possible Points | Carr Riggs Ingram | CRI Rec. Points |
|--------------------------------------|-----------------|---|-----------------|
| Ability of Personnel | 20.0 | Qualified, Multiple CPAs on Staff | 20.0 |
| Proposer's Experience | 20.0 | Extensive CDD Experience | 20.0 |
| Understanding of Scope of Work | 20.0 | Sufficient | 20.0 |
| Ability to Furnish Required Services | 20.0 | Capable | 20.0 |
| Price for Services for Three Years | 20.0 | \$4,500 + \$4,500 + \$4,500 = \$13,500 | 20 |
| Total | 100.0 | | 100.0 |

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Board of Supervisor's Meeting Agenda

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Oath of Office

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT
BOARD OF SUPERVISORS
OATH OF OFFICE**

I, _____, A CITIZEN OF THE STATE OF FLORIDA AND OF THE UNITED STATES OF AMERICA, AND BEING EMPLOYED BY OR AN OFFICER OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT AND A RECIPIENT OF PUBLIC FUNDS AS SUCH EMPLOYEE OR OFFICER, DO HEREBY SOLEMNLY SWEAR OR AFFIRM THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES AND OF THE STATE OF FLORIDA.

Board Supervisor

ACKNOWLEDGMENT OF OATH BEING TAKEN

STATE OF FLORIDA
COUNTY OF _____

The foregoing oath was administered before me this ____ day of _____, 2020, by _____, who personally appeared before me, and is personally known to me or has produced _____ as identification, and is the person described in and who took the aforementioned oath as a Member of the Board of Supervisors of Sunny Hills Units 12-15 Dependent District and acknowledged to and before me that he/she took said oath for the purposes therein expressed.

(NOTARY SEAL)

Notary Public, State of Florida

Print Name: _____

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Executive Orders
20-52, 20-69 & 20-123**

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-52

(Emergency Management - COVID-19 Public Health Emergency)

WHEREAS, Novel Coronavirus Disease 2019 (COVID-19) is a severe acute respiratory illness that can spread among humans through respiratory transmission and presents with symptoms similar to those of influenza; and

WHEREAS, in late 2019, a new and significant outbreak of COVID-19 emerged in China; and

WHEREAS, the World Health Organization previously declared COVID-19 a Public Health Emergency of International Concern; and

WHEREAS, in response to the recent COVID-19 outbreak in China, Iran, Italy, Japan and South Korea, the Centers for Disease Control and Prevention (“CDC”) has deemed it necessary to prohibit or restrict non-essential travel to or from those countries; and

WHEREAS, on March 1, 2020, I issued Executive Order number 20-51 directing the Florida Department of Health to issue a Public Health Emergency; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 7, 2020, I directed the Director of the Division of Emergency Management to activate the State Emergency Operations Center to Level 2 to provide coordination and response to the COVID-19 emergency; and

WHEREAS, as of March 9, 2020, eight counties in Florida have positive cases for COVID-19, and COVID-19 poses a risk to the entire state of Florida; and

WHEREAS, the CDC currently recommends community preparedness and everyday prevention measures be taken by all individuals and families in the United States, including voluntary home isolation when individuals are sick with respiratory symptoms, covering coughs and sneezes with a tissue and disposal of the tissue immediately thereafter, washing hands often with soap and water for at least 20 seconds, using of alcohol-based hand sanitizers with 60%-95% alcohol if soap and water are not readily available and routinely cleaning frequently touched surfaces and objects to increase community resilience and readiness for responding to an outbreak; and

WHEREAS, the CDC currently recommends mitigation measures for communities experiencing an outbreak including staying at home when sick, keeping away from others who are sick, limiting face-to-face contact with others as much as possible, consulting with your healthcare provider if individuals or members of a household are at high risk for COVID-19 complications, wearing a facemask if advised to do so by a healthcare provider or by a public health official, staying home when a household member is sick with respiratory disease symptoms if instructed to do so by public health officials or a health care provider; and

WHEREAS, as Governor, I am responsible for meeting the dangers presented to this state and its people by this emergency.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. Because of the foregoing conditions, I declare a state of emergency exists in the State of Florida.

Section 2. I designate the Director of the Division of Emergency Management (“Director”) as the State Coordinating Officer for the duration of this emergency and direct him to execute the State’s Comprehensive Emergency Management Plan and other response, recovery, and mitigation plans necessary to cope with the emergency. Additionally, I designate the State Health Officer and Surgeon General as a Deputy State Coordinating Officer and State Incident Commander.

Pursuant to section 252.36(1)(a), Florida Statutes, I delegate to the State Coordinating Officer the authority to exercise those powers delineated in sections 252.36(5)-(10), Florida Statutes, which he shall exercise as needed to meet this emergency, subject to the limitations of section 252.33, Florida Statutes. In exercising the powers delegated by this Order, the State Coordinating Officer shall confer with the Governor to the fullest extent practicable. The State Coordinating Officer shall also have the authority to:

A. Seek direct assistance and enter into agreements with any and all agencies of the United States Government as may be needed to meet the emergency.

B. Designate additional Deputy State Coordinating Officers, as necessary.

C. Suspend the effect of any statute, rule, or order that would in any way prevent, hinder, or delay any mitigation, response, or recovery action necessary to cope with this emergency.

D. Enter orders as may be needed to implement any of the foregoing powers; however, the requirements of sections 252.46 and 120.54(4), Florida Statutes, do not apply to any such orders issued by the State Coordinating Officer; however, no such order shall remain in effect beyond the expiration of this Executive Order, to include any extension.

Section 3. I order the Adjutant General to activate the Florida National Guard, as needed, to deal with this emergency.

Section 4. I find that the special duties and responsibilities resting upon some State, regional, and local agencies and other governmental bodies in responding to the emergency may require them to suspend the application of the statutes, rules, ordinances, and orders they administer. Therefore, I issue the following authorizations:

A. Pursuant to section 252.36(1)(a), Florida Statutes, the Executive Office of the Governor may suspend all statutes and rules affecting budgeting to the extent necessary to provide budget authority for state agencies to cope with this emergency. The requirements of sections 252.46 and 120.54(4), Florida Statutes, do not apply to any such suspension issued by the Executive Office of the Governor; however, no such suspension shall remain in effect beyond the expiration of this Executive Order, to include any extension.

B. Each State agency may suspend the provisions of any regulatory statute prescribing the procedures for conduct of state business or the orders or rules of that agency, if strict compliance with the provisions of any such statute, order, or rule would in any way prevent, hinder, or delay necessary action in coping with the emergency. This includes, but is not limited to, the authority to suspend any and all statutes, rules, ordinances, or orders which affect leasing, printing, purchasing, travel, and the condition of employment and the compensation of employees. For the purposes of this Executive Order, “necessary action in coping with the emergency” means any emergency mitigation, response, or recovery action: (1) prescribed in the State Comprehensive Emergency Management Plan (“CEMP”); or (2) ordered by the State Coordinating Officer. The requirements of sections 252.46 and 120.54, Florida Statutes, shall not apply to any such suspension issued by a State agency; however, no such suspension shall remain in effect beyond the expiration of this Executive Order, to include any extensions.

C. In accordance with section 465.0275, Florida Statutes, pharmacists may dispense up to a 30-day emergency prescription refill of maintenance medication to persons who reside in an area or county covered under this Executive Order and to emergency personnel who have been activated by their state and local agency but who do not reside in an area or county covered by this Executive Order.

D. In accordance with section 252.38, Florida Statutes, each political subdivision within the State of Florida may waive the procedures and formalities otherwise required of the political subdivision by law pertaining to:

1) Performance of public work and taking whatever prudent action is necessary to ensure the health, safety, and welfare of the community;

2) Entering into contracts; however, political subdivisions are cautioned against entering into time and materials contracts without ceiling as defined by 2 CFR 200.318(j) or cost plus percentage contracts as defined by 2 CFR 200.323(d);

3) Incurring obligations;

4) Employment of permanent and temporary workers;

5) Utilization of volunteer workers;

6) Rental of equipment;

7) Acquisition and distribution, with or without compensation, of supplies, materials, and facilities; and,

8) Appropriation and expenditure of public funds.

E. All State agencies responsible for the use of State buildings and facilities may close such buildings and facilities in those portions of the State affected by this emergency, to the extent necessary to meet this emergency. I direct each State agency to report the closure of any State

building or facility to the Secretary of the Department of Management Services. Under the authority contained in section 252.36, Florida Statutes, I direct each County to report the closure of any building or facility operated or maintained by the County or any political subdivision therein to the Secretary of the Department of Management Services. Furthermore, I direct the Secretary of the Department of Management Services to:

- 1) Maintain an accurate and up-to-date list of all such closures; and,
- 2) Provide that list daily to the State Coordinating Officer.

Section 5. I find that the demands placed upon the funds appropriated to the agencies of the State of Florida and to local agencies are unreasonably great and the funds currently available may be inadequate to pay the costs of coping with this emergency. In accordance with section 252.37(2), Florida Statutes, I direct that sufficient funds be made available, as needed, by transferring and expending moneys appropriated for other purposes, moneys from unappropriated surplus funds, or from the Budget Stabilization Fund.

Section 6. All State agencies entering emergency final orders or other final actions in response to this emergency shall advise the State Coordinating Officer contemporaneously or as soon as practicable.

Section 7. Medical professionals and workers, social workers, and counselors with good and valid professional licenses issued by states other than the State of Florida may render such services in Florida during this emergency for persons affected by this emergency with the condition that such services be rendered to such persons free of charge, and with the further condition that such services be rendered under the auspices of the American Red Cross or the Florida Department of Health.

Section 8. All activities taken by the Director of the Division of Emergency Management and the State Health Officer and Surgeon General with respect to this emergency before the issuance of this Executive Order are ratified. This Executive Order shall expire sixty days from this date unless extended.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 9th day of March, 2020


RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

FILED
2020 MAR -9 PM 5:52
TALLAHASSEE, FLORIDA

STATE OF FLORIDA

OFFICE OF THE GOVERNOR EXECUTIVE ORDER NUMBER 20-69

(Emergency Management – COVID-19 – Local Government Public Meetings)

WHEREAS, on March 1, 2020, I issued Executive Order 20-51 directing the Florida Department of Health to issue a Public Health Emergency as a result of COVID-19; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention (“CDC”) issued the “15 Days to Slow the Spread” guidance advising individuals to adopt far-reaching social distancing measures, such as working from home and avoiding gatherings of more than 10 people; and

WHEREAS, on March 17, 2020, I wrote a letter to Attorney General Ashley Moody seeking an advisory opinion regarding concerns raised by local government bodies about their ability to hold meetings through teleconferencing and other technological means in order to protect the public and follow the CDC guidance regarding social distancing; and

WHEREAS, on March 19, 2020, Attorney General Ashley Moody delivered an opinion to me indicating that certain provisions of Florida law require a physical quorum be present for local government bodies to conduct official business, and that local government bodies may only conduct meetings by teleconferencing or other technological means if either a statute permits a quorum to be present by means other than in person, or that the in person requirement for constituting a quorum is lawfully suspended during the state of emergency; and

WHEREAS, it is necessary and appropriate to take action to ensure that COVID-19 remains controlled, and that residents and visitors in Florida remain safe and secure;

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. I hereby suspend any Florida Statute that requires a quorum to be present in person or requires a local government body to meet at a specific public place.

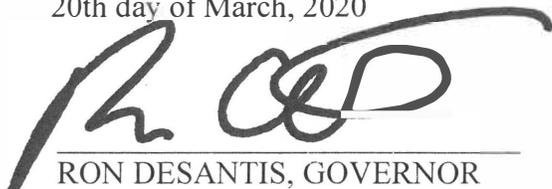
Section 2. Local government bodies may utilize communications media technology, such as telephonic and video conferencing, as provided in section 120.54(5)(b)2., Florida Statutes.

Section 3. This Executive Order does not waive any other requirement under the Florida Constitution and "Florida's Government in the Sunshine Laws," including Chapter 286, Florida Statutes.

Section 4. This Executive Order shall expire at the expiration of Executive Order 20-52, including any extension.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 20th day of March, 2020



RON DESANTIS, GOVERNOR

ATTEST:



SECRETARY OF STATE

FILED
2020 MAR 20 AM 9:38
TALLAHASSEE, FLORIDA

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-123

(Full Phase 1: Safe. Smart. Step-by-Step. Plan for Florida's Recovery)

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on April 29, 2020, I issued Executive Order 20-112 initiating Phase 1 of the Safe. Smart. Step-by-Step. Plan for Florida's Recovery; and

WHEREAS, Executive Order 20-112 did not exhaust the recommendations of the proposed Phase 1 included in the White House's Guidelines for Re-Opening America Again.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution and Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order:

Executive Order 20-112, as modified by Executive Order 20-120, is extended as further modified by this order below, bringing all Florida counties into Full Phase 1.

Section 1. Restaurants, Retail, Museums and Gyms

- A. Restaurants and food establishments licensed under Chapters 500 or 509, Florida Statutes, may serve patrons at indoor seating so long as they limit indoor occupancy up to fifty (50) percent of their seating capacity, excluding employees. The requirement for a minimum of 6 feet between parties is superseded to the extent appropriate partitioning is in place. Bar counters are to remain closed to seating, and

outdoor seating remains available with social distancing. The Department of Business and Professional Regulation (DBPR) will post and update appropriate safety measures on its website.

- B. In-store retail sales establishments may operate up to fifty (50) percent of their building occupancy and abide by the safety guidelines issued by the CDC and OSHA.
- C. Museums and libraries may operate up to fifty (50) percent of their building occupancy, provided, however, that local public museums and local public libraries may operate only if permitted by local government.
- D. Gyms and fitness centers may operate up to fifty (50) percent of their building occupancy so long as they adopt safety measures including appropriate social distancing for classes and sufficient cleaning supplies to ensure, at a minimum, patrons' individual self-cleaning of surfaces and machines using sanitation wipes following each use. DBPR will post and update best practices on its website.

Section 2. Professional Sports Venues

Professional sports may operate in the State of Florida and venues may host training, competitions, events and games. This provision shall preempt any local rule prohibiting a professional sports team conducting, or the operations of the venue from hosting, those sports activities at facilities in the State.

Section 3. Amusement Parks

Amusement parks may submit a re-opening plan to the State of Florida that includes a proposed date for resumption of operations and proposed guidelines to ensure guest and staff safety. Requests to re-open must include an endorsement letter from the County Mayor or in absence of a county mayor from the City Mayor and County Administrator. This request shall

identify a future date certain for re-opening and verify that the official has approved a re-open plan to ensure patron and staff safety.

Section 4. Vacation Rentals

Counties may seek approval to operate vacation rentals with a written request from the County Administrator and the county's safety plan for vacation rental operations submitted to the DBPR Secretary. DBPR will post and update guidance on its website.

Section 5. Local Government Public Meetings Order Extended

The Executive Order 20-69 is extended for the duration of this order.

Section 6. Enforcement

This order shall be enforced under section 252.47, Florida Statutes. Violation of this order is a second-degree misdemeanor pursuant to section 252.50; Florida Statutes, and is punishable by imprisonment not to exceed 60 days, a fine not to exceed \$500, or both.

Section 7. Effective Date

This order is effective at 12:01 a.m. on Monday, May 18, 2020.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 14th day of May, 2020.

A large, stylized handwritten signature in black ink, which appears to be "Ron DeSantis".

RON DESANTIS, GOVERNOR

ATTEST:

A handwritten signature in black ink, which appears to be "Laurel M. Lee".
SECRETARY OF STATE

FILED
2020 MAY 15 AM 10:58
THE SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Washington County News

P.O. Box 627 • Chipley, FL 32428

Published Bi-Weekly

Chipley, Washington County, Florida

STATE OF FLORIDA

COUNTY OF WASHINGTON:

Before the undersigned authority personally appeared Nicole Barefield who on oath says that she is Publisher of the Washington County News, a bi-weekly newspaper published at Chipley in Washington County, Florida; that the attached copy of the advertisement, being a TRUE COPY

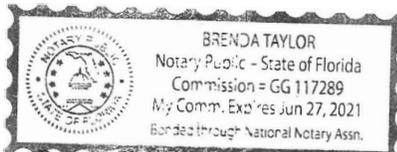
in the matter NOTICE OF AUDITOR SELECTION COMMITTEE MEETING

in the _____ Court, was published in said newspaper in the issues of JUNE 10, 2020

Affiant further says that the Washington County News is a newspaper published at Chipley, in said Washington County, Florida, each Wednesday and Saturday and has been entered as second-class mail matter at the post office in Chipley, in said Washington County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Signature of Affiant Nicole P. Barefield

Sworn to and subscribed before me this 10 day of JUNE, 2020



Brenda Taylor
Signature of Notary Public

Brenda Taylor
Name of Notary typed, printed or stamped

Personally Known XX or produced identification _____

Type of Identification Produced _____

6-3528
Sunny Hills Units
12-15 Dependent District
Notice of Auditor Selection Committee Meeting and Board of Supervisors' Meeting
Notice is hereby given that the Auditor Selection Committee of the Sunny Hills Units 12-15 Dependent District ("District") will convene a meeting for the purpose of reviewing, discussing, and recommending an auditor to provide audit services to the District for Fiscal Year 2021. The meeting will be held at the Sunny Hills Community Center, 4083 Challenger Blvd, Sunny Hills, Florida, on Thursday, June 25, 2020 at 1:30 p.m. (CST). Immediately following the Auditor Selection Committee meeting, a regular meeting of the Board of Supervisors ("Board") of the District will be held. The

agenda for the Board meeting includes the approval of an annual budget for the fiscal year beginning October 1, 2020, which, upon adoption, will be submitted to Washington County in accordance with Chapter 189, Florida Statutes. Both meetings are open to the public and will be conducted in accordance with the pertinent provisions of Florida Law related to Special Districts. The meetings may be continued to a date, time, and place to be specified on the record at the meetings. There may be occasions when staff or other individuals will participate by telephone. Copies of the agendas and budget may be obtained from PFM Group Consulting, LLC, 12051 Corporate Boulevard, Orlando, Florida 32817, or by calling (407) 723-5900 during normal business hours. It is anticipated that the meetings will take place at the Sunny Hills Community Center, 4083 Challenger Blvd, Sunny Hills, Florida. In the event that the COVID-19 public health emergency prevents the hearing and

meeting from occurring in-person, the District may conduct the public hearing by telephone or video conferencing communications media technology pursuant to governmental orders, including but not limited to Executive Orders 20-52, 20-69 and 20-123, issued by Governor DeSantis, and any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., Florida Statutes. While it may be necessary to hold the above referenced meetings utilizing communications media technology due to the current COVID-19 public health emergency, the District fully encourages public participation in a safe and efficient manner. To that end, anyone wishing to listen to and/or participate in the meeting can do so telephonically at 1-844-621-3958, Participant Code: 796 580 192#. Participants are strongly encouraged to submit questions and comments to the District Manager's Office at 12051 Corporate Boulevard, Orlando, Florida 32817 or by calling (407) 723-5900 by June 24, 2020 at

5:00 p.m. in advance of the meeting to facilitate the Board's consideration of such questions and comments during the meeting. Any person requiring special accommodations at the meetings because of a disability or physical impairment should contact the District Office at (407) 723-5900 at least forty-eight (48) hours prior to the meetings. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office. Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, 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. Jennifer Walden District Manager June 10, 2020

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Minutes of the June 21, 2019
Board of Supervisors Meeting**

MINUTES OF MEETING

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT
Board of Supervisors' Meeting
Friday, June 21, 2019
Sunny Hills Community Center
4083 Challenger Blvd
Sunny Hills, FL 32428
1:30 p.m. CST / 2:30 p.m. EST**

Present and constituting a quorum:

| | |
|----------------|--------------|
| Jim Town | Board Member |
| Larry Kaufmann | Board Member |

Also present were:

| | |
|-----------------|----------------------------------|
| Jennifer Walden | PFM |
| Monica Sutera | PFM (via phone) |
| Tucker Mackie | Hopping Green & Sams (via phone) |
| Gary Hartman | Public |

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The Sunny Hills Units 12-15 Dependent District Board of Supervisor's Meeting was called to order at approximately 1:30 p.m. CST / 2:30 p.m. EST and the roll was called. The persons in attendance are outlined above.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no public comments.

THIRD ORDER OF BUSINESS

**Announcement of the Date, Time, and
Location of the Annual Landowners'
Election**

Ms. Walden noted that District staff is proposing Friday, November 15, 2019 at 1:30 p.m. CST / 2:30 p.m. EST at Sunny Hills Community Center, 4083 Challenger Rd., Sunny Hills, FL 32428 as the date of the Landowner's Election. Ms. Walden asked Mr. Town if he was available and he said yes. The District should

not have a need for a Board of Supervisors' Meeting on that date so it will just be the Landowners' Election. There was no action required by the Board.

FOURTH ORDER OF BUSINESS

Swearing in Newly Elected Supervisor

Ms. Walden administered the office to Mr. Kaufmann prior to the start of today's meeting to ensure that there was a quorum.

FIFTH ORDER OF BUSINESS

**Consideration of the Minutes of the
June 28, 2018 Board of Supervisors'
Meeting**

The Board Members reviewed the minutes of the June 28, 2018 Board of Supervisors' Meeting. Mr. Town provided edits.

On Motion by Mr. Kaufmann, second by Mr. Town, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved the minutes of the June 28, 2018 Board of Supervisors' Meeting, with edits.

SIXTH ORDER OF BUSINESS

**Consideration of the Minutes of the
November 16, 2018 Landowner's
Election**

The Board Members reviewed the minutes of the November 16, 2018 Landowner's Election.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved the minutes of the November 16, 2018 Landowner's Election.

SEVENTH ORDER OF BUSINESS

**Letter from Supervisor of Elections –
Washington County**

Ms. Walden explained that the District must state on the record how many registered voters are within the District. She noted that according to this letter there are no registered voters within this District. There is no action required by the Board.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2019-01,
Canvassing and Certifying the
Results of the Landowner's Election**

Ms. Walden stated that Mr. Kaufmann was reelected as a Supervisor with 6,411 votes and will serve a term of office of three years. Ms. Walden requested a motion to approve Resolution 2019-01.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved Resolution 2019-01, Canvassing and Certifying the Results of the Landowner's Election.

NINTH ORDER OF BUSINESS

**Consideration of Resolution 2019-02,
Appointing District Officers**

Ms. Walden stated that the District has a new District staff so she recommended to keep the other slate of officers the same but with one change. She requested the Board switch out Dr. Fishkind with Ms. Lane as Treasurer.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved Resolution 2019-02, Appointing District Officers, as follows: Mr. Larry Kaufmann as Chairman, Mr. Jim Town as Vice Chairman, Ms. Jennifer Walden as Secretary, Ms. Lynne Mullins as Assistant Secretary, Ms. Amanda Lane as Treasurer, and Ms. Jennifer Glasgow as Assistant Treasurer.

TENTH ORDER OF BUSINESS

**Ratification of District Management
and Assessment Consultant
Agreement**

Ms. Walden explained that this is an updated agreement with the PFM format which the Chair reviewed and signed outside of a meeting. It needs to be ratified by the Board.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District ratified the District Management and Assessment Consultant Agreement.

ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2019-03,
Designating District Manager and
Assessment Consultant**

Ms. Walden explained that this resolution authorizes Fishkind & Associates to assign their agreements to PFM.

On Motion by Mr. Kaufmann, second by Mr. Town, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved Resolution 2019-03, Designating District Manager and Assessment Consultant.

TWELFTH ORDER OF BUSINESS

**Consideration of ADA Auditing
Services**

Ms. Walden stated that the District's website provider has partnered with a local agency for the visually impaired called Lighthouse Works. They are recommending a quarterly technical and human audit of the District's website for the year. They would do the website audit four times per year for a total cost of \$1,200.00. She noted that the District's insurance provider is also recommending the Board take this action in order for them to continue covering ADA compliance claims. If the District is not complying with certain things they deem necessary then they can exclude this item from the District's insurance coverage.

Mr. Kaufmann asked if there is a Florida statute requiring an ADA audit. Ms. Mackie stated that there is no statute requiring the ADA audit. It is under federal law that the ADA applies to local governments such as Districts and now there is an extension of accessibility to public sites consisting of websites. She explained the WCAG 2.0 standard for ADA compliance with respect to websites.

Ms. Walden explained that the technical and human website audit works hand in hand and after the audit is complete a seal will be placed on the website depicting that it has been done and the website is in compliance. Mr. Kaufmann asked about the compliance deadline. Ms. Mackie expressed that the District needs to become compliant as quickly as possible because the current ADA would cover websites and the insurance carrier for the District has given Districts until October 1, 2019 which is the renewal for the next year's policy to make sure they are taking the various steps Ms. Walden went through with respect to them covering any claim against the District between now and October 1, 2019. If the District takes these steps they will continue to be covered under the insurance policy with respect to claims under ADA. Ms. Walden stated that during the last year the provider has done a single technical audit on each of the District Manager's websites.

Ms. Mackie asked who the agreement is with and Ms. Walden replied that it is with VB Global. Ms. Mackie asked if they went back and remediated everything on the District's website to date. Ms. Walden responded that they have only done the technical audit and the human audit has not been done on any of the sites

yet. Ms. Walden requested a motion to accept the proposal contingent on District Counsel drafting the appropriate District agreement. Mr. Town asked if this was put in the proposed budget for next year. Ms. Walden confirmed it is included.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved ADA Auditing Services contingent on District Counsel drafting the appropriate District Agreement.

THIRTEENTH ORDER OF BUSINESS

**Consideration of Resolution 2019-04,
Approving an Annual Budget for the
District's 2019-2020 Fiscal Year**

Ms. Walden presented the budget to the Board. She noted that the only significant increase is the website line item. This went up due to the ADA Auditing Services and website yearly fee increased from \$900.00 to \$1,200.00 as well. The overall budget will remain the same at \$38,500.00.

On Motion by Mr. Kaufmann, second by Mr. Town, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved Resolution 2019-04, approving an Annual Budget for the District's 2019-2020 Fiscal Year.

FOURTEENTH ORDER OF BUSINESS

**Consideration of the Fiscal Year 2019-
2020 Funding Agreement**

Ms. Walden presented the Funding Agreement with Spring Ridge Development, LLC. This is to fund the annual budget that was just approved in Resolution 2019-04.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District approved the Fiscal Year 2019-2020 Funding Agreement authorizing the Chair to sign on behalf of the District.

FIFTEENTH ORDER OF BUSINESS

Review of Fiscal Year 2018 Audit

Ms. Walden noted that District Counsel reviewed and it has been updated per Counsel's request. It was considered a clean audit and there were no deficiencies with internal controls that would be considered

material weaknesses. Ms. Walden requested a motion to ratify. Ms. Mackie will confirm whether or not this was submitted to the Auditor General.

On Motion by Mr. Kaufmann, second by Mr. Town, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District ratified the Fiscal Year 2018 Audit.

SIXTEENTH ORDER OF BUSINESS

Appointment of Auditor Selection Committee

Ms. Walden explained that the District is starting this process earlier than it normally would due to the infrequency of meetings. Ms. Walden noted that the Board can choose whomever as the Auditor Selection Committee but District staff recommends that the Board recommend the three Board Members for the Committee.

On Motion by Mr. Kaufmann, second by Mr. Town, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District appointed the three Board Members as the Members of the Auditor Selection Committee.

SEVENEENTH ORDER OF BUSINESS

**Ratification of Funding Requests
2018-09 – 2018-13 and 2019-01 – 2019-08**

Ms. Walden explained that these had been previously submitted and approved by the Chairman and now need to be ratified. The Board requested a cover page with the funding request number and the total amount in addition to the funding requests.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District Ratified Funding Requests 2018-09 – 2018-13 and 2019-01 – 2019-08.

EIGHTEENTH ORDER OF BUSINESS

Review of Statements of the District's Financial Position

The Board reviewed the updated financials. Ms. Walden stated that the District has incurred expenses of \$17,000.00 at this point in the fiscal year vs. a budget of \$25,500.00. So, the District is under budget by approximately \$8,000.00 through the end of May. There was no action required by the Board.

NINETEENTH ORDER OF BUSINESS

Staff Reports

Attorney – No Report

Manager – No Report

TWENTIETH ORDER OF BUSINESS

Supervisor's Requests and/or Audience Comments

Mr. Town stated that Washington County is about to receive some significant funding for the Hurricane Michael recovery and they are making a list of things that they want to do and one of the things is a cross-county evacuation route between US 231 and Highway 77. Part of that road passes through the District and it has potentially two impacts. One is that some of the right-of-way may necessitate converting Sunny Hills lots to right-of-way and any residential lots that wind up on the paved road will be subject to the MSBU assessment. Mr. Town stated that this is happening fast and the County has just gotten to work on it in the last 48 hours. He stated that he expects to get a message from DEO to send in their lists. The County Engineer is working up cost estimates of the project. Mr. Town stated that the Economic Development Counsel and the County would like a letter of support from the District to go in with the initial application for the allocation of funds. He noted that it can be a letter with a fair amount of disclaimers subject to review of design, engineering, right-of-way impacts etc. but saying that if the County gets the money to improve this evacuation route through the District that the District would support that subject to final approval. Mr. Town asked if the most efficient was to issue the letter from the District before the next meeting.

Ms. Mackie stated that the Board could authorized the Chair or Vice-Chair to work with District Staff to develop a letter in support of a cross-County evacuation route and consultation with the majority Landowner within the District is advisable. She stated that project would benefit the District.

On Motion by Mr. Town, second by Mr. Kaufmann, with all in favor, the Board of Supervisors for the Sunny Hills Units 12-15 Dependent District authorized the Chair to work with District staff to develop a letter in support of cross-County evacuation route and consultation with majority Landowner within the District, subject to final approval by the District.

Mr. Kaufmann stated that Spring Ridge Development, LLC does not own 100% of the lots and there are scattered lots owned by other entities. If some right-of-ways are required from other entities, the District's ability to do this is limited unless the District has condemnation powers. Ms. Mackie stated that the District does but the road itself is not a District project. Landowners property may be impacted by a takings claim but it would not be one of the District but she wants to make sure the District has a discussion with the Landowners beforehand and advising them of this and making sure that the District is working with its constituency as well as working towards the benefit of the County and the State of Florida as a whole.

Ms. Mackie asked if Mr. Town has anything he can provide to the District Manager and herself regarding the background on this project. Mr. Town stated it has a considerable history dating back to 2006 where three different routes were considered. The route chosen in 2013 is different than the Elkcam connection. Mr. Town explained the various routes and that the County Engineer is analyzing them. The Elkcam connection touches many residential areas while the northern route does not. However, the northern route will minimize the impact to the District. Mr. Town provided maps with the various routes. Ms. Walden will provide the information to Ms. Mackie.

TWENTY-FIRST ORDER OF BUSINESS

Adjournment

There was no other business to discuss. Ms. Walden requested a motion to adjourn.

On MOTION by Mr. Town, seconded by Mr. Kaufmann, with all in favor, the June 21, 2019 Sunny Hills Units 12-15 Dependent District Board Meeting was adjourned.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Minutes of the June 21, 2019
Auditor Selection Committee Meeting**

MINUTES OF MEETING

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT
Auditor Selection Committee Meeting
Friday, June 21, 2019
Sunny Hills Community Center
4083 Challenger Blvd
Sunny Hills, FL 32428
2:00 p.m. CST / 3:00 p.m. EST**

Present and constituting a quorum:

| | |
|----------------|------------------|
| Jim Town | Committee Member |
| Larry Kaufmann | Committee Member |

Also present were:

| | |
|-----------------|----------------------------------|
| Jennifer Walden | PFM |
| Monica Sutera | PFM (via phone) |
| Tucker Mackie | Hopping Green & Sams (via phone) |
| Gary Hartman | Public |

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The Auditor Selection Committee meeting for the Sunny Hills Units 12-15 Dependent District was called to order at approximately 2:00 p.m. CST / 3:00 p.m. EST and the roll was called. The persons in attendance are outlined above.

SECOND ORDER OF BUSINESS

Review and Approval of Audit Documents

- a) Audit RFP Notice**
- b) Instructions to proposers**
- c) Evaluation Criteria- with and without price**

The Committee reviewed the Audit RFP notice. Ms. Walden asked if the Board wanted to consider price in the evaluation criteria noting that most Auditor Selection Committees do take price into account.

Mr. Kaufmann asked when the proposals were due back. Ms. Walden stated that staff will look at a date to run the ad requesting for proposals and then the District will get the proposals in and present them at the next meeting which will be next year. Mr. Kaufmann asked when the Audits are due into the State. Mr. Town stated they are due by June 30th. Ms. Walden stated that this is for Fiscal Year 2020, ending September 30, 2020.

ON MOTION by Mr. Kaufmann, seconded by Mr. Town, with all in favor, the Committee approved the RFP Notice authorizing Staff to run the RFP for Auditing Services and Approved the Evaluation Criteria to include price.

THIRD ORDER OF BUSINESS

Adjournment

Ms. Walden requested a motion to adjourn the Auditor Selection Committee meeting.

On MOTION by Mr. Town, seconded by Mr. Kaufmann, with all in favor, the June 21, 2019 Sunny Hills Units 12-15 Dependent District Auditor Selection Committee Meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice-Chairman

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Minutes of the November 15, 2019
Landowner's Election**

MINUTES OF MEETING

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT
Landowners Meeting
Friday, November 15, 2019
Sunny Hills Community Center
4083 Challenger Road
Sunny Hills, FL 32428
1:31 p.m. CST / 2:31 p.m. EST**

Present:

Jim Town
Jennifer Walden
Tucker Mackie
Gary Hartman

Proxy Holder - Spring Ridge Development
PFM (via phone)
Hopping Green & Sams, P.A. (via phone)
Public

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The meeting was called to order at 1:31 p.m. CST.

SECOND ORDER OF BUSINESS

Appointment of Meeting Chairman

Ms. Walden, the District Manager, served as Chairman of the meeting.

THIRD ORDER OF BUSINESS

**Determine Number of Voting Units
Represented or Assigned by Proxy**

Ms. Walden explained that Jim Town has the appropriate documents that show that he was appointed the proxy holder for Spring Ridge Development, LLC. The form also indicates that he is authorized to cast 6,411 votes on behalf of Spring Ridge Development. No other landowners or proxy holders were identified.

FOURTH ORDER OF BUSINESS

**Acceptance of Nominations for the
Board of Supervisors, Casting of
Ballots, Ballot Tabulations and
Announcement of Election Results**

Mr. Town cast 6,411 votes for Mr. Rob Adams. Ms. Walden stated that Mr. Rob Adams was elected for a three-year term.

FIFTH ORDER OF BUSINESS

Adjournment

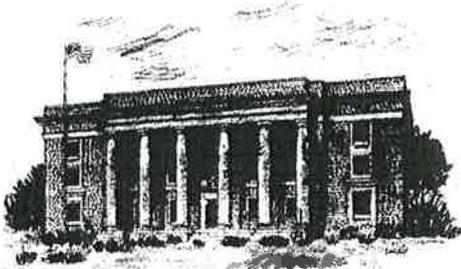
The Landowner's Election was adjourned.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Supervisors of Election
- Washington County**



*Washington County Courthouse
Chipley, Florida*

Carol Finch Rudd
Supervisor of Elections
Washington County

Mailing Address:
13311 South Blvd., Suite 900
Chipley, FL 32428

Telephone No.
850-638-6230

Fax No.
850-638-6238

April 20, 2020

Lynne Mullins
Asst. District Manager
PFM
12051 Corporate BLVD
Orlando, FL 32817

Dear Lynne Mullins:

This letter is in response to the letter from you dated April 13, 2020. In that letter you are requesting the number of registered voters residing in particular Units in Sunny Hills.

As I have stated in the past, we do not have districts and/or precincts separated by units. Those follow specific boundaries as set by Florida Statute.

However, I did contact the local Property Appraiser's office and spoke with Teresa Mitchell. Mrs. Mitchell gave me the same information as last year. There is no development inside the boundaries of Sunny Hills Units 12-15. Therefore, there would be no voters.

It is my wish that this be submitted to their office for annual verification for the above reasons listed.

Gil Carter
Property Appraiser
PO BOX 695
Chipley, FL 32428

Sincerely,
Carol F. Rudd

Carol F. Rudd, MIFCEP
Supervisor of Elections
Washington Co., FL

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Auditor Selection Committee Rankings &
Selection of Auditor**

Sunny Hills Units 12-15 Dependent District Auditor Selection - Manager Recommended Rankings

| Criteria | Possible Points | Carr Riggs Ingram | CRI Rec. Points |
|--------------------------------------|-----------------|---|-----------------|
| Ability of Personnel | 20.0 | Qualified, Multiple CPAs on Staff | 20.0 |
| Proposer's Experience | 20.0 | Extensive CDD Experience | 20.0 |
| Understanding of Scope of Work | 20.0 | Sufficient | 20.0 |
| Ability to Furnish Required Services | 20.0 | Capable | 20.0 |
| Price for Services for Three Years | 20.0 | \$4,500 + \$4,500 + \$4,500 = \$13,500 | 20 |
| Total | 100.0 | | 100.0 |

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Resolution 2020-01,
Canvassing and Certifying the Results of
the Landowner's Election**

RESOLUTION 2019-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNIT 12-15 DEPENDENT DISTRICT CANVASSING AND CERTIFYING THE RESULTS OF THE LANDOWNERS ELECTION OF SUPERVISORS HELD PURSUANT TO WASHINGTON COUNTY BOARD OF COUNTY COMMISSIONERS ORDINANCE 2006-12, AS AMENDED BY ORDINANCE 2009-5, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Sunny Hills Units 12-15 Dependent District (hereinafter the "District") was established by Ordinance No. 2006-12 of the Board of County Commissioners of Washington County, Florida (as further amended by Ordinance No. 2009-5; together, the "Ordinance") pursuant to the Uniform Special District Accountability Act of 1989, Chapter 189, Florida Statutes, and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, pursuant to the Ordinance, a landowners meeting is required to be held annually for the purpose of electing one (1) supervisor of the District to a three (3) year term; and

WHEREAS, such landowners meeting was held on November 15, 2019, the Minutes of which are attached hereto as **Exhibit A**, and at which the below recited persons were duly elected by virtue of the votes cast in his/her favor; and

WHEREAS, the Board of Supervisors of the District, by means of this Resolution, desires to canvas the votes and declare and certify the results of said election.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNIT 12-15 DEPENDENT DISTRICT:

SECTION 1. The following persons are found, certified, and declared to have been duly elected as Supervisors of and for the District, having been elected by the votes cast in his/her favor as shown:

| | | |
|-----------|--------|-------------|
| Rob Adams | Seat 3 | 6,411 Votes |
|-----------|--------|-------------|

SECTION 2. In accordance with the Ordinance, and by virtue of the number of votes cast for the Supervisor, the above-named person is declared to have been elected for the following terms of office:

| | |
|-----------|-------------|
| Rob Adams | 3 Year Term |
|-----------|-------------|

SECTION 3. This resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 25th day of June 2020.

ATTEST:

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

EXHIBIT A

MINUTES OF MEETING

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT
Landowners Meeting
Friday, November 15, 2019
Sunny Hills Community Center
4083 Challenger Road
Sunny Hills, FL 32428
1:31 p.m. CST / 2:31 p.m. EST**

Present:

| | |
|-----------------|---|
| Jim Town | Proxy Holder - Spring Ridge Development |
| Jennifer Walden | PFM (via phone) |
| Tucker Mackie | Hopping Green & Sams, P.A. (via phone) |
| Gary Hartman | Public |

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The meeting was called to order at 1:31 p.m. CST.

SECOND ORDER OF BUSINESS

Appointment of Meeting Chairman

Ms. Walden, the District Manager, served as Chairman of the meeting.

THIRD ORDER OF BUSINESS

Determine Number of Voting Units Represented or Assigned by Proxy

Ms. Walden explained that Jim Town has the appropriate documents that show that he was appointed the proxy holder for Spring Ridge Development, LLC. The form also indicates that he is authorized to cast 6,411 votes on behalf of Spring Ridge Development. No other landowners or proxy holders were identified.

FOURTH ORDER OF BUSINESS

Acceptance of Nominations for the Board of Supervisors, Casting of Ballots, Ballot Tabulations and Announcement of Election Results

Mr. Town cast 6,411 votes for Mr. Rob Adams. Ms. Walden stated that Mr. Rob Adams was elected for a three-year term.

FIFTH ORDER OF BUSINESS

Adjournment

The Landowner's Election was adjourned.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Resolution 2020-02,
Appointing District Officers**

RESOLUTION 2020-02

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE SUNNY HILLS UNITS 12-15 DEPENDENT
DISTRICT APPOINTING OFFICERS OF SUNNY HILLS
UNITS 12-15 DEPENDENT DISTRICT**

WHEREAS, SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT (hereinafter the "District") is a dependent special district pursuant to Chapter 189, Florida Statutes, being situated entirely within Washington County, Florida; and

WHEREAS, the Board of Supervisors of the District desires to appoint officers of the;

**NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT
BOARD OF THE SUNNY HILLS UNITS 12-15 DEPENDENT
DISTRICT:**

1. _____ is appointed Chairman
2. _____ is appointed Vice Chairman
3. _____ is appointed Secretary
4. _____ is appointed Assistant Secretary
5. _____ is appointed Assistant Secretary
6. _____ is appointed Treasurer
7. _____ is appointed Assistant Treasurer

Adopted this 25th day of June, 2020.

ATTEST:

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Resolution 2020-03,
Adopting an Internal Controls Policy**

RESOLUTION 2020-03

A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT ADOPTING AN INTERNAL CONTROLS POLICY CONSISTENT WITH SECTION 218.33, FLORIDA STATUTES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Sunny Hills Units 12-15 Dependent District (the “District”) is a dependent district created and existing pursuant to Chapter 189, *Florida Statutes*, being situated entirely within Washington County, Florida; and

WHEREAS, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

WHEREAS, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT:

SECTION 1. The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

SECTION 2. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 3. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED THIS 25TH DAY OF JUNE, 2020.

ATTEST:

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

Secretary/Assistant Secretary

Chairman, Board of Supervisors

EXHIBIT "A"

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT INTERNAL CONTROLS POLICY

1. Purpose.

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the Sunny Hills Units 12-15 Dependent District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
 - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
 - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
 - 1.2.3. Support economical and efficient operations.
 - 1.2.4. Ensure reliability of financial records and reports.
 - 1.2.5. Safeguard Assets (as hereinafter defined).

2. Definitions.

- 2.1. "Abuse" means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. "Assets" means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. "Auditor" means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. "Board" means the Board of Supervisors for the District.
- 2.5. "District Management" means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. “Fraud” means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.
- 2.7. “Internal Controls” means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. “Risk” means anything that could negatively impact the District’s ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. “Waste” means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

3. Control Environment.

3.1. Ethical and Honest Behavior.

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

4. Risk Assessment.

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management’s Risk assessments shall include, but not be limited to:
 - 4.1.1. Identifying potential hazards.
 - 4.1.2. Evaluating the likelihood and extent of harm.
 - 4.1.3. Identifying cost-justified precautions and implementing those precautions.

5. Control Activities.

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.

5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.

5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).

5.1.1.5. Maintaining a schedule of the District's material fixed Assets.

5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).

5.1.1.7. Retaining and restricting access to sensitive documents.

5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.

5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

- 5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.
- 5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.
- 5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.

5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

6. Information and Communication.

- 6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.
- 6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

7. Monitoring Activities.

- 7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:
 - 7.1.1.1. Review its operational processes.
 - 7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.
 - 7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.
 - 7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.

7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.

7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

Specific Authority: §218.33(3), *Florida Statutes*

Effective date: [REDACTED], 2020

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Resolution 2020-04,
Setting Public Hearing to Adopt Amended
and Restated Rules of Procedure**

RESOLUTION 2020-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT TO DESIGNATE DATE, TIME AND PLACE OF PUBLIC HEARING AND AUTHORIZATION TO PUBLISH NOTICE OF SUCH HEARING FOR THE PURPOSE OF ADOPTING AMENDED AND RESTATED RULES OF PROCEDURE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Sunny Hills Units 12-15 Dependent District (the “District”) is a special dependent district established pursuant to Chapter 189, *Florida Statutes*, and located in Washington County, Florida; and

WHEREAS, the Board of Supervisors of the District (the “Board”) is authorized by Section 190.011(5), *Florida Statutes*, to adopt rules and orders pursuant to Chapter 120, *Florida Statutes*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT:

SECTION 1. A Public Hearing will be held to adopt the District’s Amended and Restated Rules of Procedure on _____, 2020, at _____ .m., at _____.

SECTION 2. The District Secretary is directed to publish notice of the hearing in accordance with Section 120.54, *Florida Statutes*.

SECTION 3. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 25th day of June, 2020.

ATTEST:

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Memorandum of Updated Provisions of the
District's Rules of Procedure**

Hopping Green & Sams

Attorneys and Counselors

MEMORANDUM

TO: Sunny Hills Units 12-15 Dependent District
Board of Supervisors

FROM: Tucker F. Mackie

RE: Updated Provisions of the District's Rules of Procedure

DATE: November 2019

Please find attached to this memorandum an updated version of the Sunny Hills Units 12-15 Dependent District's (the "District's") Rules of Procedure (the "Rules"). Several substantive revisions were made to maintain consistency between the Rules and the current Florida Statutes, including changes implemented in the most recent legislative session, as well as to facilitate greater efficiency in the operation of the District. An explanation of each material change to the Rules is provided below. Minor formatting changes and edits are not discussed. Should you have any questions regarding the revisions to the Rules, please do not hesitate to contact me via e-mail at TuckerM@hgslaw.com or via phone at 850-222-7500.

Costs Associated With Public Records Requests (Pages 8-9)

Language was added to Rule 1.2(4) to reflect statutory language regarding calculation of special charges for responding to certain public records requests, and to state that the District is under no duty to produce requested records if the requestor has not paid the required costs or has outstanding charges. The language will help minimize expenses incurred by the District in responding to public records requests.

Financial Disclosure Coordination (Page 9)

Rule 1.2(7) was added to maintain consistency with legislation that was passed during the 2019 legislative session. The rule designates the Secretary as the District's Financial Disclosure Coordinator (the "Coordinator") (unless the District designates otherwise by resolution) and requires the Coordinator to create, maintain, and update certain records and provide them to the Florida Commission on Ethics by certain deadlines. Each Supervisor or other Reporting Individual must notify the Coordinator in writing if there are changes to his or her name, e-mail address, or physical address, and must notify the Commission on Ethics of changes to his or her e-mail address.

Agenda and Meeting Materials (Page 11)

Rule 1.3(3) was amended to reflect statutory requirements that the agenda and meeting materials available in an electronic format, excluding confidential and exempt information, shall be

made available to the public at least seven days before a meeting, hearing, or workshop. The amended rule also clarifies circumstances in which the agenda may be amended or additional materials added after initial posting. It additionally specifies which documents constitute “meeting materials.” Documents that do not meet the definition of “meeting materials” may still be provided to the Board, but will be considered supplementary materials and are not required to be made available to the public before the meeting. Supplementary materials may include, but are not necessarily limited to, the following: financial statements, informational reports, and copies of receipts and invoices.

Flexibility for Board Authorization (Page 13)

Language was added to Rule 1.3(11) to allow the Board to waive formal approval or disapproval procedures. This will allow the Board flexibility to use different procedures when necessary and will protect the validity of the Board’s actions where there is a technical irregularity but the Board has otherwise made its decision clear.

Security and Firesafety Board Discussions (Page 14)

Rule 1.3(14) was added to reflect the fact that portions of a meeting which would reveal a security or firesafety system plan or portion thereof made confidential and exempt by Florida law are exempt from Florida’s statutory public meeting requirements. Including this rule will clarify the procedures the Board should use to ensure that confidential and exempt information is not made public.

Internal Controls to Prevent Fraud, Waste and Abuse (Page 15)

Rule 1.4 was added to reflect legislative changes enacted in the 2019 legislative session requiring special districts to establish and maintain internal controls to prevent fraud, waste, and abuse. Our office plans to work with the District Manager and auditor to develop the internal controls, which the Board will adopt in the same manner as it does policies.

Notice of Competitive Solicitation (Pages 27 and 36)

Rules 3.1(3) and 3.3(2)(c) have been amended to state that when a consultant has asked to be provided with notice of the District’s competitive solicitations, the District Manager’s failure to provide them with a copy of the notice will not give them bid protest rights or otherwise disqualify the District’s otherwise valid procurement. This will reduce the District’s exposure to potential bid protests and decrease the likelihood of a procurement being considered invalid due to a technical irregularity.

Procedure Regarding Auditor Selection (Page 31)

Language has been added to the introductory paragraph to Rule 3.2 to clarify that the District need not use the procedures set out by the Rule for audits required under Chapter 190 of the Florida Statutes but which do not meet the thresholds of Chapter 218 of the Florida Statutes.

Additionally, the requirements for composition of the Auditor Selection Committee in Rule 3.2(2) have been amended to reflect legislation passed during the 2019 legislative session. Now, at

least one individual on the Committee must be a member of the Board; the Chairperson of the Committee must be a member of the Board; and an employee, chief executive officer, or chief financial officer of the District may not be a member of the Committee but may serve in an advisory capacity.

Contract Periods (Pages 34, 56, and 59)

Rules 3.2(8)(d), 3.8(5), and 3.9(4) have been amended to set the maximum contract period for auditing services, the maximum renewal period for contracts for the purchase of goods, supplies, materials, and the maximum renewal period for contracts for maintenance services at five (5) years. This will provide greater specificity to guide contract terms.

Suspension, Revocation, or Denial of Qualification (Pages 40–42)

Rule 3.4(3) has been added to specify the procedures to be used if the District wishes to suspend, revoke, or deny a pre-qualified vendor's pre-qualified status. It specifies what constitutes good cause for such suspension, revocation, or denial; the effect of the suspension, revocation, or denial; hearing procedures the District must follow; and factors influencing the time period of the suspension, revocation, or denial.

Protest Bonds (Pages 61–62)

Rule 3.11(1)(c) has been amended to require that both the requirement for and the amount of the protest bond be disclosed in the competitive solicitation documents, and to allow the amount of the bond to be any amount within the limits imposed by Florida law.

Minor Changes

The following minor changes have also been made to the Rules:

Rule 1.1(1): This Rule has been amended to clarify requirements for Board members appointed or elected to elector seats. (Page 2).

Rule 1.1(2)(c) and (d): These Rules have been amended to include the words “at least” before the required amounts of the Secretary’s or Treasurer’s fidelity bonds or employee theft insurance policies to accommodate the possibility of greater amounts. (Page 4).

Rule 1.1(6): This Rule has been amended to include the Florida Constitution as a governing authority on voting conflicts of interest. This change reflects the recently passed Amendment 12 to the Florida Constitution. (Pages 5–6).

Rules 1.3(1)(e), (1)(d), (1)(f); and 3.2(9): These Rules were amended to allow inclusion of language substantially similar to that recited in the Rules. (Pages 10–11 and 34).

Rule 1.3(6): This Rule was amended to require the chair or vice chair to consult with the District Manager and District Counsel, if they are available, before calling an emergency meeting. (Page 12).

Rule 2.0(12)(d): This Rule has been amended to allow 90 days instead of 60 days for the Board to announce a decision on a petition for variance or waiver of its Rules. (Page 21).

Rule 3.0(3)(b): The dollar thresholds in this Rule have been increased to \$2,000,000 for a study activity when the fee for such Professional Services to the District does not exceed the increased amount of \$200,000, to reflect the current statutory thresholds. (Page 22).

Rules 3.1(4)(b), 3.6(2)(c)(ii)6., and 3.8(2)(k): The word “responsive” has been added to allow the Board to proceed with evaluating and selecting a proposal from the submissions if it receives fewer than three responsive proposals. (Pages 28, 49 and 55).

Rule 3.2(3)(b): “Understanding of scope of work” has been removed from the list of required factors used to evaluate auditing proposals. The District may still include this as an evaluation criterion if it wishes, but it is not required to do so. (Page 32).

Rule 3.2(7)(b): Language has been added to specify that if the Board does not select the highest-ranked qualified auditing firm, it must document in its records its reason for not doing so. (Page 33).

Rules 3.5(2)(e) and 3.6(2)(c)(ii)3.: “Reemployment assistance” has been added to the non-exclusive list of subjects of federal labor or employment laws of which violation may render a contractor ineligible to submit a bid, response, or proposal for a District project. (Pages 44 and 48).

Rule 3.11(6): Language was added specifying that the District may reject all qualifications, proposals, replies, or responses and start the competitive solicitation process anew if all of the bids, proposals, replies, and responses are too high. (Page 63).

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Redline Rules of Procedure

AMENDED AND RESTATED
RULES OF PROCEDURE
COMMUNITY DEVELOPMENT DISTRICT

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Rule 1.0 General.

- (1) The _____ Community Development District (the “District”) was created pursuant to the provisions of Chapter 190 of the Florida Statutes, and was established to provide for the ownership, operation, maintenance, and provision of various capital facilities and services within its jurisdiction. The purpose of these rules (the “Rules”) is to describe the general operations of the District.
- (2) Definitions located within any section of these Rules shall be applicable within all other sections, unless specifically stated to the contrary.
- (3) Unless specifically permitted by a written agreement with the District, the District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (4) A Rule of the District shall be effective upon adoption by affirmative vote of the District Board. After a Rule becomes effective, it may be repealed or amended only through the rulemaking procedures specified in these Rules. Notwithstanding, the District may immediately suspend the application of a Rule if the District determines that the Rule conflicts with Florida law. In the event that a Rule conflicts with Florida law and its application has not been suspended by the District, such Rule should be interpreted in the manner that best effectuates the intent of the Rule while also complying with Florida law. If the intent of the Rule absolutely cannot be effectuated while complying with Florida law, the Rule shall be automatically suspended.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.011(5), 190.011(15), Fla. Stat.

Rule 1.1 Board of Supervisors; Officers and Voting.

- (1) Board of Supervisors. The Board of Supervisors of the District (the “Board”) shall consist of five (5) members. Members of the Board (“Supervisors”) appointed by ordinance or rule or elected by landowners must be citizens of the United States of America and residents of the State of Florida. Supervisors elected or appointed by ~~resident electors~~ the Board to elector seats must be citizens of the United States of America, residents of the State of Florida and of the District, and registered to vote with the Supervisor of Elections of the county in which the District is located, ~~and~~ and for those elected, shall also be qualified to run by the Supervisor of Elections. The Board shall exercise the powers granted to the District under Florida law.
 - (a) Supervisors shall hold office for the term specified by Section 190.006 of the Florida Statutes. If, during the term of office, any Board member(s) vacates their office, the remaining member(s) of the Board shall fill the vacancies by appointment for the remainder of the term(s). If three or more vacancies exist at the same time, a quorum, as defined herein, shall not be required to appoint replacement Board members.
 - (b) Three (3) members of the Board shall constitute a quorum for the purposes of conducting business, exercising powers and all other purposes. A Board member shall be counted toward the quorum if physically present at the meeting, regardless of whether such Board member is prohibited from, or abstains from, participating in discussion or voting on a particular item.
 - (c) Action taken by the Board shall be upon a majority vote of the members present, unless otherwise provided in the Rules or required by law. Subject to Rule 1.3(10), a Board member participating in the Board meeting by teleconference or videoconference ~~shall~~ be entitled to vote and take all other action as though physically present.
 - (d) Unless otherwise provided for by an act of the Board, any one Board member may attend a mediation session on behalf of the Board. Any agreement resulting from such mediation session must be approved pursuant to subsection (1)(c) of this Rule.
- (2) Officers. At the first Board meeting held after each election where the newly elected members take office, the Board shall select a Chairperson, Vice-Chairperson, Secretary, Assistant Secretary, and Treasurer.
 - (a) The Chairperson must be a member of the Board. If the Chairperson resigns from that office or ceases to be a member of the Board, the Board shall select a Chairperson. The Chairperson serves at the pleasure of the Board. The Chairperson shall be authorized to execute resolutions and contracts on the District’s behalf. The Chairperson shall convene and

conduct all meetings of the Board. In the event the Chairperson is unable to attend a meeting, the Vice-Chairperson shall convene and conduct the meeting. The Chairperson or Vice-Chairperson may delegate the responsibility of conducting the meeting to the District's manager ("District Manager") or District Counsel, in whole or in part.

- (b) The Vice-Chairperson shall be a member of the Board and shall have such duties and responsibilities as specifically designated by the Board from time to time. The Vice-Chairperson has the authority to execute resolutions and contracts on the District's behalf in the absence of the Chairperson. If the Vice-Chairperson resigns from office or ceases to be a member of the Board, the Board shall select a Vice-Chairperson. The Vice-Chairperson serves at the pleasure of the Board.
- (c) The Secretary of the Board serves at the pleasure of the Board and need not be a member of the Board. The Secretary shall be responsible for maintaining the minutes of Board meetings and may have other duties assigned by the Board from time to time. An employee of the District Manager may serve as Secretary. The Secretary shall be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (d) The Treasurer need not be a member of the Board but must be a resident of the State of Florida. The Treasurer shall perform duties described in Section 190.007(2) and (3) of the Florida Statutes, as well as those assigned by the Board from time to time. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall either be bonded by a reputable and qualified bonding company in at least the amount of one million dollars (\$1,000,000), or have in place a fidelity bond, employee theft insurance policy, or a comparable product in at least the amount of one million dollars (\$1,000,000) that names the District as an additional insured.
- (e) In the event that both the Chairperson and Vice-Chairperson are absent from a Board meeting and a quorum is present, the Board may designate one of its members or a member of District staff to convene and conduct the meeting. In such circumstances, any of the Board members present are authorized to execute agreements, resolutions, and other documents approved by the Board at such meeting. In the event that the Chairperson and Vice-Chairperson are both unavailable to execute a document previously approved by the Board, the Secretary or any Assistant Secretary may execute such document.

- (f) The Board may assign additional duties to District officers from time to time, which include, but are not limited to, executing documents on behalf of the District.
 - (g) The Chairperson, Vice-Chairperson, and any other person authorized by District Resolution may sign checks and warrants for the District, countersigned by the Treasurer or other persons authorized by the Board.
- (3) Committees. The Board may establish committees of the Board, either on a permanent or temporary basis, to perform specifically designated functions. Committees may include individuals who are not members of the Board. Such functions may include, but are not limited to, review of bids, proposals, and qualifications, contract negotiations, personnel matters, and budget preparation.
- (4) Record Book. The Board shall keep a permanent record book entitled "Record of Proceedings," in which shall be recorded minutes of all meetings, resolutions, proceedings, certificates, and corporate acts. The Records of Proceedings shall be located at a District office and shall be available for inspection by the public.
- (5) Meetings. For each fiscal year, the Board shall establish a schedule of regular meetings, which shall be published in a newspaper of general circulation in the county in which the District is located and filed with the local general-purpose governments within whose boundaries the District is located. All meetings of the Board and Committees serving an advisory function shall be open to the public in accord with the provisions of Chapter 286 of the Florida Statutes.
- (6) Voting Conflict of Interest. The Board shall comply with Section 112.3143 of the Florida Statutes, so as to ensure the proper disclosure of conflicts of interest on matters coming before the Board for a vote. For the purposes of this section, "voting conflict of interest" shall be governed by [the Florida Constitution and Chapters 112 and 190 of the Florida Statutes](#), as amended from time to time. Generally, a voting conflict exists when a Board member is called upon to vote on an item which would inure to the Board member's special private gain or loss or the Board member knows would inure to the special private gain or loss of a principal by whom the Board member is retained, the parent organization or subsidiary of a corporate principal, a business associate, or a relative including only a father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law.
- (a) When a Board member knows the member has a conflict of interest on a matter coming before the Board, the member should notify the Board's Secretary prior to participating in any discussion with the Board on the matter. The member shall publicly announce the conflict of interest at the meeting. This announcement shall appear in the minutes.

If the Board member was elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, the Board member may vote or abstain from voting on the matter at issue. If the Board member was elected by electors residing within the District, the Board member is prohibited from voting on the matter at issue. In the event that the Board member intends to abstain or is prohibited from voting, such Board member shall not participate in the discussion on the item subject to the vote.

The Board's Secretary shall prepare a Memorandum of Voting Conflict (Form 8B) which shall then be signed by the Board member, filed with the Board's Secretary, and provided for attachment to the minutes of the meeting within fifteen (15) days of the meeting.

- (b) If a Board member inadvertently votes on a matter and later learns he or she has a conflict on the matter, the member shall immediately notify the Board's Secretary. Within fifteen (15) days of the notification, the member shall file the appropriate Memorandum of Voting Conflict, which will be attached to the minutes of the Board meeting during which the vote on the matter occurred. The Memorandum of Voting Conflict shall immediately be provided to other Board members and shall be read publicly at the next meeting held subsequent to the filing of the Memorandum of Voting Conflict. The Board member's vote is unaffected by this filing.
- (c) It is not a conflict of interest for a Board member, the District Manager, or an employee of the District to be a stockholder, officer or employee of a landowner or of an entity affiliated with a landowner.
- (d) In the event that a Board member elected at a landowner's election or appointed to fill a vacancy of a seat last filled at a landowner's election, has a continuing conflict of interest, such Board member is permitted to file a Memorandum of Voting Conflict at any time in which it shall state the nature of the continuing conflict. Only one such continuing Memorandum of Voting Conflict shall be required to be filed for each term the Board member is in office.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 112.3143, 190.006, 190.007, Fla. Stat.

Rule 1.2 District Offices; Public Information and Inspection of Records; Policies; Service Contract Requirements; Financial Disclosure Coordination.

- (1) District Offices. Unless otherwise designated by the Board, the official District office shall be the District Manager's office identified by the District Manager. If the District Manager's office is not located within the county in which the District is located, the Board shall designate a local records office within such county which shall at a minimum contain, but not be limited to, the following documents:
- (a) Agenda packages for prior 24 months and next meeting;
 - (b) Official minutes of meetings, including adopted resolutions of the Board;
 - (c) Names and addresses of current Board members and District Manager, unless such addresses are protected from disclosure by law;
 - (d) Adopted engineer's reports;
 - (e) Adopted assessment methodologies/reports;
 - (f) Adopted disclosure of public financing;
 - (g) Limited Offering Memorandum for each financing undertaken by the District;
 - (h) Proceedings, certificates, bonds given by all employees, and any and all corporate acts;
 - (i) District policies and rules;
 - (j) Fiscal year end audits; and
 - (k) Adopted budget for the current fiscal year.

The District Manager shall ensure that each District records office contains the documents required by Florida law.

- (2) Public Records. District public records include all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received in connection with the transaction of official business of the District. All District public records not otherwise restricted by law may be copied or inspected at the District Manager's office during regular business hours. Certain District records can also be inspected and copied at the District's local records office during regular business hours. All written public records requests shall be directed to the Secretary who by these rules is appointed

as the District's records custodian. Regardless of the form of the request, any Board member or staff member who receives a public records request shall immediately forward or communicate such request to the Secretary for coordination of a prompt response. The Secretary, after consulting with District Counsel as to the applicability of any exceptions under the public records laws, shall be responsible for responding to the public records request. At no time can the District be required to create records or summaries of records, or prepare opinions regarding District policies, in response to a public records request.

- (3) Service Contracts. Any contract for services, regardless of cost, shall include provisions required by law that require the contractor to comply with public records laws. The District Manager shall be responsible for initially enforcing all contract provisions related to a contractor's duty to comply with public records laws.

- (4) Fees; Copies. Copies of public records shall be made available to the requesting person at a charge of \$0.15 per page for one-sided copies and \$0.20 per page for two-sided copies if not more than 8 ½ by 14 inches. For copies of public records in excess of the sizes listed in this section and for outside duplication services, the charge shall be equal to the actual cost of reproduction. Certified copies of public records shall be made available at a charge of one dollar (\$1.00) per page. If the nature or volume of records requested requires extensive use of information technology resources or extensive clerical or supervisory assistance, the District may charge, in addition to the duplication charge, a special service charge that is based on the cost the District incurs to produce the records requested. This charge may include, but is not limited to, the cost of information technology resource, employee labor, and fees charged to the District by consultants employed in fulfilling the request. In cases where the special service charge is based in whole or in part on the costs incurred by the District due to employee labor, consultant fees, or other forms of labor, those portions of the charge shall be calculated based on the lowest labor cost of the individual(s) who is/are qualified to perform the labor, taking into account the nature or volume of the public records to be inspected or copied. The charge may include the labor costs of supervisory and/or clerical staff whose assistance is required to complete the records request, in accordance with Florida law. For purposes of this Rule, the word "extensive" shall mean that it will take more than 15 minutes to locate, review for confidential information, copy and re-file the requested material. In cases where extensive personnel time is determined by the District to be necessary to safeguard original records being inspected, the special service charge provided for in ~~the~~-~~this~~ section shall apply. If the total fees, including but not limited to special service charges, are anticipated to exceed twenty-five dollars (\$25.00), then, prior to commencing work on the request, the District will inform the person making the public records request of the estimated cost, with the understanding that the final cost may vary from that estimate. If the person making the public records request decides to proceed with the request, payment of the estimated cost is required in advance. Should the person fail to pay the estimate, the District is under no duty to produce

the requested records. After the request has been fulfilled, additional payments or credits may be due. The District is under no duty to produce records in response to future records requests if the person making the request owes the District for past unpaid duplication charges, special service charges, or other required payments or credits.

- (5) Records Retention. The Secretary of the District shall be responsible for retaining the District's records in accordance with applicable Florida law.
- (6) Policies. The Board may adopt policies related to the conduct of its business and the provision of services either by resolution or motion.
- (7) Financial Disclosure Coordination. Unless specifically designated by Board resolution otherwise, the Secretary shall serve as the Financial Disclosure Coordinator ("Coordinator") for the District as required by the Florida Commission on Ethics ("Commission"). The Coordinator shall create, maintain and update a list of the names, e-mail addresses, physical addresses, and names of the agency of, and the office or position held by, all Supervisors and other persons required by Florida law to file a statement of financial interest due to his or her affiliation with the District ("Reporting Individual"). The Coordinator shall provide this list to the Commission by February 1 of each year, which list shall be current as of December 31 of the prior year. Each Supervisor and Reporting Individual shall promptly notify the Coordinator in writing if there are any changes to such person's name, e-mail address, or physical address. Each Supervisor and Reporting Individual shall promptly notify the Commission in the manner prescribed by the Commission if there are any changes to such person's e-mail address.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 112.31446(3), 112.3145(8)(a)1., 119.07., 119.0701, 190.006, ~~119.07,~~ Fla. Stat.

Rule 1.3 Public Meetings, Hearings, and Workshops.

- (1) Notice. Except in emergencies, or as otherwise required by statute or these Rules, at least seven (7) days, but no more than thirty (30) days public notice shall be given of any public meeting, hearing or workshop of the Board. Public notice shall be given by publication in a newspaper of general circulation in the District and in the county in which the District is located. “General circulation” means a publication that is printed and published at least once a week for the preceding year, offering at least 25% of its words in the English language, qualifies as a periodicals material for postal purposes in the county in which the District is located, is for sale to the public generally, is available to the public generally for the publication of official or other notices, and is customarily containing information of a public character or of interest or of value to the residents or owners of property in the county where published, or of interest or of value to the general public. The annual meeting notice required to be published by Section 189.015 of the Florida Statutes, shall be published in a newspaper not of limited subject matter, which is published at least five days a week, unless the only newspaper in the county is published less than five days a week. Each Notice shall state, as applicable:
- (a) The date, time and place of the meeting, hearing or workshop;
 - (b) A brief description of the nature, subjects, and purposes of the meeting, hearing, or workshop;
 - (c) The District office address for the submission of requests for copies of the agenda, as well as a contact name and telephone number for verbal requests for copies of the agenda; and
 - (d) The following or substantially similar language:- “Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (____) _____. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770 or 1 (800) 955-8771, who can aid you in contacting the District Office.”
 - (e) The following or substantially similar language: “A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.”

- (f) The following or substantially similar language:- “The meeting [or hearing or workshop] may be continued in progress without additional notice to a time, date, and location stated on the record.”
- (2) Mistake. In the event that a meeting is held under the incorrect assumption that notice required by law and these Rules has been given, the Board at its next properly noticed meeting shall cure such defect by considering the agenda items from the prior meeting individually and anew.
- (3) Agenda. The District Manager, under the guidance of District Counsel and the Chairperson or Vice-Chairperson, shall prepare ~~a notice and~~ an agenda of the meeting/hearing/workshop. The ~~notice and~~ agenda and any meeting materials available in an electronic format, excluding any confidential and any confidential and exempt information, shall be available to the public at least ~~seventy two (72) hours~~ seven days before the meeting/hearing/workshop, except in an emergency. Meeting materials shall be defined as, and limited to, the agenda, meeting minutes, resolutions, and agreements of the District that District staff deems necessary for Board approval. Inclusion of additional materials for Board consideration other than those defined herein as “meeting materials” shall not convert such materials into “meeting materials.” For good cause, the agenda may be changed after it is first made available for distribution, and additional materials may be added or provided under separate cover at the meeting. The requirement of good cause shall be liberally construed to allow the District to efficiently conduct business and to avoid the expenses associated with special meetings.

The District may, but is not required to, use the following format in preparing its agenda for its regular meetings:

- Call to order
- Roll call
- Public comment
- Organizational matters
- Review of minutes
- Specific items of old business
- Specific items of new business
- Staff reports
 - (a) District Counsel
 - (b) District Engineer
 - (c) District Manager
 - 1. Financial Report
 - 2. Approval of Expenditures
- Supervisor’s requests and comments
- Public comment
- Adjournment

- (4) Minutes. The Secretary shall be responsible for preparing and keeping the minutes of each meeting of the Board. Minutes shall be corrected and approved by the Board at a subsequent meeting. The Secretary may work with other staff members in preparing draft minutes for the Board's consideration.
- (5) Special Requests. Persons wishing to receive, by mail, notices or agendas of meetings, may so advise the District Manager or Secretary at the District Office. Such persons shall furnish a mailing address in writing and shall be required to pre-pay the cost of the copying and postage.
- (6) Emergency Meetings. The Chairperson, or Vice-Chairperson if the Chairperson is unavailable, upon consultation with the District Manager and District Counsel, if available, may convene an emergency meeting of the Board without first having complied with sections (1) and (3) of this Rule, to act on emergency matters that may affect the public health, safety, or welfare. Whenever possible, the District Manager shall make reasonable efforts to provide public notice and notify all Board members of an emergency meeting twenty-four (24) hours in advance. Reasonable efforts may include telephone notification. Notice of the emergency meeting must be provided both before and after the meeting on the District's website, if it has one. Whenever an emergency meeting is called, the District Manager shall be responsible for notifying at least one newspaper of general circulation in the District. After an emergency meeting, the Board shall publish in a newspaper of general circulation in the District, the time, date and place of the emergency meeting, the reasons why an emergency meeting was necessary, and a description of the action taken. Actions taken at an emergency meeting may be ratified by the Board at a regularly noticed meeting subsequently held.
- (7) Public Comment. The Board shall set aside a reasonable amount of time at each meeting for public comment and members of the public shall be permitted to provide comment on any proposition before the Board. The portion of the meeting generally reserved for public comment shall be identified in the agenda. Policies governing public comment may be adopted by the Board in accordance with Florida law.
- (8) Budget Hearing. Notice of hearing on the annual budget(s) shall be in accord with Section 190.008 of the Florida Statutes. Once adopted in accord with Section 190.008 of the Florida Statutes, the annual budget(s) may be amended from time to time by action of the Board. Approval of invoices by the Board in excess of the funds allocated to a particular budgeted line item shall serve to amend the budgeted line item.
- (9) Public Hearings. Notice of required public hearings shall contain the information required by applicable Florida law and by these Rules applicable to meeting notices and shall be mailed and published as required by Florida law. The District Manager shall ensure that all such notices, whether mailed or published, contain the information required by Florida law and these Rules and are mailed and

published as required by Florida law. Public hearings may be held during Board meetings when the agenda includes such public hearing.

- (10) Participation by Teleconference/Videoconference. District staff may participate in Board meetings by teleconference or videoconference. Board members may also participate in Board meetings by teleconference or videoconference if in the good judgment of the Board extraordinary circumstances exist; provided however, at least three Board members must be physically present at the meeting location to establish a quorum. Such extraordinary circumstances shall be presumed when a Board member participates by teleconference or videoconference, unless a majority of the Board members physically present determines that extraordinary circumstances do not exist.
- (11) Board Authorization. The District has not adopted Robert's Rules of Order. For each agenda item, there shall be discussion permitted among the Board members during the meeting. Unless such procedure is waived by the Board, Approval or disapproval of resolutions and other proposed Board actions shall be in the form of a motion by one Board member, a second by another Board member, and an affirmative vote by the majority of the Board members present. Any Board member, including the Chairperson, can make or second a motion.
- (12) Continuances. Any meeting or public hearing of the Board may be continued without re-notice or re-advertising provided that:
 - (a) The Board identifies on the record at the original meeting a reasonable need for a continuance;
 - (b) The continuance is to a specified date, time, and location publicly announced at the original meeting; and
 - (c) The public notice for the original meeting states that the meeting may be continued to a date and time and states that the date, time, and location of any continuance shall be publicly announced at the original meeting and posted at the District Office immediately following the original meeting.
- (13) Attorney-Client Sessions. An Attorney-Client Session is permitted when the District's attorneys deem it necessary to meet in private with the Board to discuss pending litigation to which the District is a party before a court or administrative agency or as may be authorized by law. The District's attorneysattorney must request such session at a public meeting.- Prior to holding the Attorney-Client Session, the District must give reasonable public notice of the time and date of the session and the names of the persons anticipated to attend the session. -The session must commence at an open meeting in which the Chairperson or Vice-Chairperson announces the commencement of the session, the estimated length of the session, and the names of the persons who will be attending the session. The discussion during the session is confined to settlement negotiations or strategy

related to litigation expenses or as may be authorized by law. Only the Board, the District's attorneys (including outside counsel), the District Manager, and the court reporter may attend an Attorney-Client Session. During the session, no votes may be taken and no final decisions concerning settlement can be made. Upon the conclusion of the session, the public meeting is reopened, and the Chairperson or Vice-Chairperson must announce that the session has concluded. The session must be transcribed by a court-reporter and the transcript of the session filed with the District Secretary within a reasonable time after the session. The transcript shall not be available for public inspection until after the conclusion of the litigation.

(14) Security and Firesafety Board Discussions. Portions of a meeting which relate to or would reveal a security or firesafety system plan or portion thereof made confidential and exempt by section 119.071(3)(a), Florida Statutes, are exempt from the public meeting requirements and other requirements of section 286.011, Florida Statutes, and section 24(b), Article 1 of the State Constitution. Should the Board wish to discuss such matters, members of the public shall be required to leave the meeting room during such discussion. Any records of the Board's discussion of such matters, including recordings or minutes, shall be maintained as confidential and exempt records in accordance with Florida law.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 189.069(2)(a)16, 190.006, 190.007, 190.008, 286.0105, 286.011, 286.0113, 286.0114, Fla. Stat.

Rule 1.4 Internal Controls to Prevent Fraud, Waste and Abuse

- (1) Internal Controls. The District shall establish and maintain internal controls designed to:
- (a) Prevent and detect “fraud,” “waste” and “abuse” as those terms are defined in section 11.45(1), Florida Statutes; and
 - (b) Promote and encourage compliance with applicable laws, rules contracts, grant agreements, and best practices; and
 - (c) Support economical and efficient operations; and
 - (d) Ensure reliability of financial records and reports; and
 - (e) Safeguard assets.
- (2) Adoption. The internal controls to prevent fraud, waste and abuse shall be adopted and amended by the District in the same manner as District policies.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: § 218.33(3), Fla. Stat.

Rule 2.0 Rulemaking Proceedings.

- (1) Commencement of Proceedings. Proceedings held for adoption, amendment, or repeal of a District rule shall be conducted according to these Rules. Rulemaking proceedings shall be deemed to have been initiated upon publication of notice by the District. A “rule” is a District statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the District (“Rule”). Nothing herein shall be construed as requiring the District to consider or adopt rules unless required by Chapter 190 of the Florida Statutes. Policies adopted by the District which do not consist of rates, fees, rentals or other monetary charges may be, but are not required to be, implemented through rulemaking proceedings.

- (2) Notice of Rule Development.
 - (a) Except when the intended action is the repeal of a Rule, the District shall provide notice of the development of a proposed rule by publication of a Notice of Rule Development in a newspaper of general circulation in the District before providing notice of a proposed rule as required by section (3) of this Rule. Consequently, the Notice of Rule Development shall be published at least twenty-nine (29) days prior to the public hearing on the proposed Rule. The Notice of Rule Development shall indicate the subject area to be addressed by rule development, provide a short, plain explanation of the purpose and effect of the proposed rule, cite the specific legal authority for the proposed rule, and include a statement of how a person may promptly obtain, without cost, a copy of any preliminary draft, if available.

 - (b) All rules as drafted shall be consistent with Sections 120.54(1)(g) and 120.54(2)(b) of the Florida Statutes.

- (3) Notice of Proceedings and Proposed Rules.
 - (a) Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, the District shall give notice of its intended action, setting forth a short, plain explanation of the purpose and effect of the proposed action, a reference to the specific rulemaking authority pursuant to which the rule is adopted, and a reference to the section or subsection of the Florida Statutes being implemented, interpreted, or made specific. The notice shall include a summary of the District’s statement of the estimated regulatory costs, if one has been prepared, based on the factors set forth in Section 120.541(2) of the Florida Statutes, and a statement that any person who wishes to provide the District with a lower cost regulatory alternative as provided by Section 120.541(1), must do so in writing within twenty-one (21) days after publication of the notice. The notice shall additionally include a statement that any affected person may request a public hearing

by submitting a written request within twenty-one (21) days after the date of publication of the notice. Except when intended action is the repeal of a rule, the notice shall include a reference to both the date on which and the place where the Notice of Rule Development required by section (2) of this Rule appeared.

(b) The notice shall be published in a newspaper of general circulation in the District and each county in which the District is located not less than twenty-eight (28) days prior to the intended action. The proposed rule shall be available for inspection and copying by the public at the time of the publication of notice.

(c) The notice shall be mailed to all persons named in the proposed rule and to all persons who, at least fourteen (14) days prior to such mailing, have made requests of the District for advance notice of its rulemaking proceedings. Any person may file a written request with the District Manager to receive notice by mail of District proceedings to adopt, amend, or repeal a rule. Such persons must furnish a mailing address and may be required to pay the cost of copying and mailing. ~~Notice will then be mailed to all persons whom, at least fourteen (14) days prior to such mailing, have made requests of the District for advance notice of its proceedings.~~

(4) Rule Development Workshops. Whenever requested in writing by any affected person, the District must either conduct a rule development workshop prior to proposing rules for adoption or the Chairperson must explain in writing why a workshop is unnecessary. The District may initiate a rule development workshop but is not required to do so.

(5) Petitions to Initiate Rulemaking. All Petitions to Initiate Rulemaking proceedings must contain the name, address, and telephone number of the petitioner, the specific action requested, the specific reason for adoption, amendment, or repeal, the date submitted, the text of the proposed rule, and the facts showing that the petitioner is regulated by the District, or has a substantial interest in the rulemaking. Not later than sixty (60) calendar days following the date of filing a petition, the Board shall initiate rulemaking proceedings or deny the petition with a written statement of its reasons for the denial. If the petition is directed to an existing policy that the District has not formally adopted as a rule, the District may, in its discretion, notice and hold a public hearing on the petition to consider the comments of the public directed to the policy, its scope and application, and to consider whether the public interest is served adequately by the application of the policy on a case-by-case basis, as contrasted with its formal adoption as a rule. However, this section shall not be construed as requiring the District to adopt a rule to replace a policy.

- (6) Rulemaking Materials. After the publication of the notice referenced in section (3) of this Rule, the Board shall make available for public inspection and shall provide, upon request and payment of the cost of copies, the following materials:
- (a) The text of the proposed rule, or any amendment or repeal of any existing rules;
 - (b) A detailed written statement of the facts and circumstances justifying the proposed rule;
 - (c) A copy of the statement of estimated regulatory costs if required by Section 120.541 of the Florida Statutes; and
 - (d) The published notice.
- (7) Hearing. The District may, or, upon the written request of any affected person received within twenty-one (21) days after the date of publication of the notice described in section (3) of this Rule, shall, provide a public hearing for the presentation of evidence, argument, and oral statements, within the reasonable conditions and limitations imposed by the District to avoid duplication, irrelevant comments, unnecessary delay, or disruption of the proceedings. The District shall publish notice of the public hearing in a newspaper of general circulation within the District either in the text of the notice described in section (3) of this Rule or in a separate publication at least seven (7) days before the scheduled public hearing. The notice shall specify the date, time, and location of the public hearing, and the name, address, and telephone number of the District contact person who can provide information about the public hearing. Written statements may be submitted by any person prior to or at the public hearing. All timely submitted written statements shall be considered by the District and made part of the rulemaking record.
- (8) Emergency Rule Adoption. The Board may adopt an emergency rule if it finds that immediate danger to the public health, safety, or welfare exists which requires immediate action. Prior to the adoption of an emergency rule, the District Manager shall make reasonable efforts to notify a newspaper of general circulation in the District. Notice of emergency rules shall be published as soon as possible in a newspaper of general circulation in the District. The District may use any procedure which is fair under the circumstances in the adoption of an emergency rule as long as it protects the public interest as determined by the District and otherwise complies with these provisions.
- (9) Negotiated Rulemaking. The District may use negotiated rulemaking in developing and adopting rules pursuant to Section 120.54(2)(d) of the Florida Statutes, except that any notices required under Section 120.54(2)(d) of the Florida Statutes, may be published in a newspaper of general circulation in the county in which the District is located.

- (10) Rulemaking Record. In all rulemaking proceedings, the District shall compile and maintain a rulemaking record. The record shall include, if applicable:
- (a) The texts of the proposed rule and the adopted rule;
 - (b) All notices given for a proposed rule;
 - (c) Any statement of estimated regulatory costs for the rule;
 - (d) A written summary of hearings, if any, on the proposed rule;
 - (e) All written comments received by the District and responses to those written comments; and
 - (f) All notices and findings pertaining to an emergency rule.
- (11) Petitions to Challenge Existing Rules.
- (a) Any person substantially affected by a rule may seek an administrative determination of the invalidity of the rule on the ground that the rule is an invalid exercise of the District's authority.
 - (b) The petition seeking an administrative determination must state with particularity the provisions alleged to be invalid with sufficient explanation of the facts or grounds for the alleged invalidity and facts sufficient to show that the person challenging a rule is substantially affected by it.
 - (c) The petition shall be filed with the District. Within 10 days after receiving the petition, the Chairperson shall, if the petition complies with the requirements of subsection (b) of this section, designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer who shall conduct a hearing within 30 days thereafter, unless the petition is withdrawn or a continuance is granted by agreement of the parties. The failure of the District to follow the applicable rulemaking procedures or requirements in this Rule shall be presumed to be material; however, the District may rebut this presumption by showing that the substantial interests of the petitioner and the fairness of the proceedings have not been impaired.
 - (d) Within 30 days after the hearing, the hearing officer shall render a decision and state the reasons therefor in writing.
 - (e) Hearings held under this section shall be de novo in nature. The petitioner has a burden of proving by a preponderance of the evidence that the

existing rule is an invalid exercise of District authority as to the objections raised. The hearing officer may:

- (i) Administer oaths and affirmations;
 - (ii) Rule upon offers of proof and receive relevant evidence;
 - (iii) Regulate the course of the hearing, including any pre-hearing matters;
 - (iv) Enter orders; and
 - (v) Make or receive offers of settlement, stipulation, and adjustment.
- (f) The petitioner and the District shall be adverse parties. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (12) Variations and Waivers. A “variance” means a decision by the District to grant a modification to all or part of the literal requirements of a rule to a person who is subject to the rule. A “waiver” means a decision by the District not to apply all or part of a rule to a person who is subject to the rule. Variations and waivers from District rules may be granted subject to the following:
- (a) Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person, and when application of the rule would create a substantial hardship or would violate principles of fairness. For purposes of this section, "substantial hardship" means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, "principles of fairness" are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.
 - (b) A person who is subject to regulation by a District Rule may file a petition with the District, requesting a variance or waiver from the District’s Rule. Each petition shall specify:
 - (i) The rule from which a variance or waiver is requested;
 - (ii) The type of action requested;
 - (iii) The specific facts that would justify a waiver or variance for the petitioner; and

- (iv) The reason why the variance or the waiver requested would serve the purposes of the underlying statute.
 - (c) The District shall review the petition and may request only that information needed to clarify the petition or to answer new questions raised by or directly related to the petition. If the petitioner asserts that any request for additional information is not authorized by law or by Rule of the District, the District shall proceed, at the petitioner's written request, to process the petition.
 - (d) The Board shall grant or deny a petition for variance or waiver, and shall announce such disposition at a publicly held meeting of the Board, within ~~sixty (60)~~ninety (90) days after receipt of the original petition, the last item of timely requested additional material, or the petitioner's written request to finish processing the petition. The District's statement granting or denying the petition shall contain a statement of the relevant facts and reasons supporting the District's action.
- (13) Rates, Fees, Rentals and Other Charges. All rates, fees, rentals, or other charges shall be subject to rulemaking proceedings. Policies adopted by the District which do not consist of rates, fees, rentals or other charges may be, but are not required to be, implemented through rulemaking proceedings.

Specific Authority: §§ 190.011(5), 190.011(15), 190.035, Fla. Stat.

Law Implemented: §§ 190.011(5), 190.035(2), Fla. Stat.

Rule 3.0 Competitive Purchase.

- (1) Purpose and Scope. In order to comply with Sections 190.033(1) through (3), 287.055 and 287.017 of the Florida Statutes, the following provisions shall apply to the purchase of Professional Services, insurance, construction contracts, design-build services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Board Authorization. Except in cases of an Emergency Purchase, a competitive purchase governed by these Rules shall only be undertaken after authorization by the Board.
- (3) Definitions.
 - (a) “Competitive Solicitation” means a formal, advertised procurement process, other than an Invitation to Bid, Request for Proposals, or Invitation to Negotiate, approved by the Board to purchase commodities and/or services which affords vendors fair treatment in the competition for award of a District purchase contract.
 - (b) “Continuing Contract” means a contract for Professional Services entered into in accordance with Section 287.055 of the Florida Statutes, between the District and a firm, whereby the firm provides Professional Services to the District for projects in which the costs do not exceed ~~one~~two million dollars (~~\$1~~2,000,000), for a study activity when the fee for such Professional Services to the District does not exceed ~~fifty~~two hundred thousand dollars (~~\$50~~200,000), or for work of a specified nature as outlined in the contract with the District, with no time limitation except that the contract must provide a termination clause (for example, a contract for general District engineering services). Firms providing Professional Services under Continuing Contracts shall not be required to bid against one another.
 - (c) “Contractual Service” means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors. Contractual Services do not include auditing services, Maintenance Services, or Professional Services as defined in Section 287.055(2)(a) of the Florida Statutes, and these Rules. Contractual Services also do not include any contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of any facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to Chapter 255 of the Florida Statutes, and Rules 3.5 or 3.6.

- (d) “Design-Build Contract” means a single contract with a Design-Build Firm for the design and construction of a public construction project.
- (e) “Design-Build Firm” means a partnership, corporation or other legal entity that:
 - (i) Is certified under Section 489.119 of the Florida Statutes, to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or
 - (ii) Is certified under Section 471.023 of the Florida Statutes, to practice or to offer to practice engineering; certified under Section 481.219 of the Florida Statutes, to practice or to offer to practice architecture; or certified under Section 481.319 of the Florida Statutes, to practice or to offer to practice landscape architecture.
- (f) “Design Criteria Package” means concise, performance-oriented drawings or specifications for a public construction project. The purpose of the Design Criteria Package is to furnish sufficient information to permit Design-Build Firms to prepare a bid or a response to the District’s Request for Proposals, or to permit the District to enter into a negotiated Design-Build Contract. The Design Criteria Package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project. Design Criteria Packages shall require firms to submit information regarding the qualifications, availability, and past work of the firms, including the partners and members thereof.
- (g) “Design Criteria Professional” means a firm who holds a current certificate of registration under Chapter 481 of the Florida Statutes, to practice architecture or landscape architecture, or a firm who holds a current certificate as a registered engineer under Chapter 471 of the Florida Statutes, to practice engineering, and who is employed by or under contract to the District to provide professional architect services, landscape architect services, or engineering services in connection with the preparation of the Design Criteria Package.
- (h) “Emergency Purchase” means a purchase necessitated by a sudden unexpected turn of events (for example, acts of God, riot, fires, floods, hurricanes, accidents, or any circumstances or cause beyond the control of the Board in the normal conduct of its business), where the Board finds

that the delay incident to competitive purchase would be detrimental to the interests of the District. This includes, but is not limited to, instances where the time to competitively award the project will jeopardize the funding for the project, will materially increase the cost of the project, or will create an undue hardship on the public health, safety, or welfare.

- (i) “Invitation to Bid” is a written solicitation for sealed bids with the title, date, and hour of the public bid opening designated specifically and defining the commodity or service involved. It includes printed instructions prescribing conditions for bidding, qualification, evaluation criteria, and provides for a manual signature of an authorized representative. It may include one or more bid alternates.
- (j) “Invitation to Negotiate” means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or services.
- (k) “Negotiate” means to conduct legitimate, arm’s length discussions and conferences to reach an agreement on a term or price.
- (l) “Professional Services” means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of Florida, or those services performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper, in connection with the firm's or individual's professional employment or practice.
- (m) “Proposal (or Reply or Response) Most Advantageous to the District” means, as determined in the sole discretion of the Board, the proposal, reply, or response that is:
 - (i) Submitted by a person or firm capable and qualified in all respects to perform fully the contract requirements, who has the integrity and reliability to assure good faith performance;
 - (ii) The most responsive to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation as determined by the Board; and
 - (iii) For a cost to the District deemed by the Board to be reasonable.
- (n) “Purchase” means acquisition by sale, rent, lease, lease/purchase, or installment sale. It does not include transfer, sale, or exchange of goods, supplies, or materials between the District and any federal, state, regional or local governmental entity or political subdivision of the State of Florida.

- (o) “Request for Proposals” or “RFP” is a written solicitation for sealed proposals with the title, date, and hour of the public opening designated and requiring the manual signature of an authorized representative. It may provide general information, applicable laws and rules, statement of work, functional or general specifications, qualifications, proposal instructions, work detail analysis, and evaluation criteria as necessary.

- (p) “Responsive and Responsible Bidder” means an entity or individual that has submitted a bid that conforms in all material respects to the Invitation to Bid and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. “Responsive and Responsible Vendor” means an entity or individual that has submitted a proposal, reply, or response that conforms in all material respects to the Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and has the capability in all respects to fully perform the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an entity or individual is a Responsive and Responsible Bidder (or Vendor), the District may consider, in addition to factors described in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the following:
 - (i) The ability and adequacy of the professional personnel employed by the entity/individual;
 - (ii) The past performance of the entity/individual for the District and in other professional employment;
 - (iii) The willingness of the entity/individual to meet time and budget requirements;
 - (iv) The geographic location of the entity’s/individual’s headquarters or office in relation to the project;
 - (v) The recent, current, and projected workloads of the entity/individual;
 - (vi) The volume of work previously awarded to the entity/individual;
 - (vii) Whether the cost components of the bid or proposal are appropriately balanced; and
 - (viii) Whether the entity/individual is a certified minority business enterprise.

- (q) “Responsive Bid,” “Responsive Proposal,” “Responsive Reply,” and “Responsive Response” all mean a bid, proposal, reply, or response which conforms in all material respects to the specifications and conditions in the Invitation to Bid, Request for Proposals, Invitations to Negotiate, or Competitive Solicitation document and these Rules, and the cost components of which, if any, are appropriately balanced. A bid, proposal, reply or response is not responsive if the person or firm submitting it fails to meet any material requirement relating to the qualifications, financial stability, or licensing of the bidder.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.033, 255.20, 287.055, Fla. Stat.

Rule 3.1 Procedure Under ~~The~~the Consultants' Competitive Negotiations Act.

(1) Scope. The following procedures are adopted for the selection of firms or individuals to provide Professional Services exceeding the thresholds herein described, for the negotiation of such contracts, and to provide for protest of actions of the Board under this Rule. As used in this Rule, "Project" means that fixed capital outlay study or planning activity when basic construction cost is estimated by the District to exceed the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FIVE, or for a planning study activity when the fee for Professional Services is estimated by the District to exceed the threshold amount provided in Section 287.017 for CATEGORY TWO, as such categories may be amended or adjusted from time to time.

(2) Qualifying Procedures. In order to be eligible to provide Professional Services to the District, a consultant must, at the time of receipt of the firm's qualification submittal:

~~(a) Hold all required applicable federal licenses in good standing, if any;~~

~~(b) Hold all required applicable state professional licenses in good standing;~~

(b) Hold all required applicable federal licenses in good standing, if any;

(c) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the consultant is a corporation; and

(d) Meet any qualification requirements set forth in the District's Request for Qualifications.

Evidence of compliance with this Rule may be submitted with the qualifications, if requested by the District. In addition, evidence of compliance must be submitted any time requested by the District.

(3) Public Announcement. Except in cases of valid public emergencies as certified by the Board, the District shall announce each occasion when Professional Services are required for a Project or a Continuing Contract by publishing a notice providing a general description of the Project, or the nature of the Continuing Contract, and the method for interested consultants to apply for consideration. The notice shall appear in at least one (1) newspaper of general circulation in the District and in such other places as the District deems appropriate. The notice must allow at least fourteen (14) days for submittal of qualifications from the date of publication. The District may maintain lists of consultants interested in receiving such notices. These consultants are encouraged to submit annually statements of qualifications and performance data. ~~Consultants who provide their name and address to the District Manager for inclusion on the list shall receive~~

~~notices by mail.~~The District shall make reasonable efforts to provide copies of any notices to such consultants, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process. The Board has the right to reject any and all qualifications, and such reservation shall be included in the published notice. Consultants not receiving a contract award shall not be entitled to recover from the District any costs of qualification package preparation or submittal.

(4) Competitive Selection.

- (a) The Board shall review and evaluate the data submitted in response to the notice described in section (3) of this Rule regarding qualifications and performance ability, as well as any statements of qualifications on file. The Board shall conduct discussions with, and may require public presentation by consultants regarding their qualifications, approach to the Project, and ability to furnish the required services. The Board shall then select and list the consultants, in order of preference, deemed to be the most highly capable and qualified to perform the required Professional Services, after considering these and other appropriate criteria:
 - (i) The ability and adequacy of the professional personnel employed by each consultant;
 - (ii) Whether a consultant is a certified minority business enterprise;
 - (iii) Each consultant's past performance;
 - (iv) The willingness of each consultant to meet time and budget requirements;
 - (v) The geographic location of each consultant's headquarters, office and personnel in relation to the project;
 - (vi) The recent, current, and projected workloads of each consultant; and
 - (vii) The volume of work previously awarded to each consultant by the District.
- (b) Nothing in these Rules shall prevent the District from evaluating and eventually selecting a consultant if less than three (3) Responsive qualification packages, including packages indicating a desire not to provide Professional Services on a given Project, are received.
- (c) If the selection process is administered by any person or committee other than the full Board, the selection made will be presented to the full Board

with a recommendation that competitive negotiations be instituted with the selected firms in order of preference listed.

- (d) Notice of the rankings adopted by the Board, including the rejection of some or all qualification packages, shall be provided in writing to all consultants by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's ranking decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

(5) Competitive Negotiation.

- (a) After the Board has authorized the beginning of competitive negotiations, the District may begin such negotiations with the firm listed as most qualified to perform the required Professional Services at a rate or amount of compensation which the Board determines is fair, competitive, and reasonable.
- (b) In negotiating a lump-sum or cost-plus-a-fixed-fee professional contract for more than the threshold amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, the firm receiving the award shall be required to execute a truth-in-negotiation certificate stating that "wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting." In addition, any professional service contract under which such a certificate is required, shall contain a provision that "the original contract price and any additions thereto, shall be adjusted to exclude any significant sums by which the Board determines the contract price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs."
- (c) Should the District be unable to negotiate a satisfactory agreement with the firm determined to be the most qualified at a price deemed by the District to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the District shall immediately begin negotiations with the second most qualified firm. If a satisfactory agreement with the second firm cannot be reached, those negotiations shall be terminated and negotiations with the third most qualified firm shall be undertaken.
- (d) Should the District be unable to negotiate a satisfactory agreement with one of the top three (3) ranked consultants, additional firms shall be selected by the District, in order of their competence and qualifications.

Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.

- (6) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (7) Continuing Contract. Nothing in this Rule shall prohibit a Continuing Contract between a consultant and the District.
- (8) Emergency Purchase. The District may make an Emergency Purchase without complying with these Rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 190.011(3), 190.033, 287.055, Fla. Stat.

Rule 3.2 Procedure Regarding Auditor Selection.

In order to comply with the requirements of Section 218.391 of the Florida Statutes, the following procedures are outlined for selection of firms or individuals to provide Auditing Services and for the negotiation of such contracts. For audits required under Chapter 190 of the Florida Statutes but not meeting the thresholds of Chapter 218 of the Florida Statutes, the District need not follow these procedures but may proceed with the selection of a firm or individual to provide Auditing Services and for the negotiation of such contracts in the manner the Board determines is in the best interests of the District.

(1) Definitions.

- (a) "Auditing Services" means those services within the scope of the practice of a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.
- (b) "Committee" means the ~~audit~~ auditor selection committee appointed by the Board as described in section (2) of this Rule.

(2) Establishment of ~~Audit~~ Auditor Selection Committee. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Board shall establish an ~~audit~~ auditor selection committee ("Committee"), the primary purpose of which is to assist the Board in selecting an auditor to conduct the annual financial audit required by Section 218.39 of the Florida Statutes. The Committee ~~should~~ shall include at least three individuals, ~~some or all~~ at least one of whom may ~~which must~~ also serve as a member ~~be a member~~ of the Board. The establishment and selection of the Committee must be conducted at a publicly noticed and held meeting of the Board. The Chairperson of the Committee must be a member of the Board. An employee, a chief executive officer, or a chief financial officer of the District may not serve as a member of the Committee; provided however such individual may serve the Committee in an advisory capacity.

(3) Establishment of Minimum Qualifications and Evaluation Criteria. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Committee shall meet at a publicly noticed meeting to establish minimum qualifications and factors to use for the evaluation of Auditing Services to be provided by a certified public accounting firm licensed under Chapter 473 of the Florida Statutes, and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy.

- (a) Minimum Qualifications. In order to be eligible to submit a proposal, a firm must, at all relevant times including the time of receipt of the proposal by the District:

- (i) Hold all required applicable ~~federal~~state professional licenses in good standing, ~~if any~~;
- (ii) Hold all required applicable ~~state professional~~federal licenses in good standing, ~~if any~~;
- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation; and
- (iv) Meet any pre-qualification requirements established by the Committee and set forth in the RFP or other specifications.

If requested in the RFP or other specifications, evidence of compliance with the minimum qualifications as established by the Committee must be submitted with the proposal.

- (b) Evaluation Criteria. The factors established for the evaluation of Auditing Services by the Committee shall include, but are not limited to:
 - (i) Ability of personnel;
 - (ii) Experience;
 - (iii) ~~Understanding of scope of work;~~
 - ~~(iv)~~—Ability to furnish the required services; and
 - ~~(v)~~ Such other factors as may be determined by the Committee to be applicable to its particular requirements.

The Committee may also choose to consider compensation as a factor. If the Committee establishes compensation as one of the factors, compensation shall not be the sole or predominant factor used to evaluate proposals.

- (4) Public Announcement. After identifying the factors to be used in evaluating the proposals for Auditing Services as set forth in section (3) of this Rule, the Committee shall publicly announce the opportunity to provide Auditing Services. Such public announcement shall include a brief description of the audit and how interested firms can apply for consideration and obtain the RFP. The notice shall appear in at least one (1) newspaper of general circulation in the District and the county in which the District is located. The public announcement shall allow for at least seven (7) days for the submission of proposals.

- (5) Request for Proposals. The Committee shall provide interested firms with a Request for Proposals (“RFP”). The RFP shall provide information on how proposals are to be evaluated and such other information the Committee determines is necessary for the firm to prepare a proposal. The RFP shall state the time and place for submitting proposals.
- (6) Committee’s Evaluation of Proposals and Recommendation. The Committee shall meet at a publicly held meeting that is publicly noticed for a reasonable time in advance of the meeting to evaluate all qualified proposals and may, as part of the evaluation, require that each interested firm provide a public presentation where the Committee may conduct discussions with the firm, and where the firm may present information, regarding the firm’s qualifications. At the public meeting, the Committee shall rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to subsection (3)(b) of this Rule. If fewer than three firms respond to the RFP or if no firms respond to the RFP, the Committee shall recommend such firm as it deems to be the most highly qualified. Notwithstanding the foregoing, the Committee may recommend that any and all proposals be rejected.
- (7) Board Selection of Auditor.
- (a) Where compensation was not selected as a factor used in evaluating the proposals, the Board shall negotiate with the firm ranked first and inquire of that firm as to the basis of compensation. If the Board is unable to negotiate a satisfactory agreement with the first ranked firm at a price deemed by the Board to be fair, competitive, and reasonable, then negotiations with that firm shall be terminated and the Board shall immediately begin negotiations with the second ranked firm. If a satisfactory agreement with the second ranked firm cannot be reached, those negotiations shall be terminated and negotiations with the third ranked firm shall be undertaken. The Board may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time. If the Board is unable to negotiate a satisfactory agreement with any of the selected firms, the Committee shall recommend additional firms in order of the firms’ respective competence and qualifications. Negotiations shall continue, beginning with the first-named firm on the list, until an agreement is reached or the list of firms is exhausted.
- (b) Where compensation was selected as a factor used in evaluating the proposals, the Board shall select the highest-ranked qualified firm- or document in its public records the reason for not selecting the highest-ranked qualified firm.

- (c) In negotiations with firms under this Rule, the Board may allow the District Manager, District Counsel, or other designee to conduct negotiations on its behalf.
 - (d) Notwithstanding the foregoing, the Board may reject any or all proposals. The Board shall not consider any proposal, or enter into any contract for Auditing Services, unless the proposed agreed-upon compensation is reasonable to satisfy the requirements of Section 218.39 of the Florida Statutes, and the needs of the District.
- (8) Contract. Any agreement reached under this Rule shall be evidenced by a written contract, which may take the form of an engagement letter signed and executed by both parties. The written contract shall include all provisions and conditions of the procurement of such services and shall include, at a minimum, the following:
- (a) A provision specifying the services to be provided and fees or other compensation for such services;
 - (b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract;
 - (c) A provision setting forth deadlines for the auditor to submit a preliminary draft audit report to the District for review and to submit a final audit report no later than ~~July 1~~June 30 of the fiscal year that follows the fiscal year for which the audit is being conducted;
 - (d) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed. The maximum contract period including renewals shall be five (5) years. A renewal may be done without the use of the auditor selection procedures provided in this Rule, but must be in writing.
 - (e) Provisions required by law that require the auditor to comply with public records laws.
- (9) Notice of Award. Once a negotiated agreement with a firm or individual is reached, or the Board authorizes the execution of an agreement with a firm where compensation was a factor in the evaluation of proposals, notice of the intent to award, including the rejection of some or all proposals, shall be provided in writing to all proposers by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests regarding the award of contracts under this Rule

shall be as provided for in Rule 3.11. No proposer shall be entitled to recover any costs of proposal preparation or submittal from the District.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 218.33, 218.391, Fla. Stat.

Rule 3.3 Purchase of Insurance.

- (1) Scope. The purchases of life, health, accident, hospitalization, legal expense, or annuity insurance, or all of any kinds of such insurance for the officers and employees of the District, and for health, accident, hospitalization, and legal expenses upon a group insurance plan by the District, shall be governed by this Rule. This Rule does not apply to the purchase of any other type of insurance by the District, including but not limited to liability insurance, property insurance, and directors and officers insurance. Nothing in this Rule shall require the District to purchase insurance.
- (2) Procedure. For a purchase of insurance within the scope of these Rules, the following procedure shall be followed:
 - (a) The Board shall cause to be prepared a Notice of Invitation to Bid.
 - (b) Notice of the Invitation to Bid shall be advertised at least once in a newspaper of general circulation within the District. The notice shall allow at least fourteen (14) days for submittal of bids.
 - (c) The District may maintain a list of persons interested in receiving notices of Invitations to Bid. ~~Persons who provide their name and address to the District Manager for inclusion on the list shall receive notices by mail.~~ The District shall make reasonable efforts to provide copies of any notices to such persons, but the failure to do so shall not give such consultants any bid protest or other rights or otherwise disqualify any otherwise valid procurement process.
 - (d) Bids shall be opened at the time and place noted in the Invitation to Bid.
 - (e) If only one (1) response to an Invitation is received, the District may proceed with the purchase. If no response to an Invitation to Bid is received, the District may take whatever steps are reasonably necessary in order to proceed with the purchase.
 - (f) The Board has the right to reject any and all bids and such reservations shall be included in all solicitations and advertisements.
 - (g) Simultaneously with the review of the submitted bids, the District may undertake negotiations with those companies that have submitted reasonable and timely bids and, in the opinion of the District, are fully qualified and capable of meeting all services and requirements. Bid responses shall be evaluated in accordance with the specifications and criteria contained in the Invitation to Bid; in addition, the total cost to the District, the cost, if any, to the District officers, employees, or their dependents, the geographic location of the company's headquarters and

offices in relation to the District, and the ability of the company to guarantee premium stability may be considered. A contract to purchase insurance shall be awarded to that company whose response to the Invitation to Bid best meets the overall needs of the District, its officers, employees, and/or dependents.

- (h) Notice of the intent to award, including rejection of some or all bids, shall be provided in writing to all bidders by United States Mail, by hand delivery, or by overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of insurance under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: § 112.08, Fla. Stat.

Rule 3.4 Pre-qualification

- (1) Scope. In its discretion, the District may undertake a pre-qualification process in accordance with this Rule for vendors to provide construction services, goods, supplies, and materials, Contractual Services, and maintenance services.
- (2) Procedure. When the District seeks to pre-qualify vendors, the following procedures shall apply:
 - (a) The Board shall cause to be prepared a Request for Qualifications.
 - (b) For construction services exceeding the thresholds described in Section 255.20 of the Florida Statutes, the Board must advertise the proposed pre-qualification criteria and procedures and allow at least seven (7) days notice of the public hearing for comments on such pre-qualification criteria and procedures. At such public hearing, potential vendors may object to such pre-qualification criteria and procedures. Following such public hearing, the Board shall formally adopt pre-qualification criteria and procedures prior to the advertisement of the Request for Qualifications for construction services.
 - (c) The Request for Qualifications shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall allow at least seven (7) days for submittal of qualifications for goods, supplies and materials, Contractual Services, maintenance services, and construction services under two hundred fifty thousand dollars (\$250,000). The notice shall allow at least twenty-one (21) days for submittal of qualifications for construction services estimated to cost over two hundred fifty thousand dollars (\$250,000) and thirty (30) days for construction services estimated to cost over five hundred thousand dollars (\$500,000).
 - (d) The District may maintain lists of persons interested in receiving notices of Requests for Qualifications. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any pre-qualification determination or contract awarded in accordance with these Rules and shall not be a basis for a protest of any pre-qualification determination or contract award.
 - (e) If the District has pre-qualified vendors for a particular category of purchase, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies or

responses in response to the applicable Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

- (f) In order to be eligible to submit qualifications, a firm or individual must, at the time of receipt of the qualifications:
 - (i) Hold ~~the~~all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;
 - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
 - (iv) Meet any special pre-qualification requirements set forth in the Request for Qualifications.

Evidence of compliance with these Rules must be submitted with the qualifications if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the qualifications.

- (g) Qualifications shall be presented to the Board, or a committee appointed by the Board, for evaluation in accordance with the Request for Qualifications and this Rule. Minor variations in the qualifications may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature.
- (h) All vendors determined by the District to meet the pre-qualification requirements shall be pre-qualified. To assure full understanding of the responsiveness to the requirements contained in a Request for Qualifications, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion and revision of qualifications. For construction services, any contractor pre-qualified and considered eligible by the Department of Transportation to bid to perform the type of work the project entails shall be presumed to be qualified to perform the project.
- (i) The Board shall have the right to reject all qualifications if there are not enough to be competitive or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of qualification preparation or submittal from the District.

(j) Notice of intent to pre-qualify, including rejection of some or all qualifications, shall be provided in writing to all vendors by United States Mail, electronic mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's pre-qualification decisions under this Rule shall be in accordance with the procedures set forth in Rule 3.11; provided however, protests related to the pre-qualification criteria and procedures for construction services shall be resolved in accordance with section (2)(b) of this Rule and Section 255.20(1)(b) of the Florida Statutes.

(3) Suspension, Revocation, or Denial of Qualification

(a) The District, for good cause, may deny, suspend, or revoke a prequalified vendor's pre-qualified status. A suspension, revocation, or denial for good cause shall prohibit the vendor from bidding on any District construction contract for which qualification is required, shall constitute a determination of non-responsibility to bid on any other District construction or maintenance contract, and shall prohibit the vendor from acting as a material supplier or subcontractor on any District contract or project during the period of suspension, revocation, or denial. Good cause shall include the following:

- i. One of the circumstances specified under Section 337.16(2), Fla. Stat., has occurred.
- ii. Affiliated contractors submitted more than one proposal for the same work. In this event the pre-qualified status of all of the affiliated bidders will be revoked, suspended, or denied. All bids of affiliated bidders will be rejected.
- iii. The vendor made or submitted false, deceptive, or fraudulent statements, certifications, or materials in any claim for payment or any information required by any District contract.
- iv. The vendor or its affiliate defaulted on any contract or a contract surety assumed control of financial responsibility for any contract of the vendor.
- v. The vendor's qualification to bid is suspended, revoked, or denied by any other public or semi-public entity, or the vendor has been the subject of a civil enforcement proceeding or settlement involving a public or semi-public entity.
- vi. The vendor failed to comply with contract or warranty requirements or failed to follow District direction in the performance of a contract.

vii. The vendor failed to timely furnish all contract documents required by the contract specifications, special provisions, or by any state or federal statutes or regulations. If the vendor fails to furnish any of the subject contract documents by the expiration of the period of suspension, revocation, or denial set forth above, the vendor's pre-qualified status shall remain suspended, revoked, or denied until the documents are furnished.

viii. The vendor failed to notify the District within 10 days of the vendor, or any of its affiliates, being declared in default or otherwise not completing work on a contract or being suspended from qualification to bid or denied qualification to bid by any other public or semi-public agency.

ix. The vendor did not pay its subcontractors or suppliers in a timely manner or in compliance with contract documents.

x. The vendor has demonstrated instances of poor or unsatisfactory performance, deficient management resulting in project delay, poor quality workmanship, a history of payment of liquidated damages, untimely completion of projects, uncooperative attitude, contract litigation, inflated claims or defaults.

xi. An affiliate of the vendor has previously been determined by the District to be non-responsible, and the specified period of suspension, revocation, denial, or non-responsibility remains in effect.

xii. The vendor or affiliate(s) has been convicted of a contract crime.

1. The term "contract crime" means any violation of state or federal antitrust laws with respect to a public contract or any violation of any state or federal law involving fraud, bribery, collusion, conspiracy, or material misrepresentation with respect to a public contract.

2. The term "convicted" or "conviction" means a finding of guilt or a conviction of a contract crime, with or without an adjudication of guilt, in any federal or state trial court of record as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.

(b) A denial, suspension, or revocation shall prohibit the vendor from being a subcontractor on District work during the period of denial, suspension, or revocation, except when a prime contractor's bid has used prices of a subcontractor who becomes disqualified after the bid, but before the request for authorization to sublet is presented.

(c) The District shall inform the vendor in writing of its intent to deny, suspend, or revoke its pre-qualified status and inform the vendor of its right to a hearing, the procedure which must be followed, and the applicable time limits. If a hearing is requested within 10 days after the receipt of the notice of intent, the hearing shall be held within 30 days after receipt by the District of the request for the hearing. The decision shall be issued within 15 days after the hearing.

(d) Such suspension or revocation shall not affect the vendor's obligations under any preexisting contract.

(e) In the case of contract crimes, the vendor's pre-qualified status under this Rule shall be revoked indefinitely. For all violations of Rule 3.4(3)(a) other than for the vendor's conviction for contract crimes, the revocation, denial, or suspension of a vendor's pre-qualified status under this Rule shall be for a specific period of time based on the seriousness of the deficiency.

Examples of factors affecting the seriousness of a deficiency are:

- i. Impacts on project schedule, cost, or quality of work;
- ii. Unsafe conditions allowed to exist;
- iii. Complaints from the public;
- iv. Delay or interference with the bidding process;
- v. The potential for repetition;
- vi. Integrity of the public contracting process;
- vii. Effect on the health, safety, and welfare of the public.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.033, 255.0525, 255.20, Fla. Stat.

Rule 3.5 Construction Contracts, Not Design-Build.

- (1) Scope. All contracts for the construction or improvement of any building, structure, or other public construction works authorized by Chapter 190 of the Florida Statutes, the costs of which are estimated by the District in accordance with generally accepted cost accounting principles to be in excess of the threshold amount for applicability of Section 255.20 of the Florida Statutes, as that amount may be indexed or amended from time to time, shall be let under the terms of these Rules and the procedures of Section 255.20 of the Florida Statutes, as the same may be amended from time to time. A project shall not be divided solely to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of construction services is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation in the District and in the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least twenty-one (21) days for submittal of sealed bids, proposals, replies, or responses, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of bids, proposals, replies, or responses. If the Board has previously pre-qualified contractors pursuant to Rule 3.4 and determined that only the contractors that have been pre-qualified will be permitted to submit bids, proposals, replies, and responses, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation need not be published. Instead, the Notice of Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be sent to the pre-qualified contractors by United States Mail, hand delivery, facsimile, or overnight delivery service.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.

- (d) If the District has pre-qualified providers of construction services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses to Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations.
- (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold ~~the~~all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;
 - (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the bidder is a corporation; and
 - (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects ~~such as including~~ but not limited to, reemployment assistance, safety, tax withholding, worker's compensation, unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response, if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting, and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. Bids, proposals, replies, and responses shall be evaluated in

accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation and these Rules. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.

- (g) The lowest Responsive Bid submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No contractor shall be entitled to recover any costs of bid, proposal, response, or reply preparation or submittal from the District.
- (i) The Board may require potential contractors to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses, shall be provided in writing to all contractors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of construction services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

- (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase construction services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may ~~take whatever steps reasonably necessary in order to~~ proceed with the procurement of construction services, in the manner the Board determines is in the best interests of the District, which ~~steps~~ may include but is not limited to a direct purchase of the construction services without further competitive selection processes.
- (3) Sole Source; Government. Construction services that are only available from a single source are exempt from this Rule. Construction services provided by governmental agencies are exempt from this Rule. This Rule shall not apply to the purchase of construction services, which may include goods, supplies, or materials, that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules. A contract for construction services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
- (4) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (5) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board Meeting.
- (6) Exceptions. This Rule is inapplicable when:
- (a) The project is undertaken as repair or maintenance of an existing public facility;
 - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
 - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the ~~contractor~~contract; or
 - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

Rule 3.6 Construction Contracts, Design-Build.

- (1) Scope. The District may utilize Design-Build Contracts for any public construction project for which the Board determines that use of such contract is in the best interest of the District. When letting a Design-Build Contract, the District shall use the following procedure:

- (2) Procedure.
 - (a) The District shall utilize a Design Criteria Professional meeting the requirements of Section 287.055(2)(k) of the Florida Statutes, when developing a Design Criteria Package, evaluating the proposals and qualifications submitted by Design-Build Firms, and determining compliance of the project construction with the Design Criteria Package. The Design Criteria Professional may be an employee of the District, may be the District Engineer selected by the District pursuant to Section 287.055 of the Florida Statutes, or may be retained pursuant to Rule 3.1. The Design Criteria Professional is not eligible to render services under a Design-Build Contract executed pursuant to the Design Criteria Package.

 - (b) A Design Criteria Package for the construction project shall be prepared and sealed by the Design Criteria Professional. If the project utilizes existing plans, the Design Criteria Professional shall create a Design Criteria Package by supplementing the plans with project specific requirements, if any.

 - (c) The Board may either choose to award the Design-Build Contract pursuant to the competitive proposal selection process set forth in Section 287.055(9) of the Florida Statutes, or pursuant to the qualifications-based selection process pursuant to Rule 3.1.
 - (i) Qualifications-Based Selection. If the process set forth in Rule 3.1 is utilized, subsequent to competitive negotiations, a guaranteed maximum price and guaranteed completion date shall be established.

 - (ii) Competitive Proposal-Based Selection. If the competitive proposal selection process is utilized, the Board, in consultation with the Design Criteria Professional, shall establish the criteria, standards and procedures for the evaluation of Design-Build Proposals based on price, technical, and design aspects of the project, weighted for the project. After a Design Criteria Package and the standards and procedures for evaluation of proposals have been developed,

competitive proposals from qualified firms shall be solicited pursuant to the design criteria by the following procedure:

1. A Request for Proposals shall be advertised at least once in a newspaper of general circulation in the county in which the District is located. The notice shall allow at least twenty-one (21) days for submittal of sealed proposals, unless the Board, for good cause, determines a shorter period of time is appropriate. Any project projected to cost more than five hundred thousand dollars (\$500,000) must be noticed at least thirty (30) days prior to the date for submittal of proposals.
2. The District may maintain lists of persons interested in receiving notices of Requests for Proposals. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
3. In order to be eligible to submit a proposal, a firm must, at the time of receipt of the proposals:
 - a. Hold the required applicable state professional licenses in good standing, as defined by Section 287.055(2)(h) of the Florida Statutes;
 - b. Hold all required applicable federal licenses in good standing, if any;
 - c. Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the proposer is a corporation;
 - d. Meet any special pre-qualification requirements set forth in the Request for Proposals and Design Criteria Package.

Any contractor that has been found guilty by a court of any violation of federal labor or employment tax laws regarding subjects ~~such as~~ including but not limited to reemployment assistance, safety, tax withholding, worker's compensation,

unemployment tax, social security and Medicare tax, wage or hour, or prevailing rate laws within the past 5 years may be considered ineligible by the District to submit a bid, response, or proposal for a District project.

Evidence of compliance with these Rules must be submitted with the proposal if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the proposal.

4. The proposals, or the portions of which that include the price, shall be publicly opened at a meeting noticed in accordance with Rule 1.3, and at which at least one district representative is present. The name of each bidder and the price submitted in the bid shall be announced at such meeting; and shall be made available upon request. Minutes should be taken at the meeting and maintained by the District. In consultation with the Design Criteria Professional, the Board shall evaluate the proposals received based on evaluation criteria and procedures established prior to the solicitation of proposals, including but not limited to qualifications, availability, and past work of the firms and the partners and members thereof. The Board shall then select no fewer than three (3) Design-Build Firms as the most qualified.
5. The Board shall have the right to reject all proposals if the proposals are too high, or rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of proposal preparation or submittal from the District.
6. If less than three (3) ~~proposals~~Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no ~~proposals~~Responsive Proposals are received, the District may ~~take whatever steps reasonably necessary in order to~~ proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which ~~steps~~ may include but is not limited to a direct purchase of the design-build services without further competitive selection processes.
7. Notice of the rankings adopted by the Board, including the rejection of some or all proposals, shall be provided in writing to all consultants by United States Mail, hand

delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's rankings under this Rule shall be in accordance with the procedures set forth in Rule 3.11.

8. The Board shall negotiate a contract with the firm ranking the highest based on the evaluation standards and shall establish a price which the Board determines is fair, competitive and reasonable. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the second most qualified firm, based on the ranking by the evaluation standards. ~~Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified firm, the Board at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must terminate negotiations. be terminated.~~ Failing accord Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the second most qualified firm, the Board at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. The Board shall then undertake negotiations with the third most qualified firm. Should the Board be unable to negotiate a satisfactory contract with the firm considered to be the third most qualified at a price considered by the Board to be fair, competitive, and reasonable, negotiations with that firm must be terminated. Should the Board be unable to negotiate a satisfactory contract with any of the selected firms, the Board shall select additional firms in order of their rankings based on the evaluation standards and continue negotiations until an agreement is reached or the list of firms is exhausted.
9. After the Board contracts with a firm, the firm shall bring to the Board for approval, detailed working drawings of the project.
10. The Design Criteria Professional shall evaluate the compliance of the detailed working drawings and project construction with the Design Criteria Package, and shall provide the Board with a report of the same.

- (3) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
- (4) Emergency Purchase. The Board may, in case of public emergency, declare an emergency and immediately proceed with negotiations with the best qualified Design-Build Firm available at the time. The fact that an Emergency Purchase has occurred shall be noted in the minutes of the next Board meeting.
- (5) Exceptions. This Rule is inapplicable when:
 - (a) The project is undertaken as repair or maintenance of an existing public facility;
 - (b) The funding source of the project will be diminished or lost because the time required to competitively award the project after the funds become available exceeds the time within which the funding source must be spent;
 - (c) The District has competitively awarded a project and the contractor has abandoned the project or the District has terminated the contractor; or
 - (d) The District, after public notice, conducts a public meeting under Section 286.011 of the Florida Statutes, and finds by a majority vote of the Board that it is in the public's best interest to perform the project using its own services, employees, and equipment.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 189.053, 190.033, 255.0518, 255.0525, 255.20, 287.055, Fla. Stat.

Rule 3.7 Payment and Performance Bonds.

- (1) Scope. This Rule shall apply to contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work, and shall be construed in addition to terms prescribed by any other Rule that may also apply to such contracts.
- (2) Required Bond. Upon entering into a contract for any of the services described in section (1) of this Rule in excess of \$200,000, the Board should require that the contractor, before commencing the work, execute and record a payment and performance bond in an amount equal to the contract price. Notwithstanding the terms of the contract or any other law, the District may not make payment to the contractor until the contractor has provided to the District a certified copy of the recorded bond.
- (3) Discretionary Bond. At the discretion of the Board, upon entering into a contract for any of the services described in section (1) of this Rule for an amount not exceeding \$200,000, the contractor may be exempted from executing a payment and performance bond.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: § 255.05, Fla. Stat.

Rule 3.8 Goods, Supplies, and Materials.

- (1) Purpose and Scope. All purchases of goods, supplies, or materials exceeding the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR, shall be purchased under the terms of this Rule. Contracts for purchases of “goods, supplies, and materials” do not include printing, insurance, advertising, or legal notices. A contract involving goods, supplies, or materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of goods, supplies, or materials is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, or Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
 - (d) If the District has pre-qualified suppliers of goods, supplies, and materials, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, or responses.
 - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold ~~the~~all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

Any firm or individual whose principal place of business is outside the State of Florida must also submit a written opinion of an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that foreign state to business entities whose principal places of business are in that foreign state, in the letting of any or all public contracts. Failure to submit such a written opinion or submission of a false or misleading written opinion may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and this Rule. Minor variations in the bids, proposals, replies, or responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid, after taking into account the preferences provided for in this subsection, submitted by a Responsive and Responsible Bidder in response to an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be accepted. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which does not grant a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the

lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference of five (5) percent. If the lowest Responsive Bid is submitted by a Responsive and Responsible Bidder whose principal place of business is located in a foreign state which grants a preference in competitive purchase to businesses whose principal place of business are in that foreign state, the lowest Responsible and Responsive Bidder whose principal place of business is in the State of Florida shall be awarded a preference equal to the preference granted by such foreign state.

To assure full understanding of the responsiveness to the solicitation requirements contained in an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, and responses.

- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No vendor shall be entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.
- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
- (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's purchase of goods, supplies, and materials under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
- (k) If less than three (3) ~~bids, proposals, replies~~ Responsive Bids, Proposals, Replies, or ~~responses~~ Responses are received, the District may purchase goods, supplies, or materials, or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may ~~take whatever steps reasonably necessary in order to~~ proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best

interests of the District, which ~~steps~~ may include but is not limited to a direct purchase of the goods, supplies, and materials without further competitive selection processes.

- (3) Goods, Supplies, and Materials included in a Construction Contract Awarded Pursuant to Rule 3.5 or 3.6. There may be occasions where the District has undergone the competitive purchase of construction services which contract may include the provision of goods, supplies, or materials. In that instance, the District may approve a change order to the contract and directly purchase the goods, supplies, and materials. Such purchase of goods, supplies, and materials deducted from a competitively purchased construction contract shall be exempt from this Rule.
- (4) Exemption. Goods, supplies, and materials that are only available from a single source are exempt from this Rule. Goods, supplies, and materials provided by governmental agencies are exempt from this Rule. A contract for goods, supplies, or materials is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process. This Rule shall not apply to the purchase of goods, supplies or materials that are purchased under a federal, state, or local government contract that has been competitively procured by such federal, state, or local government in a manner consistent with the material procurement requirements of these Rules.
- (5) Renewal. Contracts for the purchase of goods, supplies, and/or materials subject to this Rule may be renewed for ~~a period that may not exceed three (3) years or the term of the original contract, whichever period is longer~~ a maximum period of five (5) years.
- (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 189.053, 190.033, 287.017, 287.084, Fla. Stat.

Rule 3.9 Maintenance Services.

- (1) Scope. All contracts for maintenance of any District facility or project shall be set under the terms of this Rule if the cost exceeds the amount provided in Section 287.017 of the Florida Statutes, for CATEGORY FOUR. A contract involving goods, supplies, and materials plus maintenance services may, in the discretion of the Board, be treated as a contract for maintenance services. However, a purchase shall not be divided solely in order to avoid the threshold bidding requirements.
- (2) Procedure. When a purchase of maintenance services is within the scope of this Rule, the following procedures shall apply:
 - (a) The Board shall cause to be prepared an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.
 - (b) Notice of the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation shall be advertised at least once in a newspaper of general circulation within the District and within the county in which the District is located. The notice shall also include the amount of the bid bond, if one is required. The notice shall allow at least seven (7) days for submittal of bids, proposals, replies, or responses.
 - (c) The District may maintain lists of persons interested in receiving notices of Invitations to Bid, Requests for Proposals, Invitations to Negotiate, and Competitive Solicitations. The District shall make a good faith effort to provide written notice, by electronic mail, United States Mail, hand delivery, or facsimile, to persons who provide their name and address to the District Manager for inclusion on the list. However, failure of a person to receive the notice shall not invalidate any contract awarded in accordance with this Rule and shall not be a basis for a protest of any contract award.
 - (d) If the District has pre-qualified suppliers of maintenance services, then, at the option of the District, only those persons who have been pre-qualified will be eligible to submit bids, proposals, replies, and responses.
 - (e) In order to be eligible to submit a bid, proposal, reply, or response, a firm or individual must, at the time of receipt of the bids, proposals, replies, or responses:
 - (i) Hold ~~the~~all required applicable state professional licenses in good standing;
 - (ii) Hold all required applicable federal licenses in good standing, if any;

- (iii) Hold a current and active Florida corporate charter or be authorized to do business in the State of Florida in accordance with Chapter 607 of the Florida Statutes, if the vendor is a corporation; and
- (iv) Meet any special pre-qualification requirements set forth in the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation.

Evidence of compliance with these Rules must be submitted with the bid, proposal, reply, or response if required by the District. Failure to submit evidence of compliance when required may be grounds for rejection of the bid, proposal, reply, or response.

- (f) Bids, proposals, replies, and responses shall be publicly opened at the time and place noted on the Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation. Bids, proposals, replies, and responses shall be evaluated in accordance with the respective Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, and these Rules. Minor variations in the bids, proposals, replies, and responses may be waived by the Board. A variation is minor if waiver of the variation does not create a competitive advantage or disadvantage of a material nature. Mistakes in arithmetic extension of pricing may be corrected by the Board. Bids and proposals may not be modified or supplemented after opening; provided however, additional information may be requested and/or provided to evidence compliance, make non-material modifications, clarifications, or supplementations, and as otherwise permitted by Florida law.
- (g) The lowest Responsive Bid submitted in response to an Invitation to Bid by a Responsive and Responsible Bidder shall be accepted. In relation to a Request for Proposals, Invitation to Negotiate or Competitive Solicitation the Board shall select the Responsive Proposal, Reply, or Response submitted by a Responsive and Responsible Vendor which is most advantageous to the District. To assure full understanding of the responsiveness to the solicitation requirements contained in a Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, discussions may be conducted with qualified vendors. Vendors shall be accorded fair treatment prior to the submittal date with respect to any opportunity for discussion, preparation, and revision of bids, proposals, replies, or responses.
- (h) The Board shall have the right to reject all bids, proposals, replies, or responses because they exceed the amount of funds budgeted for the purchase, if there are not enough to be competitive, or if rejection is determined to be in the best interest of the District. No Vendor shall be

entitled to recover any costs of bid, proposal, reply, or response preparation or submittal from the District.

- (i) The Board may require bidders and proposers to furnish bid bonds, performance bonds, and/or other bonds with a responsible surety to be approved by the Board.
 - (j) Notice of intent to award, including rejection of some or all bids, proposals, replies, or responses shall be provided in writing to all vendors by United States Mail, hand delivery, facsimile, or overnight delivery service. The notice shall include the following statement: "Failure to file a protest within the time prescribed in Rule 3.11 of the Rules of the District shall constitute a waiver of proceedings under those Rules," or wording to that effect. Protests of the District's procurement of maintenance services under this Rule shall be in accordance with the procedures set forth in Rule 3.11.
 - (k) If less than three (3) Responsive Bids, Proposals, Replies, or Responses are received, the District may purchase the maintenance services or may reject the bids, proposals, replies, or responses for a lack of competitiveness. If no Responsive Bid, Proposal, Reply, or Response is received, the District may ~~take whatever steps reasonably necessary in order to~~ proceed with the procurement of maintenance services, in the manner the Board determines is in the best interests of the District, which ~~steps~~ may include but is not limited to a direct purchase of the maintenance services without further competitive selection processes.
- (3) Exemptions. Maintenance services that are only available from a single source are exempt from this Rule. Maintenance services provided by governmental agencies are exempt from this Rule. A contract for maintenance services is exempt from this Rule if state or federal law prescribes with whom the District must contract or if the rate of payment is established during the appropriation process.
 - (4) Renewal. Contracts for the purchase of maintenance services subject to this Rule may be renewed for ~~a period that may not exceed three (3) years or the term of the original contract, whichever period is longer.~~ a maximum period of five (5) years.
 - (5) Contracts; Public Records. In accordance with Florida law, each contract entered into pursuant to this Rule shall include provisions required by law that require the contractor to comply with public records laws.
 - (6) Emergency Purchases. The District may make an Emergency Purchase without complying with these rules. The fact that an Emergency Purchase has occurred or is necessary shall be noted in the minutes of the next Board meeting.

Specific Authority: §§ 190.011(5), 190.011(15), 190.033, Fla. Stat.

Law Implemented: §§ 119.0701, 190.033, 287.017, Fla. Stat.

Rule 3.10 Contractual Services.

- (1) Exemption from Competitive Purchase. Pursuant to Section 190.033(3) of the Florida Statutes, Contractual Services shall not be subject to competitive purchasing requirements. If an agreement is predominantly for Contractual Services, but also includes maintenance services or the purchase of goods and services, the contract shall not be subject to competitive purchasing requirements. Regardless of whether an advertisement or solicitation for Contractual Services is identified as an Invitation to Bid, Request for Proposals, Invitation to Negotiate, or Competitive Solicitation, no rights or remedies under these Rules, including but not limited to protest rights, are conferred on persons, firms, or vendors proposing to provide Contractual Services to the District.

- (2) Contracts; Public Records. In accordance with Florida law, each contract for Contractual Services shall include provisions required by law that require the contractor to comply with public records laws.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 119.0701, 190.011(3), 190.033, Fla. Stat.

~~Rule 3.11~~ ~~Protests~~ **With Respect To Proceedings under Rules 3.1, 3.2, 3.3,
3.4, 3.5, 3.6, 3.8, and 3.9.**

Rule 3.11 Protests

with Respect to Proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9.

The resolution of any protests with respect to proceedings under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9 shall be in accordance with this Rule.

(1) Filing.

- (a) With respect to a protest regarding qualifications, specifications, documentation, or other requirements contained in a Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation issued by the District, the notice of protest shall be filed in writing within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after the first advertisement of the Request for Qualifications, Request for Proposals, Invitation to Bid, or Competitive Solicitation. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's intended decision. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.
- (b) Except for those situations covered by subsection (1)(a) of this Rule, any firm or person who is affected adversely by a District's ranking or intended award under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9 and desires to contest the District's ranking or intended award, shall file with the District a written notice of protest within seventy-two (72) calendar hours (excluding Saturdays, Sundays, and state holidays) after receipt of the notice of the District's ranking or intended award. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days (including Saturdays, Sundays, and state holidays) after the initial notice of protest was filed. For purposes of this Rule, wherever applicable, filing will be perfected and deemed to have occurred upon receipt by the District. Failure to file a notice of protest shall constitute a waiver of all rights to protest the District's ranking or intended award. Failure to file a formal written protest shall constitute an abandonment of the protest proceedings and shall automatically terminate the protest proceedings.

~~(e)~~ If (c) If the requirement for the posting of a protest bond and the amount of the protest bond, which may be expressed by a percentage of the contract to be awarded or a set amount, is disclosed in the District's competitive solicitation documents for a particular purchase under Rules 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, or 3.9, the Board may require

any person who files a notice of protest ~~to~~ must post ~~at~~ the protest bond ~~in the. The~~ amount ~~equal to 1% of the anticipated contract amount that is the subject~~ of the protest bond shall be determined by District staff after consultation with the Board and within the limits, if any, imposed by Florida law. In the event the protest is successful, the protest bond shall be refunded to the protestor. In the event the protest is unsuccessful, the protest bond shall be applied towards the District's costs, expenses, and attorney's fees associated with hearing and defending the protest. In the event the protest is settled by mutual agreement of the parties, the protest bond shall be distributed as agreed to by the District and protestor.

- (d) The District does not accept documents filed by electronic mail or facsimile transmission. Filings are only accepted during normal business hours.
- (2) Contract Execution. Upon receipt of a notice of protest which has been timely filed, the District shall not execute the contract under protest until the subject of the protest is resolved. However, if the District sets forth in writing particular facts and circumstances showing that delay incident to protest proceedings will jeopardize the funding for the project, will materially increase the cost of the project, or will create an immediate and serious danger to the public health, safety, or welfare, the contract may be executed.
- (3) Informal Proceeding. If the Board determines a protest does not involve a disputed issue of material fact, the Board may, but is not obligated to, schedule an informal proceeding to consider the protest. Such informal proceeding shall be at a time and place determined by the Board. Notice of such proceeding shall be sent via facsimile, United States Mail, or hand delivery to the protestor and any substantially affected persons or parties not less than three (3) calendar days prior to such informal proceeding. Within thirty (30) calendar days following the informal proceeding, the Board shall issue a written decision setting forth the factual, legal, and policy grounds for its decision.
- (4) Formal Proceeding. If the Board determines a protest involves disputed issues of material fact or if the Board elects not to use the informal proceeding process provided for in section (3) of this Rule, the District shall schedule a formal hearing to resolve the protest. The Chairperson shall designate any member of the Board (including the Chairperson), District Manager, District Counsel, or other person as a hearing officer to conduct the hearing. The hearing officer may:
 - (a) Administer oaths and affirmations;
 - (b) Rule upon offers of proof and receive relevant evidence;
 - (c) Regulate the course of the hearing, including any pre-hearing matters;

- (d) Enter orders; and
- (e) Make or receive offers of settlement, stipulation, and adjustment.

The hearing officer shall, within thirty (30) days after the hearing or receipt of the hearing transcript, whichever is later, file a recommended order which shall include a caption, time and place of hearing, appearances entered at the hearing, statement of the issues, findings of fact and conclusions of law, separately stated, and a recommendation for final District action. The District shall allow each party fifteen (15) days in which to submit written exceptions to the recommended order. The District shall issue a final order within sixty (60) days after the filing of the recommended order.

- (5) Intervenors. Other substantially affected persons may join the proceedings as intervenors on appropriate terms which shall not unduly delay the proceedings.
- (6) Rejection of all Qualifications, Bids, Proposals, Replies and Responses after Receipt of Notice of Protest. If the Board determines there was a violation of law, defect, or an irregularity in the competitive solicitation process, the Bids, Proposals, Replies, and Responses are too high, or if the Board determines it is otherwise in the District's best interest, the Board may reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew. If the Board decides to reject all qualifications, bids, proposals, replies, and responses and start the competitive solicitation process anew, any pending protests shall automatically terminate.
- (7) Settlement. Nothing herein shall preclude the settlement of any protest under this Rule at any time.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.
Law Implemented: § 190.033, Fla. Stat.

Rule 4.0 Effective Date.

These Rules shall be effective _____, ~~2018,20~~, except that no election of officers required by these Rules shall be required until after the next regular election for the Board.

Specific Authority: §§ 190.011(5), 190.011(15), Fla. Stat.

Law Implemented: §§ 190.011(5), 190.011(15), Fla. Stat.

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**1st Amendment to the Website
Services Agreement**

FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT AND NEWAGETUTORS LLC, D/B/A VGLOBALTECH, FOR TECHNICAL AND HUMAN WEBSITE AUDITING SERVICES

THIS FIRST AMENDMENT is made and entered into as of the 25th day of June, 2020, by and between:

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT, a special dependent district established pursuant to Chapter 189, *Florida Statutes*, with a mailing address of 12051 Corporate Boulevard, Orlando, Florida 32817 (the "District"), and

NEWAGETUTORS LLC, D/B/A VGLOBALTECH, a Florida limited liability company, with a mailing address of 636 Fanning Drive, Winter Springs, Florida 32708 (hereinafter "Contractor," together with District the "Parties").

RECITALS

WHEREAS, the District is a special dependent district established pursuant to and governed by Chapter 189, *Florida Statutes*;

WHEREAS, the District previously entered into that certain *Agreement between the Sunny Hills Units 12-15 Dependent District and NewAgeTutors LLC, d/b/a VGlobalTech, for Technical and Human Website Auditing Services*, dated September 24, 2019 ("Agreement");

WHEREAS, pursuant to Section 10.M. of the Agreement, the parties desire to amend the Agreement to provide for additional services and compensation by and through this First Amendment to the Agreement ("First Amendment"); and

WHEREAS, the District and Contractor warrant and agree that they have all right, power and authority to enter into and be bound by this First Amendment.

NOW THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

SECTION 1. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this First Amendment.

SECTION 2. Section 2 of the Agreement is hereby amended to add the following additional services as subsection 2.A, as further described in in Contractor's proposal attached hereto as **Exhibit A** ("Additional Services"). Section 2 of the Agreement shall not otherwise be altered or amended, except to add the following language:

A. MAINTENANCE. Contractor shall provide an ongoing maintenance of the Website to ensure continued compliance with WCAG. Specifically, Contractor shall:

- i.** provide assistive support via telephone and/or email up to one (1) hour per month, including regularly corresponding with the District staff regarding remediated documents, providing updates to the Website, and providing recommendations of remedial actions, as needed. Notwithstanding the foregoing, the District may request that Contractor attend a conference call or an in-person meeting of the District to review metrics, results and summaries of maintenance performed to-date;
- ii.** remediate new documents identified by the District to accessible formats for assistive technologies, as needed, including new agenda materials. In the event that the District is allowed access to Contractor’s proprietary batch conversion software (“**Software**”) that creates compliant documents, the District shall first remediate new documents using the Software. If conversion by Software fails to produce a compliant document, then Contractor shall remediate new documents within 24 hours of the District’s request;
- iii.** provide and update Contractor’s Compliance Shield and Accessibility Policy, which may need to be updated from time to time, for display and use on the Website;
- iv.** secure “https” certification and provide premium, secure “cloud” hosting with fail-over, automated, and regular back-up measures to ensure continued functionality and accessibility of the Website (collectively, “Hosting”). Hosting shall also include, but not be limited to, unlimited file space, bandwidth, fast website response, and 99.9% website uptime;
- v.** provide any and all other effort reasonably necessary to allow the District to receive the maximum benefit of the Services contemplated by this Agreement and **Exhibit A**.

SECTION 3. As compensation for the Additional Services described herein, District agrees to pay Contractor One Hundred Dollars (\$100.00) per month pursuant to the terms of the Agreement. District agrees to compensate Contractor for support exceeding ten (10) hours per month at a rate of Fifty-Five Dollars (\$55.00) per hour.

SECTION 4. Except as specifically amended above, the Agreement shall remain in full force and effect, unaltered by this First Amendment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have signed this First Amendment on the day and year first written above.

Attest:

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

Secretary/Assistant Secretary

Chairman, Board of Supervisors

NEWAGETUTORS LLC, D/B/A VGLOBALTECH

Witness

By: _____

Print: _____

Its: _____

Print Name of Witness

**AGREEMENT BETWEEN THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT
AND NEWAGETUTORS LLC, D/B/A VGLOBALTECH, FOR TECHNICAL AND
HUMAN WEBSITE AUDITING SERVICES**

THIS AGREEMENT (this “Agreement”) is entered into as of this 24 day of September 2019, by and between:

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT, a special dependent district established pursuant to Chapter 189, *Florida Statutes*, and located in Washington County, Florida, with a mailing address of 12051 Corporate Boulevard, Orlando, Florida 32817 (the “District”), and

NEWAGETUTORS LLC, D/B/A VGLOBALTECH, a Florida limited liability company, with a mailing address of 636 Fanning Drive, Winter Springs, Florida 32708 (“Contractor”).

RECITALS

WHEREAS, the District is a special dependent district, created and existing pursuant to Chapter 189, *Florida Statutes*; and

WHEREAS, pursuant to section 189.069, *Florida Statutes*, the District must maintain an official website containing, at minimum, the statutorily required information (“Website”); and

WHEREAS, the District has a need to obtain a qualified independent contractor to perform audits of the Website to ensure compliance with the accessibility requirements of Title II of the Americans with Disabilities Act (“ADA”), which ADA accessibility requirements and standards may change from time to time, all as more particularly described herein and in the proposal attached hereto as **Exhibit A** and made a part herein (together, the “Services”); and

WHEREAS, Contractor represents and warrants to the District that it is qualified, willing and capable of providing the Services; and

WHEREAS, the District and Contractor desire to enter into this Agreement for the purposes stated herein and the District and Contractor warrant and agree that they have all right, power and authority to enter into and be bound by this Agreement.

NOW, THEREFORE, in consideration of the recitals, agreements and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

SECTION 1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

SECTION 2. SCOPE OF WORK. Contractor shall provide Services in accordance with the terms provided in this Agreement and in **Exhibit A**. Specifically, Services include the following:

A. QUARTERLY TECHNOLOGICAL AND HUMAN AUDITS. Contractor shall perform at least four (4) Quarterly Technical and Human Audits per year, per the Florida Insurance Alliance

guidelines, which may be amended or updated from time to time. Full audit reports shall be provided, and performance of audits shall be conducted by Contractor and Lighthouse Works together. The Website shall be tested by Contractor and Lighthouse Central Florida, Inc., or any other company or individual performing human audits, to ensure ADA compliance. Contractor shall renew, on a quarterly basis, the Digital Asset Technical Compliance Seal and the Human Audit Seal on the Website.

B. ADDITIONAL SERVICES. In the event that the District desires additional work or services, Contractor agrees to negotiate in good faith to undertake such additional work or services. Upon successful negotiation regarding the terms of the additional work, including scope and compensation, the parties shall agree in writing to a work order, addendum, addenda, or change order to this Agreement prior to commencement of any such additional work.

C. Contractor shall be solely responsible for the means, manner and methods by which its duties, obligations and responsibilities are met to the satisfaction of the District and in accordance with this Agreement. Contractor shall use industry best practices and procedures when carrying out the Services.

SECTION 3. COMPENSATION. As compensation for the Services, the District agrees to pay Contractor in accordance with the following terms:

A. QUARTERLY TECHNOLOGICAL AND HUMAN AUDITS. For performance of the Services as provided in Section 2 of this Agreement, the District shall pay One Thousand Two Hundred Dollars (\$1,200.00) per year, payable in equal, quarterly installments of Three Hundred Dollars (\$300.00).

B. INVOICES; PAYMENT. Contractor shall maintain records conforming to usual accounting practices. Further, Contractor shall render each invoice to the District in writing, which shall be delivered promptly upon completion of each Service. Each invoice shall contain, at a minimum, the District's name, Contractor's name, the invoice date, an invoice number, an itemized listing of all costs billed on each invoice with a sufficient description of each allowing the District to approve each cost, the time frame within which the Services were provided, and the address or bank information to which payment is to be remitted. Consistent with Florida's Prompt Payment Act, section 218.70, *et al.*, *Florida Statutes*, the invoices shall be due and payable within forty-five (45) days of receipt by the District.

SECTION 4. TERM AND TERMINATION.

A. TERM. This Agreement shall become effective upon the date and year first written above and shall be in effect until terminated by either party in accordance with the terms of this Agreement.

B. TERMINATION. The District agrees that Contractor may terminate this Agreement for cause by providing sixty (60) days' written notice of termination to the District; provided, however, that the District shall be provided a reasonable opportunity to cure any failure under this Agreement. Contractor agrees that the District may terminate this Agreement immediately for cause by providing written notice of termination to Contractor. Contractor agrees that the District may terminate this Agreement without cause; provided that the District shall provide thirty (30) days' written notice of termination without cause. Upon any termination of this Agreement,

Contractor shall be entitled to payment for all Services rendered up until the effective termination of this Agreement, subject to whatever claims or offsets the District may have against Contractor as the sole means of recovery for termination.

SECTION 5. REPRESENTATIONS, WARRANTIES AND COVENANTS. Contractor represents, warrants, and covenants that (a) the Services will conform to the requirements provided in Section 2 herein and **Exhibit A**; (b) the Services shall be performed by qualified personnel in a professional, prompt, diligent, good, safe and workmanlike manner in accordance with all laws, industry standards, and all applicable ADA and other website accessibility compliance standards, including but not limited to WCAG 2.1 Level AA and other federally recommended guidelines, as may be amended from time to time; and (c) neither the Services nor any product provided by Contractor shall infringe, misappropriate, or otherwise violate the intellectual property rights of any third-party. To the extent that any defects are found and reported to the Contractor, the Contractor shall correct such defects within thirty (30) days.

SECTION 6. INTELLECTUAL PROPERTY.

A. CONTRACTOR MATERIALS. Except as provided herein, Contractor shall retain all right, title, and interest in and to (i) all patents, trademarks, service marks, copyrights, and other intellectual property or proprietary rights of Contractor used in or otherwise associated with the Services, and other materials provided to the District hereunder; and (ii) all trade secrets, technical specifications and data to the extent they are intellectual property, and inventions which are authored, conceived, devised, developed, reduced to practice, or otherwise performed by Contractor which arise out of Contractor's performance of the Services, none of which shall be deemed a "work made for hire" under the Copyright Act of 1976 (collectively, "**Contractor Materials**"), and nothing contained herein shall be construed to restrict, impair, transfer, license, convey, or otherwise alter or deprive Contractor of any of its intellectual property and proprietary interests associated therewith. Subject to the foregoing, Contractor grants to the District a non-exclusive, non-transferable worldwide perpetual limited right and license to access and use the Contractor Materials in connection with the ordinary and intended use by the District as contemplated in this Agreement, including viewing, downloading and printing the Contractor Materials for the District's use, and without in any case removing Contractor's copyright, trademark or other intellectual property ownership notices.

B. THE DISTRICT MATERIALS; PUBLICITY AND TRADEMARKS. The District shall own the Website, domain name, all e-mail addresses, and all website and e-mail content, under all circumstances. In the event of a termination of this Agreement for any reason, Contractor shall take all necessary steps to transfer, or otherwise allow the District to retain, such website, domain name, e-mail addresses and content of the same. Additionally, to the extent applicable, Contractor shall take commercially reasonable precautions consistent with industry standards to protect confidential information, including, e.g., credit card information and other sensitive information protected under Florida's Public Records Laws. Contractor shall immediately notify the District of any breach or loss of data, and take such steps as are reasonably necessary to address any such issue. Except as provided herein, the District shall retain all right, title, and interest in and to all intellectual property of the District provided or made available to the Contractor in connection with Contractor's Services (collectively, "**District Materials**") and nothing contained herein shall be construed to restrict, impair, transfer, license, convey, or otherwise alter or deprive the District of any of its intellectual property or other proprietary interests associated therewith, if any. Subject

to the foregoing, the District grants to Contractor a non-exclusive, non-transferable worldwide limited right and license to access and use such District Materials in connection with the provision of the Services as contemplated by this Agreement. Further, the District permits Contractor to identify the District as a customer of Contractor in Contractor's marketing materials (including using the District's name and logo for such limited purposes).

The District further acknowledges and agrees that for Contractor to perform the Services, it must, in some cases, give Contractor remote access to areas behind log-ins that are to be audited hereunder, including, without limitation to content management systems and/or servers (collectively, "System"), and agrees that it will furnish to Contractor all necessary information and/or user names and passwords required to do so. Contractor agrees to follow commercially reasonable security policies for accessing the District's System including any specific security procedures as may be communicated to Contractor by the District prior to Contractor accessing the System. Contractor shall on its own or through coordination with the District's Website provider, create a back-up copy of all data that may be affected by Contractor's access to the System.

C. RIGHT TO DISPLAY CONTRACTOR'S COMPLIANCE SHIELD / ACCESSIBILITY POLICY. Pursuant to this Agreement, the Contractor shall provide the District with applicable Compliance Shield(s) and customized Accessibility Policy, which the District shall display on its Websites and web applications. The District is expressly prohibited from using the Compliance Shield for any purpose not specifically authorized by this Agreement, and in no event may use such Compliance Shield for or on behalf of any other party or in connection with any domain name and/or organization name other than those being scanned or serviced in connection with the Services.

SECTION 7. PUBLIC RECORDS. Contractor understands and agrees that all documents or on-line content of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Contractor agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to section 119.0701, *Florida Statutes*. Contractor acknowledges that the designated public records custodian for the District is Jennifer Walden ("**Public Records Custodian**"). Among other requirements and to the extent applicable by law, Contractor shall 1) keep and maintain public records required by the District to perform the Work; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 1d9, *Florida Statutes*; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if Contractor does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Contractor's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by Contractor, Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, *FLORIDA STATUTES*, TO CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (407) 723-5900, WALDENJ@PFM.COM, OR AT 12051 CORPORATE BOULEVARD, ORLANDO, FLORIDA, 32817.

SECTION 8. INDEMNITY.

A. Contractor agrees to defend, indemnify, and hold harmless the District and its officers, agents, staff, employees, successors, assigns, members, affiliates, or representatives from any and all liability, claims, actions, suits, liens, demands, costs, interest, expenses, damages, penalties, fines, or judgments against the District, or loss or damage, whether monetary or otherwise, arising out of, wholly or in part by, or in connection with the Services to be performed by Contractor, its subcontractors, its employees and agents (including, but not limited to Lighthouse Central Florida, Inc., or any other company or individual performing human audits as required by Section 2 of this Agreement) in connection with this Agreement, including litigation, mediation, arbitration, appellate, or settlement proceedings with respect thereto. This specifically includes a lawsuit based on lack of ADA compliance or other website compliance insufficiencies. Additionally, nothing in this Agreement requires Contractor to indemnify the District for the District's percentage of fault if the District is adjudged to be more than 50% at fault for any claims against the District and Contractor as jointly liable parties; however, Contractor shall indemnify the District for any and all percentage of fault attributable to Contractor for claims against the District, regardless of whether the District is adjudged to be more or less than 50% at fault. Contractor further agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on liability contained in section 768.28, *Florida Statutes*, or other statute.

B. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorneys' fees, paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings), any interest, expenses, damages, penalties, fines, or judgments against the District, all as actually incurred.

C. In the event that Contractor assigns its obligations under this Agreement to a third party, Contractor acknowledges and agrees that Contractor shall require such third party to provide indemnification to the District consistent with the requirements of this Section 8.

SECTION 9. SCRUTINIZED COMPANIES STATEMENT. Contractor certifies that it is not in violation of section 287.135, *Florida Statutes*, and is not prohibited from doing business with the District under Florida law, including but not limited to Scrutinized Companies with Activities in Sudan List or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List. If Contractor is found to have submitted a false statement, has been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, or is now or in the future on the Scrutinized Companies that Boycott Israel List, or engaged in a boycott of Israel, the District may immediately terminate the Contract.

SECTION 10. GENERAL PROVISIONS.

A. CONFLICTS. The terms of this Agreement and **Exhibit A** are intended to complement each other, and to the extent they conflict, the terms of **Exhibit A** shall control only to the extent that such provisions provide clarifications on Services and materials to be provided by Contractor pursuant to **Exhibit A**; in all other respects, the provisions of this Agreement shall control.

B. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and Contractor, both the District and Contractor have complied with all the requirements of law, and both the District and Contractor have full power and authority to comply with the terms and provisions of this Agreement.

C. INDEPENDENT CONTRACTOR. It is understood and agreed that at all times the relationship of Contractor and its employees, agents, successors, assigns or anyone directly or indirectly employed by Contractor to the District is the relationship of an independent contractor and not that of an employee, agent, joint-venturer, or partner of the District. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the District and Contractor or any of its employees, agents, successors, assigns or anyone directly or indirectly employed by Contractor. The parties acknowledge that Contractor is not an employee for state or federal tax purposes. Contractor shall hire and pay all of Contractor's or its employees, agents, successors, assigns or anyone directly or indirectly employed by Contractor, all of whom shall be employees of Contractor and not employees of the District and at all times entirely under Contractor's supervision, direction, and control.

In particular, the District will not: i) withhold FICA (Social Security) from Contractor's payments; ii) make state or federal unemployment insurance contributions on Contractor's behalf; iii) withhold state or federal income tax from payment to Contractor; iv) make disability insurance contributions on behalf of Contractor; or v) obtain workers' compensation insurance on behalf of Contractor.

D. DISPUTE RESOLUTION. Before initiating any legal claim or action (except with respect to equitable relief), the parties agree to attempt in good faith to settle any dispute, controversy, or claim arising out of or related to this Agreement or the Services (collectively, "**Dispute**") through discussions which shall be initiated upon written notice of a Dispute by either party to the other. If the parties cannot resolve the Dispute within ten (10) business days, then the parties shall attempt to settle the Dispute by mediation. If mediation is unsuccessful, the parties may then proceed to filing a claim in the appropriate jurisdictional court in accordance with this Agreement. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the substantially prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees, paralegal fees, expert witness fees, and costs for trial, alternative dispute resolution, or appellate proceedings.

E. APPLICABLE LAW AND VENUE. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the principles of conflict of laws. Except for actions seeking injunctive relief (which may be brought in any

appropriate jurisdiction), suits under this agreement shall only be brought in a court of competent jurisdiction in Washington County, Florida. This choice of venue is intended by the parties to be mandatory and not permissive in nature, and to preclude the possibility of litigation between the parties with respect to, or arising out of, this Agreement in any jurisdiction other than that specified in this section. The District and Contractor waive any right they may have to assert the doctrine of *forum non conveniens* or similar doctrine, or to object to venue with respect to any proceeding brought in accordance with this Section.

F. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third-party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

G. THIRD-PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and Contractor and no right or cause of action shall accrue upon or by reason to or for the benefit of any third-party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and Contractor any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and Contractor and their respective representatives, successors, and assigns.

H. DEFAULT AND PROTECTION AGAINST THIRD-PARTY INTERFERENCE. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance. The District shall be solely responsible for enforcing its rights under this Agreement against any interfering third-party. Nothing contained in this Agreement shall limit or impair the District's right to protect its rights from interference by a third-party to this Agreement.

I. NOTICES. All notices, requests, consents, and other communications under this Agreement ("Notice" or "Notices") shall be in writing and shall be delivered, mailed by Overnight Delivery or First Class Mail, postage prepaid, to the parties, as follows:

If to Contractor: NewAgeTutors LLC
d/b/a VGlobalTech
636 Fanning Drive
Winter Springs, Florida 32708
Attn: Vaibhav V. Joshi

If to District: Sunny Hills Units 12-15 Dependent District
12051 Corporate Boulevard
Orlando, Florida 32817
Attn: District Manager

With a copy to: Hopping Green & Sams PA

119 South Monroe Street, Suite 300
Tallahassee, Florida 32301
Attn: District Counsel

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for Contractor may deliver Notice on behalf of the District and Contractor. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days' written notice to the parties and addressees set forth herein.

J. ENTIRE AGREEMENT. This Agreement, together with **Exhibit A**, sets forth the entire agreement of the parties, and supersedes any prior agreements or statements with respect to the subject matter hereof. No provision of this Agreement may be amended, waived or modified unless the same is set forth in writing and signed by each of the Parties to this Agreement, or their respective successors or assigns.

K. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

L. ASSIGNMENT. Neither the District nor Contractor may assign this Agreement without the prior written consent of the other. Any purported assignment without such consent shall be null and void.

M. AMENDMENTS. This Agreement may be amended or modified only by a written instrument duly executed by both parties.

N. FORCE MAJEURE. If either party is prevented from performing any of its obligations under this Agreement due to any cause beyond the party's reasonable control, including, without limitations, an "act of God," fire, flood, war, strike, government regulation, civil or military authority, acts or omissions of transmitters, utilities, providers or hackers, the time for that party's performance will be extended for the period of the delay or inability to perform due to such occurrence.

O. SURVIVAL. In addition to such other provisions hereof which, by their terms, survive any termination or expiration of this Agreement, Section 5 (Representations, Warranties and Covenants), Section 6 (Intellectual Property), Section 7 (Public Records), Section 8 (Indemnity), and Section 10 (General Provisions) shall survive any termination or expiration of this Agreement.

P. WAIVER. No breach of any term of this Agreement shall be deemed waived unless expressly waived in writing by the party who might assert such breach. Any failure or delay by either party to exercise any right, power, or privilege under this Agreement shall not be deemed a waiver of any such right, power, or privilege under this Agreement on that or any subsequent

occasion. Any waiver by either party, whether express or implied, of any provision of this Agreement, any waiver of default, or any course of dealing hereunder, shall not affect such party's right to thereafter enforce such provision or to exercise any right or remedy in the event of any other default or breach, whether or not similar.

Q. COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgement pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

R. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the parties as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In case of a Dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either party.

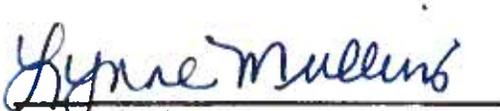
S. DESCRIPTIVE HEADINGS. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have, by their duly authorized representatives, executed this Agreement as of the date and year first set forth above.

ATTEST:

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**


Secretary/Assistant Secretary


Vice/Chairperson, Board of Supervisors

WITNESS:

**NEWAGETUTORS LLC, D/B/A
VGLOBALTECH, a Florida limited
liability company**


Print Name: Yogini Joshi

 10/09/2019
By: Vaibhav V. Joshi, Manager

Exhibit A: Proposal for Services

Exhibit A
Proposal for Service
[Attach District-specific proposal]



Technical & Human Audit Proposal for Public Facing Digital Assets (Software, Websites & Apps)

Goal: Ensure full compliance for people with disabilities as per:



Nondiscrimination requirements of Title II of the American Disabilities Act (ADA)



WCAG (Web Content Accessibility Guidelines)



Section 508 Stipulations



Florida Insurance Alliance / eGIS Risk Advisors Guidelines

Read more about details of the above list on VGlobalTech's website. All ADA requirements and information on these topics has been compiled in one place for our clients.

URL: <https://vglobaltech.com/website-compliance/>

VGlobalTech.com - Experience Innovation

Page 1 of 11

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Version Log:

| Date | Version# | Comments | Author |
|----------------|----------|-------------------------------|----------|
| April 11, 2019 | 1.0 | Technical and Human Audit | VB Joshi |
| April 12, 2019 | 1.1 | Added 3 Options | VB Joshi |
| April 12, 2019 | 1.2 | Added compliance process flow | VB Joshi |

Your website gets 2 Compliance Seals VGlobalTech's Technical Compliance Seal & Human Audit Compliance Seal



VGlobalTech is the ADA, WCAG Compliance Expert, with over 100 ADA & WCAG compliant websites created (....and counting) to-date! We have partnered with a non-profit agency to conduct Human Audit and Certification Seal.

Working together with your company we wish to add social value to the community we live in!

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1.0 The Law

Please familiarize your team with the Florida Statute 189.069 Special districts; required reporting of information; web-based public access. Source:

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0189/Sections/0189.069.html

2.0 ADA & WCAG Compliance

Every individual must have equal access to information whether it is in person service or online. This is a general agreement and understanding of access.

The Internet has dramatically changed the way state and local governments do business. Today, government agencies routinely make much more information about their programs, activities, and services available to the public by posting it on their websites. As a result, many people can easily access this information seven day a week, 24 hours a day.

Many government services and activities are also provided on websites because the public is able to participate in them at any time of day and without the assistance of government personnel. Many government websites offer a low cost, quick, and convenient way of filing tax returns, paying bills, renewing licenses, signing up for programs, applying for permits or funding, submitting job applications, and performing a wide variety of other activities.

The Americans with Disabilities Act (ADA) and, if the government entities receive federal funding, the Rehabilitation Act of 1973 generally require that state and local governments provide qualified individuals with disabilities equal access to their programs, services, or activities unless doing so would fundamentally alter the nature of their programs, services, or activities or would impose an undue burden. One way to help meet these requirements is to ensure that government websites have accessible features for people with disabilities, using the simple steps described in this document. An agency with an inaccessible website may also meet its legal obligations by providing an alternative accessible way for citizens to use the programs or services, such as a staffed telephone information line. These alternatives, however, are unlikely to provide an equal degree of access in terms of hours of operation and the range of options and programs available.

The World Wide Web Consortium (W3C) sets the main international standards for the World Wide Web and its accessibility. W3C created the Web Content Accessibility Guidelines (WCAG 2.0 and 2.1) which are similar to Section 508, but on an international level. WCAG 2.0 and 2.1 requires specific techniques for compliance and is more current than Section 508.

Source: <https://www.w3.org/WAI/standards-guidelines/wcag/>

3.0 Quarterly Technical & Human Audit Testing

This audit is as per the Florida Insurance Alliance, eGIS Insurance Advisors and other insurance guidelines. Please check with your insurance agency for specific requirements. Read more here: https://vglobaltech.com/wp-content/uploads/2019/03/FIA_ADA_Guidelines-2019-2020.pdf

VGlobalTech team is trained and well aware of ADA and WCAG 2.x Compliance guidelines. VGlobalTech has partnered with a local agency for the visually impaired – LightHouse Works. LightHouse has developed a unique program for digital accessibility that is run by visually impaired personnel that are highly skilled in human auditing of websites and software as per the section 508 stipulations. Read more about our partnership here: <https://vglobaltech.com/website-compliance/>



Together we are now able to provide not one but two compliance seals for all our customers. Details of the compliance seals are below.

3.1 Digital Asset Technical Compliance Seal:



VGlobalTech in-house technical team shall remediate / test the website / software for ADA, WCAG compliance. VGlobalTech's technical design & development team is fully aware of the Americans with Disability Act (ADA), Web Content Accessibility Guidelines (WCAG), Section 508 of the Rehabilitation Act of 1973 and overall the design principles of a professional, accessible, functional and responsive web design. The entire team has taken dedicated time and efforts to learn these design principles first hand. Our purpose is clear - **Universal, Creative Web design that works for everyone, everywhere and every time!**

3.2 Human Audit Seal:



LightHouse Works' visually impaired personnel shall actually test the website for compliance as per the section 508 and ADA requirements. The VGlobalTech technical team shall remediate any points discovered by LightHouse team and send the site for re-certification. Upon satisfactory completion LightHouse shall provide the Human Audit Seal that will be specific to the site and the VGlobalTech team shall put the seal on the site. This is an added layer of true Human Audit testing that provides full ADA compliance.

4.0 Compliance Process Flow:



A Partnership with a Social Cause to Ensure:

- ✓ ADA COMPLIANCE
- ✓ WCAG COMPLIANCE
- ✓ SECTION 508 STIPULATIONS
- ✓ FIA./ eGIS / OTHER INSURANCE & RISK ADVISERS' COMPLIANCE
- ✓ TECHNICAL COMPLIANCE SEAL
- ✓ HUMAN AUDIT COMPLIANCE SEAL
- ✓ QUARTERLY AUDITS
- ✓ REMEDIATION
- ✓ PEACE OF MIND

5.0 Pricing Options

Option 1 (recommended):

Quarterly Technical & Human Audits: \$1200 / Four Audits

- ✓ Covers all technical **AND** human audit aspects as per industry experts
- ✓ Discounted to cover both audits together
- ✓ Compliance seals renewed after every audit
- ✓ Ensure site and new content is in compliance with ALL standards
- ✓ Peace of mind

Option 2:

Quarterly Technical Audit Only*: \$900 / Four Audits

- ✓ Covers only technical aspects of elements, html, css, contrast etc as per WCAG
- ✓ Technical Audit Compliance seal renewed after every audit
- ✓ Does not cover human audit (**additional** considerations that are subjective to the person, **assistive** technology used etc)

Option 3:

Quarterly Human Audit Only: \$800 / Four Audits**

- ✓ Covers only human audit (**considerations** that are subjective to the person, **assistive** technology used etc conducted in a lab like environment)
- ✓ Human Audit Compliance seal renewed after every audit

This proposal includes following points, stipulations terms and conditions:

(1) conference call or in person meetings per month with client to review metrics, results and monthly recaps **unless otherwise noted

*** email and phone communication**

***Anything out of the scope of work in the above proposal will be addressed and client will be immediately notified. After notification of additional work, a subsequent quote will be provided to cover that work.**

Client is responsible to adhering to timelines as far as information required to complete the task is concerned. If timelines are not adhered to and exceed 15 business days past the current marketing months, last day, all work will end. A new month with new allocated costs will be presented for future work to commence. No refunds and owed work will be due unless otherwise agreed upon. **An invoice will be provided once signature approval of this project proposal. Payments will be made to VGLOBALTECH*

***Client is responsible for verifying quality of work, providing feedback, verifying that compliance has been met as required. VGlobalTech team shall not be responsible for any legal ramifications arising from work not done as per external agencies / organizations / associations needs if proper feedback is not provided by the customer. VGlobalTech's work will be in best faith but cannot guarantee all compliance / legal needs since we are not the final authority in the ADA or WCAG compliance area. VGlobalTech shall not be liable for any legal ramifications arising from compliance issues and cannot be held responsible for any legal or other lawsuits.**

Refund Policy: The client may halt work and request for a refund within seven days of the date of signing this services agreement by mailing a signed letter to the main address listed on www.VGlobalTech.com website. If client requests a refund within seven days of the date of signing their agreement they shall be liable to pay for all work completed and will be refunded the remaining balance of the initial payment if billable work has not exceeded a charge that would be greater than client's initial payment. If client requests a refund after the seven days from the date of the signing of the agreement client is liable to pay for all work completed plus an additional 25% of any remaining balance that may still be due. Once line item projects are complete no refunds will be issued. Confidentiality: All information between client and service provider inclusive of technical and business information relating to proprietary ideas, patentable ideas and/or trade secrets, existing and/or contemplated products and services, research and development, production, costs, profit and margin information, finances and financial projections, customers, clients, marketing, and current or future business plans and models, regardless of whether such information is designated as "Confidential Information" at the time of its disclosure and will be treated as such and with absolute confidentiality and will not be shared or used, which will be maintained at all times. The client is not allowed to disclose their price with any third parties. Doing so is in breach of this agreement. All information development will be shared and proprietary information and property between client and service providers.

6.0 Proposal Acceptance:

To accept these project, associated costs and conditions as listed above please sign and date below.

The VGlobalTech proposed solution and terms have been accepted by the customer and the VGlobalTech team can proceed with the project. All payments shall be made according to this agreement.

Please Sign and Date, Return to contact@vglobaltech.com:

For Customer

Date

VB Joshi

For VGlobalTech

Date

7.0 References:

ADA Best Practices Tool Kit for State and Local Governments:
<https://www.ada.gov/pcatoolkit/chap5toolkit.htm>

U.S. Department of Justice, Civil Rights Division, Disability Rights Section
<https://www.ada.gov/websites2.htm>

Web design Standards: <https://www.w3schools.com/>

Web Content Accessibility Guidelines (WCAG) <https://www.w3.org/TR/WCAG21/>

VGlobalTech Web Content Accessibility Implementation and Checkpoints:
<http://vglobaltech.com/website-compliance/>



BBB Rating: A+
[Click for Profile](#)

Contact Information:

Website: <https://vglobaltech.com>

Email: contact@VGlobalTech.com

Call: 321-947-7777

VGlobalTech.com ~ Experience Innovation

Page 11 of 11

Your strategic partner for Web Design, Software, Marketing, and SEO solutions.

Call: 321-947-7777 | Email: contact@VGlobalTech.com

Private and Confidential Document. No part of this document shall be produced, sent, copied to any parties it is not intended for. It is intended for the entities listed clearly on this proposal. Any distribution without written consent shall be prosecuted

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Resolution 2020-05,
Approving and Annual Budget for the
District's 2020-2021 Fiscal Year**

RESOLUTION 2020-05

A RESOLUTION OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT APPROVING THE DISTRICT'S PROPOSED BUDGET FOR FISCAL YEAR 2020/2021 AND TRANSMITTING SAID BUDGET TO WASHINGTON COUNTY FOR ADOPTION.

WHEREAS, the District Manager has prepared the proposed budget for Fiscal Year 2020/2021, attached hereto as **Exhibit A**; and

WHEREAS, the District Board approves the proposed budget for purpose of transmitting said budget to the County Administrator of Washington County, Florida, for adoption by the Washington County Board of County Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT:

1. The proposed budget for Fiscal Year 2020/2021 in the amount of \$38,500.00 is hereby approved for the purpose of transmitting said budget to the County Administrator of Washington County, Florida, for adoption by the Washington County Board of County Commissioners.

PASSED AND ADOPTED THIS 25TH DAY OF JUNE, 2020.

ATTEST:

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Secretary

By: _____
Its: _____

EXHIBIT A: Fiscal Year 2020/2021 Proposed Budget

EXHIBIT A

Sunny Hills Unit 12-15 Depen. District
FY 2021 O&M Proposed Budget

| | Year To Date | | | | |
|---|------------------------------|----------------------------|------------------------------|---------------------------|-------------------------------|
| | Actual Through 05/31/2020 | Anticipated June - Sep. | Anticipated Total FY 2020 | FY 2020 Adopted Budget | FY 2021 Proposed Budget |
| <u>Revenues</u> | | | | | |
| Developer Contributions | \$ 10,341.51 | \$ 12,698.38 | \$ 23,039.89 | \$ 38,500.00 | \$ 38,500.00 |
| Net Revenues | \$ 10,341.51 | \$ 12,698.38 | \$ 23,039.89 | \$ 38,500.00 | \$ 38,500.00 |
| <u>General & Administrative Expenses</u> | | | | | |
| Supervisor Fees | \$ - | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 |
| Public Officials' Liability Insurance | - | - | - | 3,295.00 | 3,295.00 |
| Management | 6,666.64 | 3,333.36 | 10,000.00 | 10,000.00 | 10,000.00 |
| Engineering | - | 666.67 | 666.67 | 2,000.00 | 2,000.00 |
| District Counsel | 1,004.50 | 502.25 | 1,506.75 | 10,000.00 | 10,000.00 |
| Audit | 1,500.00 | 3,250.00 | 4,750.00 | 4,750.00 | 4,750.00 |
| Travel and Per Diem | - | 666.67 | 666.67 | 2,000.00 | 2,000.00 |
| Telephone | - | 8.33 | 8.33 | 25.00 | 25.00 |
| Postage & Shipping | 11.65 | 5.83 | 17.48 | 50.00 | 50.00 |
| Copies | - | 33.33 | 33.33 | 100.00 | 50.00 |
| Legal Advertising | 449.50 | 224.75 | 674.25 | 1,500.00 | 1,250.00 |
| Miscellaneous | 850.05 | 425.03 | 1,275.08 | 55.00 | 605.00 |
| Contingency | - | 800.00 | 800.00 | 2,400.00 | - |
| Office Supplies | - | 66.67 | 66.67 | 200.00 | - |
| Web Site Maintenance | 1,100.00 | 400.00 | 1,500.00 | 50.00 | 2,400.00 |
| Dues, Licenses, and Fees | 175.00 | - | 175.00 | 175.00 | 175.00 |
| Total General & Administrative Expenses | \$ 11,757.34 | \$ 10,782.88 | \$ 22,540.22 | \$ 37,000.00 | \$ 37,000.00 |
| <u>Capital Projects Fund</u> | | | | | |
| District Counsel | \$ - | \$ 333.33 | \$ 333.33 | \$ 1,000.00 | \$ 1,000.00 |
| Contingency | - | 166.67 | 166.67 | 500.00 | 500.00 |
| Total Capital Projects Expenses | \$ - | \$ 500.00 | \$ 500.00 | \$ 1,500.00 | \$ 1,500.00 |
| Total Expenses | \$ 11,757.34 | \$ 11,282.88 | \$ 23,040.22 | \$ 38,500.00 | \$ 38,500.00 |
| Income (Loss) from Operations | \$ (1,415.83) | \$ 1,415.50 | \$ (0.33) | \$ - | \$ - |
| <u>Other Income (Expense)</u> | | | | | |
| Interest Income | \$ 0.22 | \$ 0.11 | \$ 0.33 | \$ - | \$ - |
| Total Other Income (Expense) | \$ 0.22 | \$ 0.11 | \$ 0.33 | \$ - | \$ - |
| Net Income (Loss) | \$ (1,415.61) | \$ 1,415.61 | \$ - | \$ - | \$ - |

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Fiscal Year 2020-2021 Funding Agreement

**SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT
FISCAL YEAR 2020/2021 FUNDING AGREEMENT**

This agreement (“**Agreement**”) is made and entered into this 25th day of June 2020, by and between:

Sunny Hills Units 12-15 Dependent District, a special dependent established pursuant to Chapter 189, *Florida Statutes*, and located in Washington County, Florida (hereinafter “**District**”), and

Spring Ridge Development, LLC, a Florida limited liability company, whose address of 6900 Tavistock Lakes Blvd., Suite 200, Orlando, Florida 32827 (hereinafter “**Developer**”).

RECITALS

WHEREAS, the District was established by Ordinance No. 2006-12 of the Board of County Commissioners of Washington County, Florida (hereinafter, the “**County**”), for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the District, pursuant to Chapter 189, *Florida Statutes*, and Washington County Ordinance No. 2006-12, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, Developer presently owns real property within the District, which property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is approving its proposed general fund budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021 Budget**”) and transmitting said budget to the County for final adoption; and

WHEREAS, the Fiscal Year 2020/2021 Budget, which both parties recognize may be amended from time to time by the County, is attached hereto and incorporated herein by reference as **Exhibit A**; and

WHEREAS, the District will need a funding mechanism to enable it to proceed with its operations and services during Fiscal Year 2020/2021 as described in Exhibit A; and

WHEREAS, the Developer desires to provide such funds as are necessary to allow the District to proceed with its operations for Fiscal Year 2020/2021 as described in Exhibit A, and as may be amended from time to time by the County; and

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Developer agrees to make available to the District the monies necessary for the operation of the District as called for in the budget attached hereto as Exhibit A (as finalized and amended from time to time), within thirty (30) days of written request by the District. The funds shall be deposited in the District's general checking account. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District.

2. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

3. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

4. This Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other, which consent shall not be unreasonably withheld.

5. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement through the imposition and enforcement of a contractual or other lien on property owned by the Developer.

6. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

7. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

8. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

9. This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

10. The Agreement shall take effect as of October 1, 2020.

IN WITNESS WHEREOF, the parties execute this Agreement the day and year first written above.

Attest:

Sunny Hills Units 12-15 Dependent District

Secretary/Assistant Secretary

By: _____
Its: _____

Spring Ridge Development, LLC, a Florida limited liability company

Witness

By: _____
Its: _____

EXHIBIT A: Fiscal Year 2020/2021 Budget

EXHIBIT A

Sunny Hills Unit 12-15 Depen. District
FY 2021 O&M Adopted Budget

| | FY 2021 Proposed Budget |
|---|--|
| <u>Revenues</u> | |
| Developer Contributions | \$ 38,500.00 |
| Net Revenues | \$ 38,500.00 |
| <u>General & Administrative Expenses</u> | |
| Supervisor Fees | \$ 400.00 |
| Public Officials' Liability Insurance | 3,295.00 |
| Management | 10,000.00 |
| Engineering | 2,000.00 |
| District Counsel | 10,000.00 |
| Audit | 4,750.00 |
| Travel and Per Diem | 2,000.00 |
| Telephone | 25.00 |
| Postage & Shipping | 50.00 |
| Copies | 50.00 |
| Legal Advertising | 1,250.00 |
| Miscellaneous | 605.00 |
| Contingency | - |
| Office Supplies | - |
| Web Site Maintenance | 2,400.00 |
| Dues, Licenses, and Fees | 175.00 |
| Total General & Administrative Expenses | \$ 37,000.00 |
| <u>Capital Projects Fund</u> | |
| District Counsel | \$ 1,000.00 |
| Contingency | 500.00 |
| Total Capital Projects Expenses | \$ 1,500.00 |
| Total Expenses | \$ 38,500.00 |
| Income (Loss) from Operations | \$ - |
| <u>Other Income (Expense)</u> | |
| Interest Income | \$ - |
| Total Other Income (Expense) | \$ - |
| Net Income (Loss) | \$ - |

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Fiscal Year 2019 Audit Engagement Letter



Carr, Riggs & Ingram, LLC
Certified Public Accountants
500 Grand Boulevard
Suite 210
Miramar Beach, Florida 32550

September 20, 2019

Sunny Hills Units 12-15 Dependent District
c/o Fishkind & Associates
12051 Corporate Blvd.
Orlando, FL 32817

(850) 837-3141
(850) 654-4619 (fax)
CRLcpa.com

We are pleased to confirm our understanding of the services we are to provide Sunny Hills Units 12-15 Dependent District for the year ended September 30, 2019. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Sunny Hills Units 12-15 Dependent District as of and for the year ended September 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Sunny Hills Units 12-15 Dependent District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Sunny Hills Units 12-15 Dependent District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Sunny Hills Units 12-15 Dependent District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Sunny Hills Units 12-15 Dependent District's financial statements. Our report will be addressed to the Board of Supervisors of Sunny Hills Units 12-15 Dependent District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Sunny Hills Units 12-15 Dependent District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sunny Hills Units 12-15 Dependent District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Sunny Hills Units 12-15 Dependent District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

We will also examine the District's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, as of September 30, 2019. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion. Our report will be addressed to the Board of Supervisors of the District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Management Responsibilities

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material

misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's

views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Carr, Riggs & Ingram, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Florida Auditor General or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CRI personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Public Records. Auditor shall, pursuant to and in accordance with Section 119.0701, Florida Statutes, comply with the public records laws of the State of Florida, and specifically shall:

- a. Keep and maintain public records required by the District to perform the services or work set forth in this Agreement; and
- b. Upon the request of the District's custodian of public records, provide the District with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law; and
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the Agreement if the Auditor does not transfer the records to the District; and
- d. Upon completion of the Agreement, transfer, at no cost to the District, all public records in possession of the Auditor or keep and maintain public records required by the District to perform the service or work provided for in this Agreement. If the Auditor transfers all public

records to the District upon completion of the Agreement, the Auditor shall destroy (except as required by regulation or professional standard to maintain such records) any duplicate public records that are exempt or confidential and exempt from public disclosure requirements. If the Auditor keeps and maintains public records upon completion of the Agreement, the Auditor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the District, upon request from the District's custodian of public records, in a format that is compatible with the information technology systems of the District.

Auditor acknowledges that any requests to inspect or copy public records relating to this Agreement must be made directly to the District pursuant to Section 119.0701(3), Florida Statutes. If notified by the District of a public records request for records not in the possession of the District but in possession of the Auditor, the Auditor shall provide such records to the District or allow the records to be inspected or copied within a reasonable time. Auditor acknowledges that should Auditor fail to provide the public records to the District within a reasonable time, Auditor may be subject to penalties pursuant to Section 119.10, Florida Statutes.

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT/CONTRACT, THE AUDITOR MAY CONTACT THE CUSTODIAN OF PUBLIC RECORDS FOR THE DISTRICT AT:

**PFM Group Consulting, LLC
12051 Corporate Blvd.
Orlando, FL 32817
TELEPHONE: (407) 723-5900
EMAIL: mullinsl@pfm.com**

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Florida Auditor General. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 1, 2020 and to issue our report no later than April 30, 2020. Alan Jowers is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be \$4,500. This agreement provides for a contract period of one (1) year with the option of four (4) one-year renewals upon the written agreement of the parties. The fees for the annual renewals will be according to the proposal. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. The District has 30 day termination without cause right, in addition to immediate termination with cause right. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Dispute Resolution

In the event of a dispute between the parties which arises out of or relates to this contract or engagement letter, the breach thereof or the services provided or to be provided hereunder, and, if the dispute cannot be settled through negotiation, the parties agree that before initiating arbitration, litigation or some other dispute resolution procedure, they will first to try in good faith to resolve the dispute through non-binding mediation. The mediation will be administered by the American Arbitration Association under its Dispute Resolution Rules for Professional Accounting and Related Services Disputes. The costs of any mediation proceedings shall be shared equally by all parties.

Limitation of Liability

Except as provided in this agreement, CRI shall not be liable for incidental, consequential, exemplary, special, punitive or ancillary damages of any kind alleged as a result of any cause of action from this agreement, whether arising out of breach of contract, tort or otherwise. Unless otherwise stated in this agreement, both CRI and you agree that the total cumulative liability of CRI (including its employees, directors, officers or agents), shall not exceed the amount of fees earned by CRI related to this engagement during the twelve months preceding the event giving rise to the claim, as such amount shall serve as a reasonable prospective estimate of any damages which you may suffer through any breach by CRI of the terms of this agreement, as such damages may be speculative or impossible to calculate. If there are unpaid fees owed to CRI, this cumulative liability will be reduced by the value of the unpaid fees with no additional interest or charges, as CRI retains the right to offset any sums claimed as due and owed by you, by any sums to which it is legally entitled. This limitation shall apply whether or not further damages are foreseeable, or whether either party (or its employees, agents, officers or directors) have been advised of the possibility of such damages.

Governing Law; Venue

This agreement and performance hereunder shall be governed by the laws of the State of Alabama, without reference to any conflict of laws rules or principles. Any action or proceeding arising from or relating to this agreement must be brought in a state or federal court having jurisdiction in Coffee County, Alabama, and each party irrevocably submits to the jurisdiction and venue of any such court in any such action or proceeding and agrees to waive any defenses to venue and jurisdiction including *forum non conveniens*.

Statute of Limitations

The parties agree that there shall be a one-year statute of limitation (from the delivery of the service or termination of the contract) for the filing of any requests for arbitration, lawsuit, or proceeding related to this agreement. If such a claim is filed more than one year, or the minimum durational period having been determined as permissible by applicable statutory law or by a court of competent jurisdiction, subsequent to the delivery of the service or termination of the contract, whichever occurs first in time, then it shall be precluded by this provision, regardless of whether or not the claim has accrued at that time.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to your company, we may send data over the Internet, securely store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to your company may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as, but not limited to, providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use

reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors. You consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

To enhance our services to you, we will use a combination of remote access, secure file transfer, virtual private network or other collaborative, virtual workspace or other online tools or environments. Access through any combination of these tools allows for on-demand and/or real-time collaboration across geographic boundaries and time zones and allows CRI and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use certain of these tools and in addition to execution of this acknowledgement and engagement letter, you may be required to execute a separate client acknowledgement or agreement and agree to be bound by the terms, conditions and limitations of such agreement. You agree that CRI has no responsibility for the activities of its third-party vendors supplying these tools and agree to indemnify and hold CRI harmless with respect to any and all claims arising from or related to the operation of these tools. While we may back up your files to facilitate our services, you are solely responsible for the backup of your files and records; therefore, we recommend that you also maintain your own backup files of these records.

We appreciate the opportunity to be of service to Sunny Hills Units 12-15 Dependent District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of Sunny Hills Units 12-15 Dependent District.

Management signature: _____

Title: _____

Governance signature: _____

Title: _____

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

Fiscal Year 2019 Audit Draft

**Sunny Hills Units 12-15
Dependent District**

FINANCIAL STATEMENTS

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

**Sunny Hills Units 12-15 Dependent District
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September 30, 2019**

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Carr, Riggs & Ingram, LLC
Certified Public Accountants
500 Grand Boulevard
Suite 210
Miramar Beach, Florida 32550

(850) 837-3141
(850) 654-4619 (fax)
CRlcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Sunny Hills Units 12-15 Dependent District
Washington County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Sunny Hills Units 12-15 Dependent District (hereinafter referred to as "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June xx, 2020, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
June xx, 2020



Management's Discussion And Analysis

Sunny Hills Units 12-15 Dependent District Management's Discussion and Analysis

Our discussion and analysis of the Sunny Hills Units 12-15 Dependent District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the District's financial statements, which begin on page 7.

FINANCIAL HIGHLIGHTS

- At September 30, 2019, the assets of the District exceed its liabilities by approximately \$1.8 million.
- As of September 30, 2019, the District has temporarily stopped its infrastructure construction project. Its activities were minimal and were largely administrative in nature.

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 7 – 8 provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 9. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a Whole

Our analysis of the District as a whole begins on page 4. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and related changes during the current year. You can think of the Districts' net position – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors; however, such as changes in the District's assessment base and the condition of the District's infrastructure, to assess the overall health of the District.

Sunny Hills Units 12-15 Dependent District Management’s Discussion and Analysis

Reporting the District’s Most Significant Funds

Our analysis of the District’s major funds begins on page 5. The fund financial statements begin on page 9 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. All of the District’s funds are governmental fund-types.

- *Governmental funds* – All of the District’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs.

THE DISTRICT AS A WHOLE

The following table reflects the condensed Statement of Net Position and is compared to the prior year.

| <i>September 30,</i> | 2019 | 2018 | Change |
|--|---------------------|---------------------|-----------------|
| Assets | | | |
| Current and other assets | \$ 5,087 | \$ 4,052 | \$ 1,035 |
| Capital assets | 1,770,313 | 1,770,313 | - |
| Total assets | \$ 1,775,400 | \$ 1,774,365 | \$ 1,035 |
| Liabilities | | | |
| Current liabilities | \$ 3,992 | \$ 774 | \$ 3,218 |
| Total liabilities | 3,992 | 774 | 3,218 |
| Deferred inflows of resources | | | |
| Deferred revenue | 3 | 2,995 | (2,992) |
| Total liabilities | 3 | 2,995 | (2,992) |
| Net position | | | |
| Net investment in capital assets | 1,770,313 | 1,770,313 | - |
| Unrestricted | 1,092 | 283 | 809 |
| Total net position | 1,771,405 | 1,770,596 | 809 |
| Total liabilities, deferred inflows of resources and net position | \$ 1,775,400 | \$ 1,774,365 | \$ 1,035 |

For more detailed information, see the accompanying Statement of Net Position.

Sunny Hills Units 12-15 Dependent District Management's Discussion and Analysis

During the fiscal year ended September 30, 2019, total assets and liabilities increased over the prior year by approximately \$1,000 and \$3,200, respectively, while deferred inflows of resources decreased by approximately \$3,000. The variances in assets, liabilities, and deferred revenue are primarily due to timing of developer contributions and vendor payments.

The following schedule compares the Statement of Activities for the current and previous fiscal year.

| <i>For the year ended September 30,</i> | 2019 | 2018 | Change |
|---|--------------|--------------|---------------|
| Revenues: | | | |
| Program revenues: | | | |
| Grants and contributions | \$ 26,057 | \$ 21,108 | \$ 4,949 |
| Total revenues | 26,057 | 21,108 | 4,949 |
| Expenses: | | | |
| General government | 25,248 | 21,107 | 4,141 |
| Total expenses | 25,248 | 21,107 | 4,141 |
| Change in net position | 809 | 1 | 808 |
| Net position, beginning of year | 1,770,596 | 1,770,595 | 1 |
| Net position, end of year | \$ 1,771,405 | \$ 1,770,596 | \$ 809 |

For more detailed information, see the accompanying Statement of Activities.

Program revenues and expenses both increased approximately \$5,000 and \$4,000, respectively over the prior year. The increase in both program revenues and expenses are primarily due to timing in developer contributions and vendor invoices. The overall result was a \$809 increase in net position for fiscal year 2019.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 9) reported a combined fund balance of \$1,092, which is an increase over last year's fund balance that totaled \$283. Significant transactions are discussed below.

- During the fiscal year ended September 30, 2019, the Developer contributed approximately \$26,100 to fund the operations of the District.

Sunny Hills Units 12-15 Dependent District Management's Discussion and Analysis

GOVERNMENTAL FUNDS BUDGETARY HIGHLIGHTS

An operating budget was established by the District's governing board and approved by the Washington County, Florida Board of County Commissioners pursuant to the requirements of the Florida Statutes and Washington County Ordinance 2006-12. The budget to actual comparison for the General Fund, including the original budget and final adopted budget, is shown at page 18.

The District experienced an unfavorable variance in revenues and a favorable variance in expenditures as compared to the budget in the amount of approximately \$12,400 and \$13,300, respectively. The variance in expenditures occurred primarily due to the District anticipating operating expenditures for district counsel, travel and per diem, and website maintenance that were not incurred during the year. The variance in revenue is a result of the lower expenditure level.

CAPITAL ASSETS

At September 30, 2019, the District had approximately \$1.8 million invested in capital assets. This amount did not change from the prior year.

A listing of capital assets by major category for the current and prior year follows:

| <u>September 30,</u> | <u>2019</u> | <u>2018</u> | <u>Change</u> |
|---|--------------|--------------|---------------|
| Infrastructure under construction | \$ 1,770,313 | \$ 1,770,313 | \$ - |
| Total capital assets, not being depreciated | \$ 1,770,313 | \$ 1,770,313 | \$ - |

More information about the District's capital assets is presented in Note 3 to the financial statements.

FUTURE FINANCIAL FACTORS

Sunny Hills Units 12-15 Dependent District is a dependent special district that operates under the provisions of Chapter 189, Florida Statutes. The District operates under an elected Board of Supervisors, which has the authority to establish policy and impose special assessments. For the fiscal year 2020, the Developer has agreed to fund the operations of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. If you have questions about this report or need additional financial information, contact the Sunny Hills Units 12-15 Dependent District's management company at 12051 Corporate Blvd., Orlando, Florida 32817.



Basic Financial Statements

**Sunny Hills Units 12-15 Dependent District
Statement of Net Position**

| <i>September 30,</i> | 2019 |
|--------------------------------------|------------------------------------|
| | Governmental Activities |
| Assets | |
| Cash and cash equivalents | \$ 283 |
| Due from developer | 4,804 |
| Capital assets: | |
| Not being depreciated | 1,770,313 |
| Total assets | 1,775,400 |
| Liabilities | |
| Accounts payable | 3,992 |
| Total liabilities | 3,992 |
| Deferred inflows of resources | |
| Deferred revenue | 3 |
| Total deferred inflows of resources | 3 |
| Net position | |
| Net investment in capital assets | 1,770,313 |
| Unrestricted | 1,092 |
| Total net position | \$ 1,771,405 |

The accompanying notes are an integral part of these financial statements.

**Sunny Hills Units 12-15 Dependent District
Statement of Activities**

For the year ended September 30,

2019

| Functions/Programs | Expenses | <u>Program Revenues</u> | <u>Operating Grants and Contributions</u> | <u>Net (Expense) Revenue and Changes in Net Position</u> |
|--------------------------------------|-------------|-------------------------|---|--|
| | | | Governmental Activities | |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ (25,248) | \$ 26,057 | \$ 809 | 809 |
| Total governmental activities | \$ (25,248) | \$ 26,057 | | 809 |
| Change in net position | | | | 809 |
| Net position - beginning of the year | | | | 1,770,596 |
| Net position - end of the year | | | | \$ 1,771,405 |

The accompanying notes are an integral part of these financial statements.

**Sunny Hills Units 12-15 Dependent District
Balance Sheet – Governmental Funds**

| <i>September 30,</i> | 2019 |
|--|---------------------|
| | General Fund |
| Assets | |
| Cash and cash equivalents | \$ 283 |
| Due from developer | 4,804 |
| Total assets | \$ 5,087 |
| Liabilities and fund balance | |
| Liabilities | |
| Accounts payable | \$ 3,992 |
| Total liabilities | 3,992 |
| Deferred inflows of resources | |
| Deferred revenue | 3 |
| Total deferred inflows of resources | 3 |
| Fund balance | |
| Unassigned | 1,092 |
| Total fund balance | 1,092 |
| Total liabilities and fund balance | \$ 5,087 |

The accompanying notes are an integral part of these financial statements.

**Sunny Hills Units 12-15 Dependent District
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
Net Position**

| <i>September 30,</i> | 2019 |
|---|--------------|
| Total fund balance, governmental funds | \$ 1,092 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund level statements. | 1,770,313 |
| Total net position - governmental activities | \$ 1,771,405 |

The accompanying notes are an integral part of these financial statements.

**Sunny Hills Units 12-15 Dependent District
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds**

For the year ended September 30,

2019

| | General Fund |
|-----------------------------------|---------------------|
| Revenues | |
| Developer contributions | \$ 26,057 |
| Total revenues | 26,057 |
| Expenditures | |
| Current: | |
| General government | 25,248 |
| Total expenditures | 25,248 |
| Excess revenues over expenditures | 809 |
| Fund balance, beginning of year | 283 |
| Fund balance, end of year | \$ 1,092 |

The accompanying notes are an integral part of these financial statements.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 1: NATURE OF ORGANIZATION

The Sunny Hills Units 12-15 Dependent District (the “District”) was established on August 14, 2006 pursuant to Chapter 189, Florida Statutes, by Washington County Ordinance 2006-12. The Act provides, among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and the power to levy ad valorem taxes and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District. The District is required to have their budget approved by Washington County, Florida on an annual basis. For the fiscal year ended September 30, 2019, the District did not engage in construction activities and its expenditures were largely administrative in nature.

The District is governed by a Board of Supervisors (“Board”), which is comprised of three members. The Supervisors are elected on an at large basis by the owners of the property within the District. The majority of the Board of Supervisors are currently affiliated with the Developer, Spring Ridge Development, LLC or its affiliates. The District is economically dependent on the Developer. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 189, Florida Statutes.

The Board has the final responsibility for:

1. Allocating and levying special assessments.
2. Exercising control over facilities and properties.
3. Controlling the use of funds generated by the District.
4. Approving the hiring and firing of key personnel.
5. Financing improvements.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth by Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB). Based on the criteria identified therein, no potential component units were found.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to GAAP as applicable to governments in accordance with those promulgated by GASB. The following is a summary of the more significant policies:

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2019, the District did not have any significant business-type activities. Therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use, or directly benefit from goods or services) are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and other similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Developer contributions and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the year ended September 30, 2019, the District does not report any proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use committed resources first, followed by assigned resources, and then unassigned resources as needed.

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities in accordance with collateral requirements determined by the State's Chief Financial Officer. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by GASB Statement Number 40, *Deposits and Investment Disclosures (An Amendment of GASB Statement Number 3)*.

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes. The authorized investments include among others, direct obligations of the United States Treasury; the Local Government Surplus Funds Trust as created by Section 218.405, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and interest-bearing time deposits or savings accounts in authorized financial institutions.

Capital Assets

Capital assets, which include primarily infrastructure assets (e.g. roads, sidewalks, water management systems and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial/individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value at the date of donation.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment of the primary government will be depreciated using the straight-line method upon completion and being placed into service.

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet – governmental funds will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any of this type of item at September 30, 2019.

In addition to liabilities, the statement of net position and/or balance sheet – governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At September 30, 2019, the District has \$3 of deferred inflows of resources relating to Developer contributions received in advance of when they will be recognized as revenue.

Fund Equity

Net position in the government-wide financial statements is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net assets related to infrastructure and property, plant and equipment. Restricted net position represents the net position restricted by outside parties. At September 30, 2019, the District did not have restricted net position.

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District board through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the District board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budgets

The District is required to establish a budgetary system and an annual budget, which is submitted for approval to the Washington County, Florida Board of County Commissioners. Annual budgets are legally adopted on a basis consistent with GAAP for the General Fund. Any revision to the budget must also be approved by the County. The budgets are compared to actual expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorization amounts.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. On or before each July 15, the District shall prepare a proposed budget for the ensuing fiscal year.
- B. No later than each August 1, the proposed budget shall be delivered to the County Manager.
- C. The budget for the District shall be approved and adopted by the Board of County Commissioners no later than September 30.
- D. All significant budget changes must be approved by the Board of County Commissioners.
- E. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3: CAPITAL ASSETS

The following is a summary of changes in the capital assets for the year ended September 30, 2019:

| | Beginning Balance | Additions | Disposals and Conveyances | Ending Balance |
|---|----------------------|-----------|------------------------------|-------------------|
| Governmental Activities: | | | | |
| <i>Capital assets not being depreciated</i> | | | | |
| Land | \$ 1,770,313 | \$ - | \$ - | \$ 1,770,313 |
| Total capital assets, not being depreciated | 1,770,313 | - | - | 1,770,313 |
| Governmental activities capital assets, net | \$ 1,770,313 | \$ - | \$ - | \$ 1,770,313 |

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 3: CAPITAL ASSETS (Continued)

The total project costs of the infrastructure improvements for the District have been estimated at \$96.5 million. The Developer has agreed to fund the ongoing construction of the District. See Note 4 – Related Party Transactions. The infrastructure will include roadways, utilities, potable water and stormwater management systems, and land improvements. Upon completion, certain improvements are to be maintained and operated by Washington County.

Because of current economic conditions, the District is not currently pursuing the implementation of the capital improvement program, and development activities are on hold. The District believes any erosion or loss of value related to the infrastructure under construction is temporary in nature until the development stoppage is ended; thus, no permanent impairment charge has been recorded.

NOTE 4: RELATED PARTY TRANSACTIONS

A significant portion of the District's activity is dependent upon the continued involvement of the Developer, Spring Ridge Development, LLC, the loss of which could have a materially adverse effect on the District's operations. At September 30, 2019, the Developer owned a majority of the assessable property located within the District's boundaries.

The Developer has agreed to fund the General Fund operations of the District. In connection with that agreement, Developer contributions to the General Fund for the year ended September 30, 2019 totaled \$26,057. A total of \$4,804 is recorded as Due from developer on the accompanying Statement of Net Position and Balance Sheet – Governmental Funds.

NOTE 5: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Coverage may not extend to all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in the previous three years, as there have been no claims.

NOTE 6: MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

Sunny Hills Units 12-15 Dependent District Notes to the Financial Statements

NOTE 7: SUBSEQUENT EVENT

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the District. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



**Required Supplemental Information
(Other Than MD&A)**

**Sunny Hills Units 12-15 Dependent District
Budget to Actual Comparison Schedule – General Fund**

For the year ended September 30,

2019

| | Original and Final Budget | Actual Amounts | Variance with Final Budget |
|--------------------------------------|--------------------------------------|-----------------------|---------------------------------------|
| Revenues | | | |
| Developer contributions | \$ 38,500 | \$ 26,057 | \$ (12,443) |
| Total revenues | 38,500 | 26,057 | (12,443) |
| Expenditures | | | |
| General government | 38,500 | 25,248 | 13,252 |
| Total expenditures | 38,500 | 25,248 | 13,252 |
| Excess of revenues over expenditures | \$ - | \$ 809 | \$ 809 |



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Supervisors
Sunny Hills Units 12-15 Dependent District
Washington County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Sunny Hills Units 12-15 Dependent District (hereinafter referred to as the "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report dated June xx, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
June xx, 2020



Carr, Riggs & Ingram, LLC
Certified Public Accountants
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MANAGEMENT LETTER

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To the Board of Supervisors
Sunny Hills Units 12-15 Dependent District
Washington County, Florida

Report on the Financial Statements

We have audited the financial statements of Sunny Hills Units 12-15 Dependent District ("District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June xx, 2020.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in these reports, which are dated June xx, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information required is disclosed in the notes to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.d, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida

June xx, 2020



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INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Supervisors
Sunny Hills Units 12-15 Dependent District
Washington County, Florida

We have examined Sunny Hills Units 12-15 Dependent District's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
June xx, 2020

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Funding Request
2019-09 – 2019-16 and 17-35**

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT
12051 CORPORATE BOULEVARD, ORLANDO, FL 32817
(407) 723-5900

| Date | Funding Request | Amount |
|-------------|------------------------|---------------------|
| 6/14/2019 | FY 2019-09 | \$ 908.33 |
| 7/22/2019 | FY 2019-10 | 1,338.98 |
| 7/30/2019 | FY 2019-11 | 921.20 |
| 8/13/2019 | FY 2019-12 | 771.59 |
| 8/27/2019 | FY 2019-13 | 909.33 |
| 9/10/2019 | FY 2019-14 | 3,070.00 |
| 9/24/2019 | FY 2019-15 | 1,057.73 |
| 9/30/2019 | FY 2019-16 | 908.33 |
| 10/7/2019 | FR 17 | 156.00 |
| 10/15/2019 | FR 18 | 175.00 |
| 11/5/2019 | FR 19 | 1,891.33 |
| 11/12/2019 | FR 20 | 306.00 |
| 12/6/2019 | FR 21 | 933.33 |
| 1/3/2020 | FR 22 | 409.55 |
| 1/10/2020 | FR 23 | 933.33 |
| 1/24/2020 | FR 24 | 1,745.83 |
| 2/14/2020 | FR 25 | 119.00 |
| 2/21/2020 | FR 26 | 933.33 |
| 2/28/2020 | FR 27 | 5.65 |
| 3/13/2020 | FR 28 | 933.33 |
| 3/27/2020 | FR 29 | 334.50 |
| 4/3/2020 | FR 30 | 1,500.00 |
| 4/10/2020 | FR 31 | 146.00 |
| 4/24/2020 | FR 32 | 933.33 |
| 5/15/2020 | FR 33 | 1,381.83 |
| 5/22/2020 | FR 34 | 3.50 |
| 6/5/2020 | FR 35 | 1,000.00 |
| | Grand Total | \$ 23,726.33 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-9

6/14/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|----------------------------------|-----------------------|---------------------|
| 1 | PFM Group Consulting, LLC | | |
| | DM Fees - 2019.6 | DM-06-2019-0059 | \$ 833.33 |
| | Remibursable - 2019.6 | DM-06-2019-0060 | \$ 75.00 |
| TOTAL | | | \$ 908.33 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-10

7/22/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|---|-----------------------|---------------------|
| 1 | Gatehouse Media Northwest Florida Legal Advertisement | 34857552 | \$ 118.00 |
| 2 | Hopping Green & Sams District Counsel Through 5/31/19 | 108389 | \$ 298.00 |
| 3 | Jim Town Board of Supervisors Meeting 6/25/19 | - | \$ 200.00 |
| 4 | Kaufmann Development Services, LLC Larry Kaufmann Travel to Board Meeting | 62 | \$ 722.98 |
| TOTAL | | | \$ 1,338.98 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-11

7/30/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|--|------------------------------------|-----------------------|
| 1 | Fishkind & Associate, Inc Conference Calls June 2019 | 24551 | \$ 12.87 |
| 2 | PFM Group consulting, LLC District Managmeent Fee July 2019 Website Fee July 2019 | DM-07-2019-0063 DM-07-2019-0064 | \$ 833.33 \$ 75.00 |
| TOTAL | | | \$ 921.20 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-12

8/13/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|----------------------------------|-----------------------|---------------------|
| 1 | Hopping Green & Sams | | |
| | District Counsel Through 6/30/19 | 109112 | \$ 752.00 |
| 2 | PFM Group consulting, LLC | | |
| | April 2019 Fedex | OE-EXP-00056 | \$ 16.79 |
| | April 2019 Postage | OE-EXP-00055 | \$ 0.50 |
| | June 2019 Postage | OE-EXP-00260 | \$ 2.30 |
| TOTAL | | | \$ 771.59 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-13

8/27/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|-------------------------------------|-----------------------|---------------------|
| 1 | PFM Group consulting, LLC | | |
| | August 2019 District Management Fee | DM-08-2019-0060 | \$ 833.33 |
| | August 2019 Website Fee | DM-08-2019-0061 | \$ 75.00 |
| | July 2019 Postage | OE-EXP-00314 | \$ 1.00 |
| TOTAL | | | \$ 909.33 |

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-14

9/10/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|---|-----------------------|---------------------|
| 1 | EGIS Insurance Advisors POL & EPLI FY20 renewal | 9376 | \$ 3,070.00 |
| 2 | GateHouse Media Finance Charges | 11060251 | \$ 2.50 |
| 3 | Hopping Green & Sams District Counsel Through 7/31/19 | 109700 | \$ 310.00 |
| 4 | PFM Group Consulting, LLC ADA Website Compliance Fee | OE-EXP-00363 | \$ 500.00 |
| TOTAL | | | \$ 3,070.00 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-15

9/24/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|---|-----------------------|---------------------|
| 1 | PFM Group Consulting, LLC Mar-July 2019 travel expenses | 105933 | \$ 1,057.73 |
| TOTAL | | | \$ 1,057.73 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request FY19-16

9/30/2019

| Item No. | Payee | Invoice Number | General Fund |
|-----------------|--|-----------------------|---------------------|
| 1 | PFM Group Consulting, LLC | | |
| | September 2019 District Management Fee | DM-09-2019-0060 | \$ 833.33 |
| | September 2019 Website Fee | DM-09-2019-0061 | \$ 75.00 |
| TOTAL | | | \$ 908.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request 17

10/7/2019

| Item No. | Payee | Invoice Number | FY 19 |
|-----------------|---|-----------------------|------------------|
| 1 | Hopping Green & Sams, LLC Distric Counsel through 8/31/19 | 110308 | \$ 156.00 |
| | | TOTAL | \$ 156.00 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request 18

10/15/2019

| Item No. | Payee | Invoice Number | FY 19 | FY 20 |
|----------|--|----------------|------------------|-----------|
| 1 | Florida Department of Economic Opportunity FY 20 Annual Fee | 74349 | | \$ 175.00 |
| | | Subtotal | \$ - | \$ 175.00 |
| | | TOTAL | \$ 175.00 | |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 19

11/5/2019

| Item No. | Payee | Invoice Number | FY 19 | FY 20 |
|----------|--|-----------------|--------------------|-----------|
| 1 | GateHouse Media Finance Charges | 11060251 | \$ 2.50 | |
| 2 | Hopping Green & Sams District counsel through 7/31/19 | 109700 | \$ 310.00 | |
| | District counsel through 9/30/19 | 110778 | \$ 145.50 | |
| 3 | PFM Group Consulting, LLC October 2019 District Management Fee | DM-10-2019-0073 | | \$ 833.33 |
| | October 2019 Website Fee | DM-10-2019-0074 | | \$ 100.00 |
| | ADA Website Compliance Fee | OE-EXP-00363 | \$ 500.00 | |
| | | Subtotal | \$ 958.00 | \$ 933.33 |
| | | TOTAL | \$ 1,891.33 | |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5901

Funding Request 20

11/12/2019

| Item No. | Payee | Invoice Number | FY 19 | FY 20 |
|----------|--|----------------|------------------|-----------|
| 1 | GateHouse Media Legal Ad run date 10/30/19 | 34862719 | | \$ 303.50 |
| 2 | PFM Group Consulting, LLC September 2019 Postage | OE-EXP-00445 | \$2.50 | |
| | | Subtotal | \$ 2.50 | \$ 303.50 |
| | | TOTAL | \$ 306.00 | |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 21

12/6/2019

| Item No. | Payee | Invoice Number | Amount |
|--------------|-----------------------------|-----------------|------------------|
| 1 | PFM Group Consulting | | |
| | DM Fee: November 2019 | DM-11-2019-0065 | \$ 833.33 |
| | Website Fee: November 2019 | DM-11-2019-0066 | \$ 100.00 |
| TOTAL | | | \$ 933.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 22

1/3/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|---|----------------|------------------|
| 1 | GateHouse Media Finance Charge (Legal Ad Run Date 10/30/19) | 5306902-1219 | \$ 4.55 |
| 2 | Hopping Green & Sams District Counsel through 11/30/19 | 111899 | \$ 402.50 |
| 3 | PFM Group Consulting October 2019 Postage | OE-EXP-00496 | \$ 2.50 |
| TOTAL | | | \$ 409.55 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 23

1/10/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|-----------------------------|-----------------------|------------------|
| 1 | PFM Group Consulting | | |
| | DM Fee: December 2019 | DM-12-2019-0064 | \$ 833.33 |
| | Website Fee: December 2019 | DM-12-2019-0065 | \$ 100.00 |
| TOTAL | | | \$ 933.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 24

1/24/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|--|------------------------------------|------------------------|
| 1 | Fishkind & Associates Overdraft Repayment | 24638 | \$ 812.50 |
| 2 | PFM Group Consulting DM Fee: January 2020 Website Fee: January 2020 | DM-01-2020-0064 DM-01-2020-0065 | \$ 833.33 \$ 100.00 |
| TOTAL | | | \$ 1,745.83 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 25

2/14/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|---|-----------------------|------------------|
| 1 | Hopping Green & Sams General Counsel Through 12/31/2019 | 112677 | \$ 119.00 |
| | | TOTAL | \$ 119.00 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 26

2/21/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|-----------------------------|-----------------|------------------|
| 1 | PFM Group Consulting | | |
| | DM Fee: February 2020 | DM-02-2020-0064 | \$ 833.33 |
| | Website Fee: February 2020 | DM-02-2020-0065 | \$ 100.00 |
| TOTAL | | | \$ 933.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 27

2/28/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|--|----------------|----------------|
| 1 | PFM Group Consulting January Reimbursables | OE-EXP-00697 | \$ 5.65 |
| TOTAL | | | \$ 5.65 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 28

3/13/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|-----------------------------|-----------------|------------------|
| 1 | PFM Group Consulting | | |
| | DM Fee: March 2020 | DM-03-2020-0064 | \$ 833.33 |
| | Website Fee: March 2020 | DM-03-2020-0065 | \$ 100.00 |
| TOTAL | | | \$ 933.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 29

3/27/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|---|-----------------------|------------------|
| 1 | Hopping Green & Sams General Counsel Through 02/29/2020 | 113748 | \$ 334.50 |
| | | TOTAL | \$ 334.50 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 30

4/3/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|---|-----------------------|--------------------|
| 1 | Carr Riggs & Ingram FY 2019 Audit | 16862614 | \$ 1,500.00 |
| | | TOTAL | \$ 1,500.00 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 31

4/10/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|---|-----------------------|------------------|
| 1 | Gatehouse Media Legal Advertising on 03/11/2020 | 5306902-0320 | \$ 146.00 |
| TOTAL | | | \$ 146.00 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 32

4/24/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|-----------------------------|-----------------|------------------|
| 1 | PFM Group Consulting | | |
| | DM Fee: April 2020 | DM-04-2020-0064 | \$ 833.33 |
| | Website Fee: April 2020 | DM-04-2020-0065 | \$ 100.00 |
| TOTAL | | | \$ 933.33 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 33

5/15/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|---|------------------------------------|------------------------|
| 1 | Hopping Green & Sams District Counsel | 114472 | \$ 148.50 |
| 2 | PFM Group Consulting, LLC DM Fees: May 2020 Website Fees: May 2020 | DM-05-2020-0064 DM-05-2020-0065 | \$ 833.33 \$ 100.00 |
| 3 | VGlobalTech Quarterly ADA & WCAG Audits | 1595 | \$ 300.00 |
| TOTAL | | | \$ 1,381.83 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 34

5/22/2020

| Item No. | Payee | Invoice Number | Amount |
|--------------|----------------------------------|----------------|----------------|
| 1 | PFM Group Consulting, LLC | | |
| | March Postage | OE-EXP-00802 | \$ 1.00 |
| | April Postage | OE-EXP-00863 | \$ 2.50 |
| TOTAL | | | \$ 3.50 |

Secretary/Assistant Secretary

Chairperson

SUNNY HILLS UNITS 12-15 DEPENDENT DISTRICT

12051 Corporate Boulevard, Orlando, FL 32817

(407) 723-5900

Funding Request 35

6/5/2020

| Item No. | Payee | Invoice Number | Amount |
|-----------------|---|-----------------------|--------------------|
| 1 | Carr Riggs & Ingram Audit FY 2019 | 16919069 | \$ 1,000.00 |
| TOTAL | | | \$ 1,000.00 |

Secretary/Assistant Secretary

Chairperson

**SUNNY HILLS UNITS 12-15
DEPENDENT DISTRICT**

**Statements of the
District's Financial Position**

Sunny Hills Unit 12-15 Depen. District
Statement of Financial Position
As of 5/31/2020

General

Assets

Current Assets

| | |
|--|-------------|
| General Checking Account | \$ 1,063.01 |
| Accounts Receivable - Due from Developer | 572.83 |
| Total Current Assets | \$ 1,635.84 |

Total Assets

\$ 1,635.84

Liabilities and Net Assets

Current Liabilities

| | |
|---------------------------|-------------|
| Accounts Payable | \$ 1,385.33 |
| Deferred Revenue | 572.83 |
| Total Current Liabilities | \$ 1,958.16 |

Total Liabilities

\$ 1,958.16

Net Assets

| | |
|--|---------------|
| Net Assets, Unrestricted | \$ (4,537.99) |
| Net Assets - General Government | 5,631.28 |
| Current Year Net Assets - General Government | (1,415.61) |

Total Net Assets

\$ (322.32)

Total Liabilities and Net Assets

\$ 1,635.84

Sunny Hills Unit 12-15 Depen. District
Statement of Activities
As of 5/31/2020

| | General |
|--|----------------|
| <u>Revenues</u> | |
| Developer Contributions | \$10,341.51 |
| Total Revenues | \$10,341.51 |
| <u>Expenses</u> | |
| Management | \$6,666.64 |
| District Counsel | 1,004.50 |
| Audit | 1,500.00 |
| Postage & Shipping | 11.65 |
| Legal Advertising | 449.50 |
| Miscellaneous | 850.05 |
| Web Site Maintenance | 1,100.00 |
| Dues, Licenses, and Fees | 175.00 |
| Total Expenses | \$11,757.34 |
| <u>Other Revenues (Expenses) & Gains (Losses)</u> | |
| Interest Income | \$0.22 |
| Total Other Revenues (Expenses) & Gains (Losses) | \$0.22 |
| Change In Net Assets | (\$1,415.61) |
| Net Assets At Beginning Of Year | \$1,093.29 |
| Net Assets At End Of Year | (\$322.32) |

Sunny Hills Unit 12-15 Depen. District
 Budget to Actual
 For the Month Ending 5/31/2020

| | Year To Date | | | FY 2020 Adopted Budget |
|---|----------------------|---------------------|-----------------------|---------------------------|
| | Actual | Budget | Variance | |
| <u>Revenues</u> | | | | |
| Developer Contributions | \$ 10,341.51 | \$ 25,666.64 | \$ (15,325.13) | \$ 38,500.00 |
| Net Revenues | \$ 10,341.51 | \$ 25,666.64 | \$ (15,325.13) | \$ 38,500.00 |
| <u>General & Administrative Expenses</u> | | | | |
| Supervisor Fees | \$ - | \$ 266.64 | \$ (266.64) | \$ 400.00 |
| Public Officials' Liability Insurance | - | 2,196.64 | (2,196.64) | 3,295.00 |
| Management | 6,666.64 | 6,666.64 | - | 10,000.00 |
| Engineering | - | 1,333.36 | (1,333.36) | 2,000.00 |
| District Counsel | 1,004.50 | 6,666.64 | (5,662.14) | 10,000.00 |
| Audit | 1,500.00 | 3,166.64 | (1,666.64) | 4,750.00 |
| Travel and Per Diem | - | 1,333.36 | (1,333.36) | 2,000.00 |
| Telephone | - | 16.64 | (16.64) | 25.00 |
| Postage & Shipping | 11.65 | 33.36 | (21.71) | 50.00 |
| Copies | - | 66.64 | (66.64) | 100.00 |
| Legal Advertising | 449.50 | 1,000.00 | (550.50) | 1,500.00 |
| Miscellaneous | 850.05 | 36.64 | 813.41 | 55.00 |
| Contingency | - | 133.44 | (133.44) | 2,400.00 |
| Office Supplies | - | 33.36 | (33.36) | 200.00 |
| Web Site Maintenance | 1,100.00 | 1,600.00 | (500.00) | 50.00 |
| Dues, Licenses, and Fees | 175.00 | 116.64 | 58.36 | 175.00 |
| Total General & Administrative Expenses | \$ 11,757.34 | \$ 24,666.64 | \$ (12,909.30) | \$ 37,000.00 |
| <u>Capital Projects Expenses</u> | | | | |
| District Counsel | \$ - | \$ 666.64 | \$ (666.64) | \$ 1,000.00 |
| Contingency | - | 333.36 | (333.36) | 500.00 |
| Total Capital Project Expenses | \$ - | \$ 1,000.00 | \$ (1,000.00) | \$ 1,500.00 |
| Total Expenses | \$ 11,757.34 | \$ 25,666.64 | \$ (13,909.30) | \$ 38,500.00 |
| Income (Loss) from Operations | \$ (1,415.83) | \$ - | \$ (1,415.83) | \$ - |
| <u>Other Income (Expense)</u> | | | | |
| Interest Income | \$ 0.22 | \$ - | \$ 0.22 | \$ - |
| Total Other Income (Expense) | \$ 0.22 | \$ - | \$ 0.22 | \$ - |
| Net Income (Loss) | \$ (1,415.61) | \$ - | \$ (1,415.61) | \$ - |