

Grove Resort Community Development District

12051 Corporate Boulevard, Orlando, FL 32817; 407.723.5900
www.groveresortcdd.com

The following is the proposed agenda for the Board of Supervisors and Auditor Selection Committee meetings of the Grove Resort Community Development District (“District”), scheduled to be held **on Tuesday, July 28, 2020 at 10:00 a.m. via conference call due to the COVID-19 Executive Order 20-150 extending Executive Orders 20-52, 20-69, 20-112.** Attached to this Agenda is a copy of the Executive Order 20-150. **The attendance of three Board Members is required to constitute a quorum.**

To attend the meeting, please use the below conference call information:

Phone: **1-844-621-3956**
Access Code: **790 393 986 #**

PROPOSED BOARD OF SUPERVISORS’ MEETING AGENDA

Administrative Matters

1. Roll Call to Confirm Quorum
2. Public Comment Period [limited to items on the agenda]
3. **Consideration of Minutes of the May 26 and June 9, 2020 Board of Supervisors Meetings**
4. **Consideration of Resolution 2020-08, Setting a Regular Meeting Schedule for Fiscal Year 2020/2021**
5. **Establishment of an Auditor Selection Committee**

Business Matters

6. **Consideration of Resolution 2020-09, Resetting the Public Hearings on the Adoption of the FY21 Budget and the Imposition of Special Assessments**
7. **Receive Public Comments on the Adoption of the Fiscal Year 2020/2021 Budget**
8. **Receive public comments on Special Assessments to Fund the District’s Fiscal Year 2020/2021 Budget**
9. **Public Hearing on the Adoption of the Amended and Restated Rules of Procedure**
 - o Public Comments and Testimony
 - o Board Comments
 - o **Consideration of Resolution 2020-12, Adopting the Amended and Restated Rules of Procedure**
10. **Consideration of Public Facilities Report** *(provided under separate cover)*
11. **Consideration of First Addendum to Agreement for District Management Services** *(provided under separate cover)*
12. **Consideration of First Addendum to Agreement between the District and VGlobalTech for Website Services** *(provided under separate cover)*
13. **Review and Ratification of the Fiscal Year 2019 Audited Financial Statement**



14. Consideration of Funding Requests 21
15. Ratification of Payment Authorizations Nos. 88 - 97
16. Review of District's Financial Position

Other Business

17. Staff Reports
 - District Counsel
 - District Engineer
 - District Manager
 - Update on FY2019 Property Taxes
 - Upcoming Meeting – August 18, 2020
18. Supervisor Requests
19. Public Comment Period
20. Adjournment

PROPOSED AUDITOR SELECTION COMMITTEE MEETING AGENDA

- Roll Call to Confirm a Quorum
- A. Review and Approval of Audit Documents
 - Audit RFP Notice
 - Instructions to Proposers
 - Evaluation Criteria
- Adjournment

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

EXECUTIVE ORDER NUMBER 20-150

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

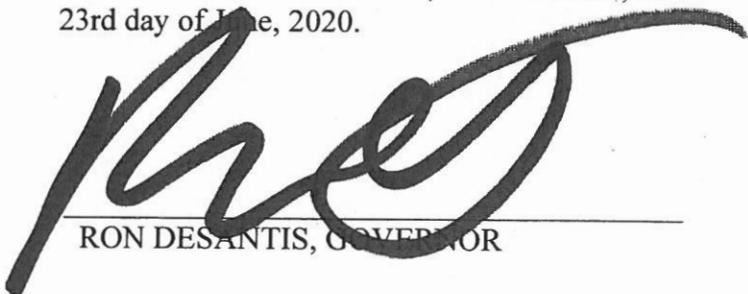
WHEREAS, Executive Order 20-69, as extended by Executive Order 20-112, Executive Order 20-123 and Executive Order 20-139, expires on June 30, 2020, unless extended.

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 extend Executive Order 20-69, as extended by Executive Orders 20-121, 20-123 and 20-139, until 12:01 a.m. on August 1, 2020.

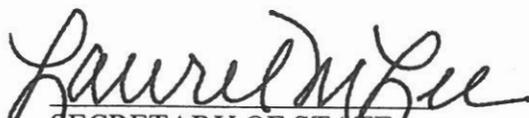


IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 23rd day of June, 2020.



RON DESANTIS, GOVERNOR

ATTEST:



SECRETARY OF STATE

DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA
2020 JUN 23 PM 5:54

FILED

**Grove Resort
Community Development District**

Consideration of Minutes

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

BOARD OF SUPERVISORS MEETING MINUTES

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The Board of Supervisors Special Meeting for the Grove Resort Community Development District was called to order on **Tuesday, May 26, 2020 at 10:00 a.m. via conference call due to the Executive Order 20-112 extending COVID-19 Executive Order 20-69.** Board Members listed below constituted a quorum:

Board Members in attendance via conference call:

Kevin Mays	Board Member
Michael Osborn	Board Member
Dave D'Ambrosio	Board Member

Also in attendance via conference call were:

Jane Gaarlandt	PFM Group Consulting, LLC
Christina Hanna	PFM Group Consulting, LLC
Amanda Lane	PFM Group Consulting, LLC
Mike Eckert	Hopping Green & Sams
Sarah Sandy	Hopping Green & Sams
Mark Wilson	Kimley-Horn
Marco Manzie	Paramount Hospitality
Robert Haywood	Paramount Hospitality
Elizabeth Oliver	Grove Resort
Helen Ashford	BTI Partners
Jody Pino	BTI Partners

SECOND ORDER OF BUSINESS

Public Comment Period

There were no public comments at this time.

THIRD ORDER OF BUSINESS

**Consideration of Minutes of the
March 10, 2020 Board of
Supervisors Meeting**

The Board reviewed the minutes.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved the March 10, 2020 Board of Supervisors Meeting.

FOURTH ORDER OF BUSINESS

Review of Number of Registered Voters

As of April 15, 2020 there were no registered voters in the District.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2020-04, Resetting the Public Hearing on the Adoption of Amended and Restated Rules of Procedure

Due to a publication error, the District was unable to meet the deadline for the meeting on May 20, 2020. Ms. Gaarlandt suggested the District reset the Public Hearing to July 28, 2020.

Ms. Sandy indicated District staff is trying to align the Public Hearing with the Public Hearing on the Budget.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved Resolution 2020-04, Resetting the Public Hearing on the Adoption of the Amended and Restated Rules of Procedure to July 28, 2020

SIXTH ORDER OF BUSINESS

**Consideration of Matters related to the FY 2018 Property Tax Exemptions
a) Letter from Orange County Tax Collector**

Mr. Eckert presented the Matters related to the FY 2018 Property Tax Exemptions.

Mr. Mays requested an update for reimbursables for Hopping Green & Sams fees and other fees the District insured. By the agreement with Dr. Fishkind those charges and fees are going to be reimbursed by PFM. Ms. Gaarlandt replied they have been forwarded to PFM and they are in their system for processing. Mr. Mays asked Ms. Gaarlandt for an update on when the fees will be reimbursed and communicate to those particular firms. MS. Gaarlandt will try and get additional information.

SEVENTH ORDER OF BUSINESS

**Consideration of Paramount
Hospitality Management
Annual Budget Plan**

Mr. Haywood presented the Paramount Hospitality Management Annual Budget Plan.

The 2019-2020 Budget has an estimated loss of the CDD was \$1,277.00 which is a projected loss of \$585,000.00 for the Fiscal Year of October through September. Mr. Haywood detailed the Budget.

A discussion took place regarding the other entity revenue which is \$100,943.00.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved The Paramount Hospitality Management Annual Budget Plan.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution
2020-05, Approving a Proposed
Budget for Fiscal Year 2020-
2021 and Setting a Public
Hearing Date Thereon**

Ms. Gaarlandt suggested July 28, 2020 as the Public Hearing Date. There is a slight increase to the Budget which is mainly due to the insurance increasing.

Ms. Sandy asked if the undeveloped parcels receive an O&M Assessment. Ms. Lane will check on that with Ms. Glasgow and let her know. Mr. Eckert noted the waterpark does not receive an assessment because the District owns that but all the other undeveloped units or the ones that do not have COs or have been sold yet are assigned a share of the O&M Assessments. There are also various Developer Funding Agreements to make up short falls.

Ms. Sandy questioned the two parcels listed under the unit chart. She will work with Ms. Lane for clarification. Ms. Gaarlandt stated the total Budget amount being requested for approval is \$1,568,935.00.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved Resolution 2020-05, Approving a Proposed Budget for Fiscal Year 2020-2021 and Setting a Public Hearing Date for July 28, 2020.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2020-06, Adopting an Internal Controls Policy

Ms. Sandy presented the Internal Controls Policy.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved Resolution 2020-06, Adopting an Internal Controls Policy.

TENTH ORDER OF BUSINESS

Consideration of First Amendment to Lease Agreement for The Provision of Food and Beverage Services within Certain Grove Resort Community Development District-Owned Amenity Areas

Ms. Sandy noted this was discussed at prior Board Meetings. It has been drafted pursuant to the directions the Board provided. Ms. Lane asked if this becomes effective with the June billing and who she needs to contact for the actual amount each month. Mr. Haywood asked Ms. Lane to reach out to him and Ms. Oliver and it would become effective starting with the June billing. A discussion took place. The Lease Agreement will be effective as of February 1, 2020 which is the beginning of the lease term.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved First Amendment to Lease Agreement for the Provision of Food and Beverage Services within Certain Grove Resort Community Development District-Owned Amenity Areas.

ELEVENTH ORDER OF BUSINESS

**Discussion and Update
Regarding Plan for Re-Opening
of the Amenities**

Mr. Mancini explained the facilities which were opened and the measures taken to ensure social distancing. He noted the current hours of operation.

TWELFTH ORDER OF BUSINESS

**Ratification of Agreement
between the District and
Orange County Property
Appraiser**

Ms. Gaarlandt presented the Agreement between the District and Orange County Property Appraiser.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District ratified Agreement between the District and orange County Property Appraiser.

THIRTEENTH ORDER OF BUSINESS

**Consideration of Funding
Requests 20**

The Board reviewed Funding Requests 20.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District ratified Funding requests 20.

FOURTEENTH ORDER OF BUSINESS

Consideration of Payment Authorizations 78-87

The Board reviewed Payment Authorizations 78-87. Mr. Mays requested an update because District Counsel did not separate out their fees related to the Tax Counsel Issues.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District ratified Payment Authorizations 78-87.

FIFTEENTH ORDER OF BUSINESS

Review of District’s Financial Position

There was no action required by the Board.

SIXTEENTH ORDER OF BUSINESS

Staff Reports

District Counsel – No Report

District Engineer– No Report

District Manager – Ms. Gaarlandt noted the next scheduled meeting date is June 9, 2020 and July 28, 2020.

Supervisor Requests and Audience Comments

There were no Supervisor requests or audience comments.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

There were no other additional comments. Ms. Gaarlandt requested a motion to adjourn.

ON MOTION by Mr. Mays, and a Second by Mr. Osborn, with all in favor, the May 26, 2020 Board of Supervisors Meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS MEETING MINUTES**

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The Board of Supervisors Special Meeting for the Grove Resort Community Development District was called to order on **Tuesday, June 9, 2020 at 10:00 a.m. via conference call due to the Executive Order 20-112 extending COVID-19 Executive Order 20-112 extending COVID-19 Executive Order 20-69.** Board Members listed below constituted a quorum:

Board Members in attendance via conference call:

Kevin Mays	Board Member
Michael Osborn	Board Member
Dave D'Ambrosio	Board Member

Also in attendance via conference call were:

Jane Gaarlandt	PFM
Christina Hanna	PFM
Jennifer Glasgow	PFM
Amanda Lane	PFM
Kevin Plenzler	PFM
Sarah Sandy	Hopping Green & Sams
Mark Wilson	Kimley-Horn
Marco Manzie	Paramount Hospitality
Robert Haywood	Paramount Hospitality
Elizabeth Oliver	Grove Resort
Rob O'Connor	General Manager

SECOND ORDER OF BUSINESS

Public Comment Period

There were no public comments at this time.

THIRD ORDER OF BUSINESS

**Consideration of Resolution
2020-07, Declaring O&M Special
Assessments for Fiscal Year
2020-2021**

Ms. Sandy fell off the call. Mr. Manzie joined the meeting in progress via phone. Ms. Sandy re-joined the meeting by phone.

Ms. Sandy explained this resolution is being brought back because after the last meeting the Board approved the Preliminary Budget as well as started the O&M Assessment process. District Counsel is working with PFM to identify all the parcels within the District that should receive O&M Assessments. Beyond the Condo units with would include parcels owned by the Developer that also are used for commercial or retail purposes.

Prior to the meeting Ms. Glasgow sent around an updated assessment roll. Ms. Sandy reviewed the updated Assessment Roll with the Board. Ms. Glasgow requested a full Assessment Roll from the Property Appraiser so the District can confirm that it has everything identified. Ms. Sandy requested a motion to approve Resolution 2020-07, subject to including the Assessment Roll circulated prior to the Board Meeting by Ms. Glasgow.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved Resolution 2020-07, Declaring O&M Special Assessments for Fiscal Year 2020-2021, subject to including the Assessment Roll circulated prior to the Board Meeting by Ms. Glasgow.

FIFTH ORDER OF BUSINESS

**Consideration of Paramount
Proposals for Increased
Seating Capacity**

Mr. Haywood walked the Board through a PowerPoint presentation. Paramount Hospitality requested the Board's approval to expand the seating capacity at the Water Park by removing and relocating landscaping, paving the area and relocated the four cabanas that are separating that area from the remaining pieces of the Water Park. Paramount Hospitality also requested to take four existing cabanas that are at Springs Pool and relocate them to the area at the Water park because there is more demand for cabanas at the water park than there are at the Springs Pool. It will give the District the ability of selling the cabanas more throughout the year and the increased deck area will allow the District up to 160 additional chaise lounge chairs.

The initial cost to pave those area is \$80,000.00. Paramount Hospitality took a 3-bid process to validate the cost. The cost would include the extension of the pavers, electrical and landscaping, and relocating the cabanas. Today they do not need the monies for the chaise lounge chairs as Paramount will move chaise lounge chairs into that area but there

would be a future cost of buying additional chaise lounge chairs once the District gets past the social distancing requirements it is currently under.

Mr. Haywood put in a placeholder for \$32,000.00, \$200.00 per chair at 160 chairs. The chairs that are currently at the Grove are close to \$400.00 per chaise lounge chair. They purposed instead of buying 160 chaise lounge chairs for \$400.00 they would relocate some of the chaise lounge chairs from the Springs Pool over to this proposed area in the future so there is a consistent look throughout the entire Water Park and buy new chaise lounge chairs for the Springs Pool in replacement of those removed.

Mr. Mays stated the cost for all this is not a CDD expense so it does not need to be included in any budgets or assessments. This is the Developer expense and all the board is doing is approving the work to be done in the areas designated.

Mr. Mays asked Ms. Sandy if she had any input. Ms. Sandy said the Board may want to consider a temporary construction easement for the District to the Developer to allow this construction. Mr. Mays thinks that kind of work is already contemplated with the easements that are currently in place. Ms. Sandy will double check the easements.

Mr. Mays told Mr. Haywood he does not need to go through the financial summary since it is not a District expense.

ON MOTION from Mr. Mays, and a Second by Mr. Osborn, with all in favor, the Board of Supervisors for the Grove Resort Community Development District approved Paramount Proposals for Increased Seating Capacity at Developer's expense, as outlined above.

SIXTH ORDER OF BUSINESS

Staff Reports

District Counsel – No Report

District Engineer– No Report

District Manager – Ms. Gaarlandt reminded the Board it is time to submit the Form 1 Financial Statements and the deadline is July 1, 2020. District staff will send an email with a digital version. Some counties do accept these to be filed electronically and District Management will note in the email if Orange County will accept the Form 1 to be filed electronically. Each Board Member must file in the County they live.

The next Board of Supervisors Meeting is scheduled for July 28, 2020 and the District will have the public hearing. If there is a need for a meeting in between District staff can schedule one.

Supervisor Requests and Audience Comments

There were no Supervisor requests or audience comments.

SEVENTH ORDER OF BUSINESS

Adjournment

There were no other additional comments. Ms. Gaarlandt requested a motion to adjourn.

ON MOTION by Mr. Mays, and a Second by Mr. Osborn with all in favor, the June 9, 2020 Board of Supervisors Meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

**Grove Resort
Community Development District**

Consideration of Resolution 2020-08

RESOLUTION 2020-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT ADOPTING THE ANNUAL MEETING SCHEDULE FOR FISCAL YEAR 2020-2021; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Grove Resort Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, and situated within Orange County, Florida; and

WHEREAS, the District is required by Section 189.015, *Florida Statutes*, to file quarterly, semi-annually, or annually a schedule (including date, time, and location) of its regular meetings with local governing authorities; and

WHEREAS, further, in accordance with the above-referenced statute, the District shall also publish quarterly, semi-annually, or annually the District’s regular meeting schedule in a newspaper of general paid circulation in the County in which the District is located.

WHEREAS, the Board desires to adopt a Fiscal Year 2020-2021 annual meeting schedule attached as **Exhibit A**.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT:

1. The Fiscal Year 2020-2021 annual meeting schedule attached hereto and incorporated by reference herein as Exhibit A is hereby approved and will be published in accordance with the requirements of Florida law and also provided to applicable governing authorities.
2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 28th day of July, 2020.

ATTEST:

**GROVE RESORT COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairman, Board of Supervisors

Exhibit A: Fiscal Year 2020-2021 Annual Meeting Schedule

EXHIBIT "A"

**BOARD OF SUPERVISORS MEETING DATES
GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2020-2021**

The Board of Supervisors of the Grove Resort Community Development District will hold their regular meetings for Fiscal Year 2020-2021 at 14501 Grove Resort Avenue, Winter Garden, FL at 10:00 a.m. unless otherwise indicated as follows:

**October 13, 2020
November 10, 2020
December 8, 2020
January 12, 2021
February 9, 2021
March 9, 2021
April 13, 2021
May 11, 2021
June 8, 2021
July 13, 2021
August 10, 2021
September 14, 2021**

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained from 12051 Corporate Blvd., Orlando, Florida 32817 or by calling (407) 723-5900.

There may be occasions when one or more Supervisors or staff will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (407) 723-5900 at least 48 hours prior to the meeting. 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.

A person who decides to appeal any decision made at the meeting with respect to any matter considered at the meeting 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.

District Manager

**Grove Resort
Community Development District**

Consideration of Resolution 2020-09

RESOLUTION 2020-09

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2020-05 SETTING A DATE FOR THE PUBLIC HEARING ON THE ADOPTION OF THE FISCAL YEAR 2020/2021 PROPOSED BUDGET; AND AMENDING RESOLUTION 2020-07 SETTING A DATE FOR THE PUBLIC HEARING ON DECLARING O&M SPECIAL ASSESSMENTS FOR FISCAL YEAR 2020/2021; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Grove Resort Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

WHEREAS, on May 26, 2020, at a duly noticed public meeting, the District’s Board of Supervisors (“**Board**”) adopted Resolution 2020-05, setting a public hearing for consideration and approval of the District’s proposed budget for Fiscal Year 2020/2021, for July 28, 2020; and

WHEREAS, on June 9, 2020, at a duly noticed public meeting, the District’s Board adopted Resolution 2020-07, setting a public hearing for the consideration of the declaring of O&M special assessments for Fiscal Year 2020/2021, for July 28, 2020; and

WHEREAS, to better accommodate timely mailing and publication of the notices of such public hearings as are set pursuant to Resolution 2020-05 and Resolution 2020-07, the District Manager has rescheduled the date of the public hearings to **August 18, 2020**, at 10:00 a.m., and the District Manager has caused the notices of the public hearings, with the new date to be published in a newspaper of general circulation in Orange County, Florida, consistent with the requirements of Chapters 190 and 197, *Florida Statutes*; and

WHEREAS, the Board desires to ratify the District Manager’s action in resetting the public hearings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. RATIFICATION OF PUBLIC HEARING DATES RESET. The actions of the District Manager in resetting the public hearings, and the District Secretary in publishing the notices of the public hearings are hereby ratified. Resolution 2020-05, and Resolution 2020-07, are hereby amended to reflect that the public hearings as declared in therein are reset to **August 18, 2020** at 10:00 a.m.

SECTION 2. RESOLUTION 2020-05 OTHERWISE REMAINS IN FULL FORCE AND EFFECT. Except as otherwise provided herein, all of the provisions of Resolution 2020-05 continue in full force and effect.

SECTION 3. RESOLUTION 2020-07 OTHERWISE REMAINS IN FULL FORCE AND EFFECT. Except as otherwise provided herein, all of the provisions of Resolution 2020-07 continue in full force and effect.

SECTION 4. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 5. EFFECTIVE DATE. This Resolution shall take effect upon its passage and adoption by the Board.

PASSED AND ADOPTED this 28th day of July, 2020.

ATTEST:

**GROVE RESORT COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

**Grove Resort
Community Development District**

Amended and Restated Rules of Procedure

**Grove Resort
Community Development District**

Consideration of Resolution 2020-12

RESOLUTION 2020-12

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT ADOPTING AMENDED AND RESTATED RULES OF PROCEDURE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Grove Resort Community Development District (“**District**”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Orange County, Florida; and

WHEREAS, Chapter 190, *Florida Statutes*, authorizes the District to adopt rules to govern the administration of the District and to adopt resolutions as may be necessary for the conduct of District business; and

WHEREAS, the District has previously adopted Rules of Procedure to govern the administration of the District; and

WHEREAS, to provide for efficient and effective District operations and to maintain compliance with recent changes to Florida law, the Board of Supervisors finds that it is in the best interests of the District to adopt by resolution the Amended and Restated Rules of Procedure attached hereto as **Exhibit A** for immediate use and application; and

WHEREAS, the Board of Supervisors has complied with applicable Florida law concerning rule development and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The attached Amended and Restated Rules of Procedure are hereby adopted pursuant to this resolution as necessary for the conduct of District business. These Amended and Restated Rules of Procedure replace all prior versions of the Rules of Procedure, and shall stay in full force and effect until such time as the Board of Supervisors may amend these rules in accordance with Chapter 190, *Florida Statutes*.

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 28 day of July, 2020.

ATTEST:

**GROVE RESORT COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chairman, Board of Supervisors

Exhibit A: Amended and Restated Rules of Procedure

EXHIBIT A:
AMENDED AND RESTATED RULES OF PROCEDURE

**AMENDED AND RESTATED
RULES OF PROCEDURE
GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT**

EFFECTIVE AS OF MAY12, 2020

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Rule 1.0 General.

- (1) The Grove Resort 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 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 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 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, 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 (407) 723-5900. 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 an agenda of the meeting/hearing/workshop. The 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 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 attorney 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.
- (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 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 two million dollars (\$2,000,000), for a study activity when the fee for such Professional Services to the District does not exceed two hundred thousand dollars (\$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 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 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. 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 auditor selection committee appointed by the Board as described in section (2) of this Rule.

(2) Establishment of Auditor Selection Committee. Prior to a public announcement under section (4) of this Rule that Auditing Services are required, the Board shall establish an 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 shall include at least three individuals, at least one of which must also 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 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 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) Ability to furnish the required services; and
 - (iv) 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 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. 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 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 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 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 proceed with the procurement of construction services, in the manner the Board determines is in the best interests of the District, which 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 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 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) Responsive Proposals are received, the District may purchase design-build services or may reject the proposals for lack of competitiveness. If no Responsive Proposals are received, the District may proceed with the procurement of design-build services in the manner the Board determines is in the best interests of the District, which 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 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 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) Responsive Bids, Proposals, Replies, or 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 proceed with the procurement of goods, supplies, and materials, in the manner the Board determines is in the best interests of the District, which 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 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 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 proceed with the procurement of maintenance services, in the manner the Board determines is in the best interests of the District, which 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 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.

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.
- (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, any person who files a notice of protest must post the protest bond. The amount 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 May12, 2020, 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.

**Grove Resort
Community Development District**

Public Facilities Report

(provided under separate cover)

**Grove Resort
Community Development District**

Agreement for District Management Services

(provided under separate cover)

**Grove Resort
Community Development District**

**Agreement between the District and
VGlobalTech for Website Services**

Website Maintenance Proposal For

Grove Resort CDD

Date	Version#	Comments	Author
June 25, 2020	1.0	Created Proposal	VB Joshi



BBB Rating: A+
Click for Profile

VGlobalTech is the ADA, WCAG Compliance Expert and leading Web design company, with over 300 ADA & WCAG compliant websites created (...and counting) to-date! We have partnered with a non-profit agency to conduct Human Audit and Certification Seal. Visit <https://vglobaltech.com/website-compliance/> for details.

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Any violations are punishable under the law and shall be prosecuted.

** VGlobalTech has developed unique ADA and WCAG compliance expertise, optimized website templates, compliance multi-step procedure and quality control, document conversion software and test procedures. Contact us for details of VGlobalTech's Intellectual Property.*

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1.0 Pricing

1.1 Monthly Maintenance, Hosting and Email Support

Maintenance contract is required for VGlobalTech's proprietary document conversion software (PDF to RTF) to be used that allows faster, accurate and batch processing for document conversion.

	Task
1.	Full content upload support to regularly keep site updated (includes all documents, audit reports, agendas, meeting minutes, events etc). Update turnaround time – less than 24 hrs from customer sending the content and documents to be updated to VGT team.
2.	PDF Documents conversion (to Text, HTML etc) as needed (new documents during the maintenance year only) for ADA Compliance / Reader Compliance. VGlobalTech's proprietary batch conversion software shall be used by our team for faster batch-conversion processing as long as the contract is valid (big time saver that creates compliant documents that can be uploaded to the website). If Auto conversion fails, VGlobalTech team shall perform manual OCR and conversion within 24 hrs.
3.	Email accounts setup and support
	<p>Total Monthly Maintenance with full content upload, document conversion: \$100 / month</p> <p>*support beyond 10 hrs. / month / CDD shall be billed at \$55 / hr. separately (VGlobalTech team shall be responsible to track and report hours exceeded, if any) ***Monthly maintenance must be paid before the 10th of every month</p>

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.

2.0 Proposal Acceptance:

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

Website, Monthly Maintenance w/ Hosting and Email support

Signatures:

For Customer *Date*

VB Joshi

For VGlobalTech *Date*

**Grove Resort
Community Development District**

Fiscal Year 2019 Audited Financial Statement

**Grove Resort Community
Development District**

FINANCIAL STATEMENTS

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

**Grove Resort Community Development District
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September 30, 2019**

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Grove Resort Community Development District
Orange County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grove Resort Community Development 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, each major fund, and the aggregate remaining fund information 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 26, 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 solely 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 effectiveness of the District's 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 26, 2020



Management's Discussion And Analysis

Grove Resort Community Development District Management's Discussion and Analysis

Our discussion and analysis of the 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 8.

FINANCIAL HIGHLIGHTS

- At September 30, 2019, the assets of the District exceeded its liabilities and deferred inflows of resources by approximately \$24 million.
- During the fiscal year ended September 30, 2019, the District incurred approximately \$2.3 million of interest expenditures and repaid principal of approximately \$11.3 million.

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 8 – 9 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 10. 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 District's 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.

Grove Resort Community Development 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 10 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	\$ 6,536,943	\$ 9,487,597	\$ (2,950,654)
Capital assets	45,463,994	47,098,188	(1,634,194)
Total assets	\$ 52,000,937	\$ 56,585,785	\$ (4,584,848)
Liabilities			
Current liabilities	\$ 806,226	\$ 6,736,787	\$ (5,930,561)
Other liabilities	27,220,982	32,793,186	(5,572,204)
Total liabilities	28,027,208	39,529,973	(11,502,765)
Deferred inflows of resources			
Deferred inflows of resources	824	4,174,554	(4,173,730)
Net position			
Net investment in capital assets	21,995,348	12,487,440	9,507,908
Restricted for:			
Debt service	1,779,406	252,770	1,526,636
Capital projects	161,656	99,436	62,220
Unrestricted	36,495	41,612	(5,117)
Total net position	23,972,905	12,881,258	11,091,647
Total liabilities, deferred inflows of resources and net position	\$ 52,000,937	\$ 56,585,785	\$ (4,584,848)

For more detailed information, see the accompanying Statement of Net Position.

Grove Resort Community Development District Management's Discussion and Analysis

During the fiscal year ended September 30, 2019, total assets, liabilities, and deferred inflows of resources decreased by approximately \$4.6 million, \$11.5 million, and \$4.2 million, respectively. The decrease in assets is primarily due to the use of funds on hand to make debt service repayments and depreciation on capital assets. The decrease in liabilities is primarily due to the repayment of outstanding long-term bond principal. The decrease in deferred inflows of resources is due to the timing of prepayment revenues received in the prior year.

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:			
Charges for services	\$ 14,781,280	\$ 11,194,962	\$ 3,586,318
Grants and contributions	144,380	164,977	(20,597)
General revenues:			
Developer contributions	87,134	78,388	8,746
Total revenues	15,012,794	11,438,327	3,574,467
Expenses:			
General government	247,152	240,021	7,131
Unallocated depreciation	1,634,194	-	1,634,194
Interest	2,039,801	3,156,996	(1,117,195)
Total expenses	3,921,147	3,397,017	524,130
Change in net position	11,091,647	8,041,310	3,050,337
Net position, beginning of year	12,881,258	4,839,948	8,041,310
Net position, ending of year	\$ 23,972,905	\$ 12,881,258	\$ 11,091,647

For more detailed information, see the accompanying Statement of Activities.

During the fiscal year ended September 30, 2019, total revenues and expenses increased by approximately \$3.6 million and \$524,000, respectively. The increase in revenues is primarily related to the increase of lot sales, which led to an increase in prepayment assessments. The increase in expenses is primarily due to the depreciation on capital assets placed in service during the year. The overall result was an \$11,091,647 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 10) reported a combined fund balance of approximately \$6.5 million, which is a significant increase from prior year balance that total approximately \$5.3 million. Significant transactions are disclosed below.

Grove Resort Community Development District Management's Discussion and Analysis

- During the fiscal year ended September 30, 2019, the District incurred approximately \$2.3 million of interest expenditures and repaid principal of approximately \$11.3 million.

The overall increase in fund balance for the year ended September 30, 2019 totaled approximately \$1.2 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2019, the District had approximately \$45.5 million invested in capital assets. This amount represents a decrease of approximately \$1.6 million from the fiscal year 2018 total.

A listing of capital assets by major category for the current and prior year follows:

<i>September 30,</i>	2019	2018	Change
Capital assets being depreciated	\$ 47,098,188	\$ 47,098,188	\$ -
Accumulated depreciation	(1,634,194)	-	(1,634,194)
Net capital assets	\$ 45,463,994	\$ 47,098,188	\$ (1,634,194)

More information about the District's capital assets is presented in Note 4 to the financial statements.

Debt

At September 30, 2019, the District had approximately \$28.2 million of bonds outstanding. This amount represents a decrease of approximately \$11.3 million from the fiscal year 2018 total. A listing of debt amounts outstanding for the current and prior year follows:

<i>September 30,</i>	2019	2018	Change
Series 2017A	\$ 13,115,000	\$ 13,300,000	\$ (185,000)
Series 2017B	15,095,000	26,205,000	(11,110,000)
	\$ 28,210,000	\$ 39,505,000	\$ (11,295,000)

More information about the District's long-term debt is presented in Note 5 to the financial statements.

Grove Resort Community Development District Management's Discussion and Analysis

GOVERNMENTAL FUNDS BUDGETARY HIGHLIGHTS

An Operating budget was established by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown at page 24.

The District experienced an unfavorable variance in revenues of \$18,438 and favorable variance of \$17,244 in expenditures, as compared to the budget. Revenues varied due to the District not selling as many units as anticipated. The variance in expenditures is primarily due to over budgeting legal expenditures. The Developer currently funds the District generally to the extent it makes expenditures.

FUTURE FINANCIAL FACTORS

Grove Resort Community Development District is an independent special district that operates under the provisions of Chapter 190, Florida Statutes. The District operates under an elected Board of Supervisors, which establishes policy and sets assessment rates. Assessment rates for fiscal year 2020 have been established to provide for 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 Grove Resort Community Development District's management company at 12051 Corporate Blvd, Orlando, Florida 32817.



Basic Financial Statements

**Grove Resort Community Development District
Statement of Activities**

<i>September 30,</i>	2019
	Governmental Activities
Assets	
Cash and cash equivalents	\$ 3,573,953
Investments	2,882,291
Accounts receivable	34,918
Interest receivable	3,779
Prepaid expenses	42,002
Capital Assets:	
Depreciable	45,463,994
Total assets	52,000,937
Liabilities	
Accounts payable	7,731
Accrued expenses	603,495
Non-current liabilities:	
Due within one year	195,000
Due in more than one year	27,220,982
Total liabilities	28,027,208
Deferred inflow of resources	
Unearned revenue	824
Total deferred inflow of resources	824
Net position	
Net investment in capital assets	21,995,348
Restricted for:	
Debt service	1,779,406
Capital projects	161,656
Unrestricted	36,495
Total net position	\$ 23,972,905

The accompanying notes are an integral part of these financial statements.

**Grove Resort Community Development District
Statement of Activities**

For the year ended September 30,

2019

Functions/Programs	Expenses	Charges for Services	<u>Program Revenues</u>		Net (Expense) Revenue and Changes in Net Position
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ (247,152)	\$ 132,860	\$ -	\$ -	\$ (114,292)
Unallocated depreciation	(1,634,194)	-	-	-	(1,634,194)
Interest	(2,039,801)	14,648,420	141,793	2,587	12,752,999
Total governmental activities	\$ (3,921,147)	\$ 14,781,280	\$ 141,793	\$ 2,587	11,004,513

General revenues

Developer contributions	87,134
Total general revenues	87,134
Change in net position	11,091,647
Net position - beginning of year	12,881,258
Net position - end of year	\$ 23,972,905

The accompanying notes are an integral part of these financial statements.

**Grove Resort Community Development District
Balance Sheet – Governmental Funds**

September 30,

2019

	General	Debt Service	Non-Major	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 573,953	\$ 3,000,000	\$ -	\$ 3,573,953
Investments	-	2,720,760	161,531	2,882,291
Accounts receivable	34,918	-	-	34,918
Interest receivable	-	3,552	227	3,779
Prepaid expenditures	42,002	-	-	42,002
Due from other funds	-	606,027	-	606,027
Total assets	\$ 650,873	\$ 6,330,339	\$ 161,758	\$ 7,142,970
Liabilities, Deferred inflows of resources and Fund Balances				
Liabilities				
Accounts payable	\$ 7,629	\$ -	\$ 102	\$ 7,731
Due to other funds	606,027	-	-	606,027
Total liabilities	613,656	-	102	613,758
Deferred inflows of resources				
Unearned revenue	824	-	-	824
Total deferred inflows of resources	824	-	-	824
Fund balance				
Nonspendable	42,002	-	-	42,002
Restricted for debt service	-	6,330,339	-	6,330,339
Restricted for capital projects	-	-	161,656	161,656
Unassigned (deficit)	(5,609)	-	-	(5,609)
Total fund balance	36,393	6,330,339	161,656	6,528,388
Total liabilities, deferred inflows of resources and fund balances	\$ 650,873	\$ 6,330,339	\$ 161,758	\$ 7,142,970

The accompanying notes are an integral part of these financial statements.

**Grove Resort Community Development District
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
Net Position**

<i>September 30,</i>	2019
Total fund balances, governmental funds	\$ 6,528,388
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements.	45,463,994
Liabilities not due and payable from current resources are not reported in the fund level statements.	(28,019,477)
Total net position - governmental activities	\$ 23,972,905

The accompanying notes are an integral part of these financial statements.

**Grove Resort Community Development District
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds**

For the year ended September 30,

2019

	General	Debt Service	Non-Major	Total Governmental Funds
Revenues				
Developer contributions	\$ 92,139	\$ -	\$ 2,134	\$ 94,273
Assessments	132,860	2,372,884	-	2,505,744
Prepayment revenue	-	12,275,536	-	12,275,536
Interest and other revenues	-	134,654	2,587	137,241
Total revenues	224,999	14,783,074	4,721	15,012,794
Expenditures				
Current:				
General government	226,193	-	20,959	247,152
Debt Service:				
Principal	-	11,295,000	-	11,295,000
Interest	-	2,252,713	-	2,252,713
Total expenditures	226,193	13,547,713	20,959	13,794,865
Excess (deficit) revenues over expenditures	(1,194)	1,235,361	(16,238)	1,217,929
Other Financing Sources (Uses)				
Transfer in	-	-	78,458	78,458
Transfer out	(4,025)	(74,433)	-	(78,458)
Total other financing sources (uses)	(4,025)	(74,433)	78,458	-
Net change in fund balances	(5,219)	1,160,928	62,220	1,217,929
Fund balance, beginning of year	41,612	5,169,411	99,436	5,310,459
Fund balance, end of year	\$ 36,393	\$ 6,330,339	\$ 161,656	\$ 6,528,388

The accompanying notes are an integral part of these financial statements.

**Grove Resort Community Development District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities**

<i>For the year ended September 30,</i>	2019
Net change in fund balances - governmental funds	\$ 1,217,929
Depreciation on capital assets is not recognized in the fund financial statements but is reported as an expense in the Statement of Activities.	(1,634,194)
Amortization of original issue discount is not recognized in the governmental fund statements but is reported as an expense in the Statement of Activities.	(152,796)
Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the Statement of Net Position and are eliminated in the Statement of Activities.	11,295,000
The change in accrued interest between the current and prior year is recorded on the Statement of Activities but not on the fund financial statements.	365,708
Change in net position of governmental activities	\$ 11,091,647

The accompanying notes are an integral part of these financial statements.

Grove Resort Community Development District Notes to Financial Statements

NOTE 1: NATURE OF ORGANIZATION

The Grove Resort Community Development District (the “District”) was established on December 5, 2016 pursuant to Chapter 190, Florida Statutes, by Orange County Commission Ordinance 2016-29, Laws of Florida. The District has 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 governed by a Board of Supervisors (“Board”), which is comprised of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2019 certain Board members were affiliated with The Grove Resort and Spa, LLC. (“the Developer”).

The Board has the final responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. 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 foregoing criteria, 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.

Grove Resort Community Development District Notes to 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 the 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.

Assessments, including debt service assessments along with operation and maintenance assessments, are non-ad valorem special assessments imposed on all lands located within the District and benefited by the District's activities. Assessments are levied and certified for collection by the District prior to the start of the fiscal year which begins on October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series on bonds issued by the District. Certain debt service assessments are collected upon the closing of those lots subject to short-term debt and are used to repay a portion of the bonds outstanding.

Assessments, 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.

Grove Resort Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental funds:

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.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

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 the governmental fund financial statements, it is the government's policy to use committed resources first, followed by assigned resources, 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 U.S. Treasury; the Local Government Surplus Trust Funds 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.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures on the Statement of Net Position. These items will be expensed over the applicable usage period.

Grove Resort Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 is depreciated using the straight-line method over the estimated useful lives. Estimated useful lives for financial reporting purposes are as follows: infrastructure and other: 25 – 30 years.

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.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line or effective interest method. Bonds payable are reported net of these premiums or discounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current period expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and 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.

Grove Resort Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position and 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. The District only has one item, deferred revenues, which qualify for reporting in this category. The District's deferred revenues include fiscal year 2020 assessment payments received in advance.

Fund Equity

Net position in the government-wide financial statements represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources and is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents assets related to infrastructure and property, plant and equipment, net of any related debt. Restricted net position represents the assets restricted by the District's bond covenants.

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.

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 approved annual budget. Annual budgets are legally adopted on a basis consistent with GAAP for the General Fund. Any revision to the budget must be approved by the District Board. 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.

Grove Resort Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- B. A public hearing is conducted to obtain comments.
- C. Prior to October 1, the budget is legally adopted by the District Board.
- D. All budget changes must be approved by the District Board.
- E. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 3: INVESTMENTS

The District's investments consist of money market funds in which shares are owned in the fund rather than the underlying investments. In accordance with GAAP, these amounts are reported at amortized cost.

The following is a summary of the District's investments:

<u>September 30,</u>	<u>2019</u>	<u>Credit Risk</u>	<u>Maturities</u>
Short-term Money Market Funds	\$ 2,882,291	S&P AAAm	23 days

Custodial credit risk – For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At September 30, 2019, the money market funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration risk – The District's investment policy requires diversification, but does not specify limits on types of investments.

Interest rate risk – The District does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to seek reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

**Grove Resort Community Development District
Notes to Financial Statements**

NOTE 4: CAPITAL ASSETS

The following is a summary of changes in the capital assets for the year ended September 30, 2019:

	Beginning Balance	Additions	Transfers and Conveyances	Ending Balance
Governmental Activities:				
<i>Capital assets to be depreciated</i>				
Infrastructure	\$ 11,387,008	\$ -	\$ -	\$ 11,387,008
Parking Garages	26,073,046	-	-	26,073,046
Landscaping, Irrigation and Common Areas	7,416,361	-	-	7,416,361
Roadways and Streetlighting	1,080,306	-	-	1,080,306
Water and Waste Water	599,001	-	-	599,001
Drainage and Earthwork	542,466	-	-	542,466
Total capital assets, to be depreciated	47,098,188	-	-	47,098,188
<i>Less accumulated depreciation</i>				
Infrastructure	-	379,567	-	379,567
Parking Garages	-	869,102	-	869,102
Landscaping, Irrigation and Common Areas	-	296,654	-	296,654
Roadways and Streetlighting	-	43,212	-	43,212
Water and Waste Water	-	23,960	-	23,960
Drainage and Earthwork	-	21,699	-	21,699
Total accumulated depreciation	-	1,634,194	-	1,634,194
Governmental activities capital assets, net	\$ 47,098,188	\$ (1,634,194)	\$ -	\$ 45,463,994

Depreciation expense of \$1,634,194 was recorded as unallocated depreciation on the accompanying Statement of Activities.

NOTE 5: BONDS PAYABLE

On April 10, 2017, the District issued \$13,300,000 of Special Assessment Bonds, Series 2017A consisting of \$2,650,000 Term Bonds due on November 1, 2028 with a fixed interest rate of 5.00% and \$10,650,000 Term Bonds due on November 1, 2047 with a fixed interest rate of 5.88%. The Bonds were issued to provide funding to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2017A project. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2017. Principal is to be paid annually on each November 1, commencing November 1, 2018. The Series 2017A Bonds are subject to redemption at the option of the District prior to their maturity.

Grove Resort Community Development District Notes to Financial Statements

NOTE 5: BONDS PAYABLE (Continued)

On April 10, 2017, the District issued \$41,960,000 of Special Assessment Bonds, Series 2017B consisting of \$17,515,000 Term Bonds due on April 15, 2022 with a fixed interest rate of 5.75% and \$24,445,000 Term Bonds due on April 15, 2022 with a fixed interest rate of 6.00%. The Bonds were issued to provide funding to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2017B project. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2017. The Series 2017B bonds will mature in full on April 15, 2022.

The Bond Indentures have established debt service reserve requirements as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with those requirements of the Bond Indentures at September 30, 2019.

The Bond Indentures require that the District maintain adequate funds in the reserve accounts to meet the debt service reserve requirements as defined in the Indentures. The reserve requirements have been met for the fiscal year ended September 30, 2019.

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities</i>					
Bonds Payable:					
Series 2017A	\$ 13,300,000	\$ -	\$ (185,000)	\$ 13,115,000	\$ 195,000
Series 2017B	26,205,000	-	(11,110,000)	15,095,000	-
	<u>\$ 39,505,000</u>	<u>\$ -</u>	<u>\$ (11,295,000)</u>	<u>\$ 28,210,000</u>	<u>\$ 5,775,000</u>

The balance of the long-term bonds at September 30, 2019 is summarized as follows:

<i>September 30,</i>	2019
Bond principal balance	\$ 28,210,000
Less unamortized bond discount	(794,018)
Net balance	\$ 27,415,982

**Grove Resort Community Development District
Notes to Financial Statements**

NOTE 5: BONDS PAYABLE (Continued)

At September 30, 2019, the scheduled debt service requirements on long-term debt were as follows:

<i>For the year ending September 30,</i>	Principal	Interest	Total Debt Service
2020	\$ 195,000	\$ 1,551,513	\$ 1,746,513
2021	15,300,000	1,639,763	16,939,763
2022	215,000	723,563	938,563
2023	225,000	712,563	937,563
2024	240,000	700,938	940,938
2025-2029	1,385,000	3,308,313	4,693,313
2030-2034	1,800,000	2,875,813	4,675,813
2035-2039	2,390,000	2,264,813	4,654,813
2040-2044	3,180,000	1,451,713	4,631,713
2045-2048	3,280,000	399,206	3,679,206
	\$ 28,210,000	\$ 15,628,194	\$ 43,838,194

NOTE 6: 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 since inception and there have been no such claims.

NOTE 7: 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.

NOTE 8: INTERFUND ACTIVITY

At September 30, 2019, the General Fund owed the Debt Service Fund \$606,027. The outstanding balances results primarily from timing of receipts and transfers to the Debt Service Fund.

Grove Resort Community Development District Notes to Financial Statements

NOTE 9: CONCENTRATION

A significant portion of the District's activity is dependent upon the continued involvement of the Developer, The Grove Resort and Spa, LLC. The loss of significant involvement could have a material adverse effect on the District's operations.

The Developer has agreed to fund a portion of the general operations of the District. For the year ended September 30, 2019, the Developer contributed \$92,139. The Developer also contributed approximately \$1.9 million to fund interest call payments made related to the Series 2017A and 2017B bonds.

NOTE 10: 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)**

**Grove Resort Community Development 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	\$ 95,933	\$ 92,139	\$ (3,794)
Assessments	147,504	132,860	(14,644)
Total revenues	243,437	224,999	(18,438)
Expenditures			
General government	243,437	226,193	17,244
Total expenditures	243,437	226,193	17,244
Excess (deficit) of revenues over expenditures	\$ -	\$ (1,194)	\$ (1,194)



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 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
Grove Resort Community Development District
Orange 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, each major fund and the aggregate remaining fund information of Grove Resort Community Development 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 thereon dated June 26, 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 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 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 from 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 results of that testing, and not to provide an opinion on the effectiveness of the District'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 District'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 26, 2020



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

(850) 837-3141
(850) 654-4619 (fax)
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MANAGEMENT LETTER

To the Board of Supervisors
Grove Resort Community Development District
Orange County, Florida

Report on the Financial Statements

We have audited the financial statements of the Grove Resort Community Development District ("District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 26, 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 Auditor General.

Other Reporting Requirements

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 Accountant's 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 those reports, which are dated June 26, 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 financial audit report. No findings or recommendations were made in the preceding financial 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 and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify 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.

Additional 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 note 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, the Board of Supervisors, 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 26, 2020



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

(850) 837-3141
(850) 654-4619 (fax)
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INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Supervisors
Grove Resort Community Development District
Orange County, Florida

We have examined Grove Resort Community Development 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 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 performed 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 26, 2020

**Grove Resort
Community Development District**

Funding Request Number 21

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Funding Request No. 021

4/28/2020

Item No.	Payee	Invoice Number	General Fund
1	Developer Funding Request 2020 Request #2	--	\$ 23,880.25
TOTAL			\$ 23,880.25

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Wednesday, April 29, 2020 1:39 PM
To: Amanda Lane; Jody Pino; Patricia Brown; Sherri Morrow
Subject: RE: Grove Resort - funding request #21

EXTERNAL EMAIL: Use care with links and attachments.

Ok. thanks



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

14501 Grove Resort Avenue
Orlando, FL 34787

www.BTIPartners.com
www.GroveResort.com
www.MarinaPointe.com
www.WestshoreMarinaDistrict.com

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From: Amanda Lane <lanea@pfm.com>
Sent: Tuesday, April 28, 2020 3:01 PM
To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: Grove Resort - funding request #21

All,

Please see attached for Funding Request #21 for Grove Resort. The amount being requested is 25% of the developer contribution line item from the adopted FY 2020 budget.

- Current cash is \$3,547.68
- Current outstanding A/P is \$21,704.63

Please let me know if you need anything else from me in order to process. Thank you!

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

**Grove Resort
Community Development District**

Payment Authorization Numbers 88 - 97

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 088

5/8/2020

Item No.	Payee	Invoice Number	General Fund
1	Carr Riggs & Ingram FY 2019 Audit	16899126	\$ 1,500.00
TOTAL			\$ 1,500.00

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Saturday, May 9, 2020 11:59 AM
To: Amanda Lane
Cc: Jody Pino; Patricia Brown; Sherri Morrow
Subject: Re: Grove Resort - PA #88

EXTERNAL EMAIL: Use care with links and attachments.

Approved

Sent from my iPhone

On May 8, 2020, at 6:39 PM, Amanda Lane <lanea@pfm.com> wrote:

All,

Please see attached for Payment Authorization(s) #88 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

<GR - PA 088.pdf>

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 089

5/15/2020

Item No.	Payee	Invoice Number	General Fund
1	Orlando Sentinel Legal Advertising on 04/03/2020	OSC19641667	\$ 253.17
2	PFM Group Consulting DM Fee: May 2020 Website Fee: May 2020	DM-05-2020-0027 DM-05-2020-0028	\$ 2,083.33 \$ 100.00
3	VGlobalTech Quarterly ADA & WCAG Audits	1631	\$ 300.00
TOTAL			\$ 2,736.50

Secretary / Assistant Secretary

Chairperson

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 090

5/22/2020

Item No.	Payee	Invoice Number	General Fund
1	Hopping Green & Sams General Counsel Through 04/30/2020	114805	\$ 5,799.83
2	PFM Group Consulting Reimbursables: March 2020	OE-EXP-00782	\$ 1.50
	Reimbursables: April 2020	OE-EXP-00839	\$ 4.00
TOTAL			\$ 5,805.33

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Friday, May 22, 2020 5:34 PM
To: Amanda Lane
Cc: Jody Pino; Patricia Brown; Sherri Morrow
Subject: Re: Grove Resort - PA #90

EXTERNAL EMAIL: Use care with links and attachments.

Approved. Thanks

Sent from my iPhone

On May 22, 2020, at 3:22 PM, Amanda Lane <lanea@pfm.com> wrote:

All,

Please see attached for Payment Authorization(s) #90 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

<GR - PA 090.pdf>

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 091

5/6/2020

Item No.	Payee	Invoice Number	General Fund
1	Carr Riggs & Ingram FY 2019 Audit	16919857	\$ 1,000.00
2	Florida Municipal Insurance Trust Insurance	1495-4	\$ 32,154.75
3	PFM Group Consulting DM Fee: February 2020	OE-EXP-00732	\$ 3.47
4	West Orange Times c/o Business Observer Legal Advertising on 05/28/2020	20-02081W	\$ 69.53
TOTAL			\$ 33,227.75

Secretary / Assistant Secretary

Chairperson

c/o PFM Group Consulting
12051 Corporate Boulevard
Orlando, FL 32817
(407) 723-5900

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Monday, June 22, 2020 4:46 PM
To: Amanda Lane
Subject: RE: Grove Resort - PA #93

EXTERNAL EMAIL: Use care with links and attachments.

Is the insurance per budget? Approved



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

14501 Grove Resort Avenue
Orlando, FL 34787

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www.GroveResort.com
www.MarinaPointe.com
www.WestshoreMarinaDistrict.com

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From: Amanda Lane <lanea@pfm.com>
Sent: Monday, June 22, 2020 4:38 PM
To: Kevin Mays <kmays@btipartners.com>
Subject: RE: Grove Resort - PA #93

Thanks!

Kevin, is there an issue with PA #91? I've emailed you several times about it. The insurance listed on there needs to be paid, but I need to have some sort of written approval to get that processed.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

From: Kevin Mays <kmays@btipartners.com>
Sent: Monday, June 22, 2020 4:36 PM
To: Amanda Lane <lanea@pfm.com>; Jody Pino <jpino@groveresort.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: RE: Grove Resort - PA #93

EXTERNAL EMAIL: Use care with links and attachments.

Approved to pay



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

14501 Grove Resort Avenue
Orlando, FL 34787

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From: Amanda Lane <lanea@pfm.com>

Sent: Friday, June 19, 2020 6:58 PM

To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>

Subject: Grove Resort - PA #93

All,

Please see attached for Payment Authorization(s) #93 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 092

6/12/2020

Item No.	Payee	Invoice Number	General Fund
1	Orlando Sentinel Legal Advertising Through 05/31/2020 (Ad: 6674868)	OSC20810655	\$ 451.26
2	US Bank FY 2020 Trustee Services: 05/01/2020 - 09/30/2020 FY 2021 Trustee Services: 10/01/2020 - 04/30/2021	5754178 5754178	\$ 1,885.62 \$ 2,639.88
TOTAL			\$ 4,976.76

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Sunday, June 14, 2020 11:41 AM
To: Amanda Lane
Cc: Jody Pino; Patricia Brown; Sherri Morrow
Subject: Re: Grove Resort - PA #92

EXTERNAL EMAIL: Use care with links and attachments.

Ok

Sent from my iPhone

On Jun 12, 2020, at 6:03 PM, Amanda Lane <lanea@pfm.com> wrote:

All,

Please see attached for Payment Authorization(s) #92 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

<GR - PA 092.pdf>

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 093

6/19/2020

Item No.	Payee	Invoice Number	General Fund
1	Hopping Green & Sams		
	General Counsel Through 05/31/2020	115315	\$ 3,813.50
	2019 Real Estate Taxes Counsel Through 05/31/2020	115316	\$ 144.00
2	PFM Group Consulting		
	DM Fee: June 2020	DM-06-2020-0021	\$ 2,083.33
	Website Fee: June 2020	DM-06-2020-0022	\$ 100.00
TOTAL			\$ 6,140.83

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Monday, June 22, 2020 4:36 PM
To: Amanda Lane; Jody Pino; Patricia Brown; Sherri Morrow
Subject: RE: Grove Resort - PA #93

EXTERNAL EMAIL: Use care with links and attachments.

Approved to pay



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

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From: Amanda Lane <lanea@pfm.com>
Sent: Friday, June 19, 2020 6:58 PM
To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: Grove Resort - PA #93

All,

Please see attached for Payment Authorization(s) #93 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 094

6/26/2020

Item No.	Payee	Invoice Number	General Fund
1	West Orange Times Legal Advertising on 06/18/2020	20-02253W	\$ 38.63
TOTAL			\$ 38.63

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Monday, June 29, 2020 11:21 PM
To: Amanda Lane; Jody Pino; Patricia Brown; Sherri Morrow
Subject: RE: Grove Resort - PA #94

EXTERNAL EMAIL: Use care with links and attachments.

ok

From: Amanda Lane <lanea@pfm.com>
Sent: Sunday, June 28, 2020 8:40 PM
To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: Grove Resort - PA #94

All,

Please see attached for Payment Authorization(s) #94 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 095

6/26/2020

Item No.	Payee	Invoice Number	General Fund
1	VGlobalTech Quarterly ADA & WCAG Audit	1725	\$ 300.00
2	West Orange Times Legal Advertising on 06/25/2020	20-02317W	\$ 131.33

TOTAL \$ 431.33

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Thursday, July 2, 2020 3:23 PM
To: Amanda Lane; Jody Pino; Patricia Brown; Sherri Morrow
Subject: RE: Grove Resort - PA #95

EXTERNAL EMAIL: Use care with links and attachments.

Ok to pay



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

14501 Grove Resort Avenue
Orlando, FL 34787

www.BTIPartners.com
www.GroveResort.com
www.MarinaPointe.com
www.WestshoreMarinaDistrict.com

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From: Amanda Lane <lanea@pfm.com>
Sent: Thursday, July 2, 2020 3:17 PM
To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: Grove Resort - PA #95

All,

Please see attached for Payment Authorization(s) #95 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | phone 407.723.5900 | fax 407.723.5901 | web pfm.com
12051 Corporate Blvd. | Orlando, FL 32817

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 096

7/10/2020

Item No.	Payee	Invoice Number	General Fund
1	Carr Riggs & Ingram FY 2019 Audit	16940534	\$ 2,500.00
2	PFM Group Consulting Reamortization Svcs: Series 2017B2	M-000139	\$ 375.00

TOTAL \$ 2,875.00

Secretary / Assistant Secretary

Chairperson

c/o PFM Group Consulting
12051 Corporate Boulevard
Orlando, FL 32817
(407) 723-5900

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Sunday, July 12, 2020 4:33 PM
To: Amanda Lane; Jody Pino; Patricia Brown; Sherri Morrow
Subject: RE: Grove Resort - PA #96

EXTERNAL EMAIL: Use care with links and attachments.

Ok to pay



Kevin Mays
Chief Operating Officer

Mobile 407.484.5814
kmays@btipartners.com

14501 Grove Resort Avenue
Orlando, FL 34787

www.BTIPartners.com
www.GroveResort.com
www.MarinaPointe.com
www.WestshoreMarinaDistrict.com

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From: Amanda Lane <lanea@pfm.com>
Sent: Friday, July 10, 2020 5:55 PM
To: Jody Pino <jpino@groveresort.com>; Kevin Mays <kmays@btipartners.com>; Patricia Brown <PBrown@btipartners.com>; Sherri Morrow <smorrow@btipartners.com>
Subject: Grove Resort - PA #96

All,

Please see attached for Payment Authorization(s) #96 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | web pfm.com
phone 407.723.5900 (direct phone 407.723.5925) | fax 407.723.5901
12051 Corporate Blvd. | Orlando, FL 32817

**GROVE RESORT
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorizations No. 097

7/17/2020

Item No.	Payee	Invoice Number	General Fund
1	PFM Group Consulting		
	DM Fee: July 2020	DM-07-2020-0021	\$ 2,083.33
	Website Fee: July 2020	DM-07-2020-0022	\$ 100.00
TOTAL			\$ 2,183.33

Secretary / Assistant Secretary

Chairperson

Amanda Lane

From: Kevin Mays <kmays@btipartners.com>
Sent: Saturday, July 18, 2020 1:32 PM
To: Amanda Lane
Cc: Jody Pino; Patricia Brown
Subject: Re: Grove Resort - PA #97

EXTERNAL EMAIL: Use care with links and attachments.

Ok

Sent from my iPhone

On Jul 18, 2020, at 11:45 AM, Amanda Lane <lanea@pfm.com> wrote:

All,

Please see attached for Payment Authorization(s) #97 for Grove Resort. Please provide authorization to pay (via email or signed cover sheet). If you have any questions, please let me know.

Amanda Lane
Assistant Chief District Accountant

PFM Group Consulting LLC
LaneA@pfm.com | web pfm.com
phone 407.723.5900 (direct phone 407.723.5925) | fax 407.723.5901
12051 Corporate Blvd. | Orlando, FL 32817

<GR - PA 097.pdf>

**Grove Resort
Community Development District**

Financial Position

Grove Resort CDD
Statement of Financial Position
As of 6/30/2020

	General Fund	Debt Service Fund	Debt Service Fund - B	Capital Projects Fund	Capital Projects Fund - B	General Long Term Debt	Total
<u>Assets</u>							
<u>Current Assets</u>							
General Checking Account	\$197,459.23						\$197,459.23
Assessments Receivable	57,186.69						57,186.69
Prepaid Expenses	2,639.87						2,639.87
Assessments Receivable		\$367,249.36					367,249.36
Due From Other Funds		50,093.63					50,093.63
Debt Service Reserve A1 Bond		947,437.50					947,437.50
Revenue A1 Bond		199,411.93					199,411.93
Interest A1 Bond		14.50					14.50
Principal A1 Bond		7.52					7.52
Due From Other Funds			\$194,545.08				194,545.08
Debt Service Reserve B1 Bond			3,000,000.00				3,000,000.00
Revenue B1 Bond			0.16				0.16
Interest B1 Bond			11,138.05				11,138.05
Prepayment B1 Bond			4,034.76				4,034.76
Prepayment B2 Bond			745,421.41				745,421.41
Acquisition/Construction A1 Bond				\$20,358.36			20,358.36
Acquisition/Construction B1 Bond					\$205,828.29		205,828.29
Total Current Assets	<u>\$257,285.79</u>	<u>\$1,564,214.44</u>	<u>\$3,955,139.46</u>	<u>\$20,358.36</u>	<u>\$205,828.29</u>	<u>\$0.00</u>	<u>\$6,002,826.34</u>
<u>Investments</u>							
Amount Available in Debt Service Funds						\$4,907,465.83	\$4,907,465.83
Amount To Be Provided						18,512,534.17	18,512,534.17
Total Investments	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$23,420,000.00</u>	<u>\$23,420,000.00</u>
Total Assets	<u><u>\$257,285.79</u></u>	<u><u>\$1,564,214.44</u></u>	<u><u>\$3,955,139.46</u></u>	<u><u>\$20,358.36</u></u>	<u><u>\$205,828.29</u></u>	<u><u>\$23,420,000.00</u></u>	<u><u>\$29,422,826.34</u></u>

Grove Resort CDD
Statement of Financial Position
As of 6/30/2020

	General Fund	Debt Service Fund	Debt Service Fund - B	Capital Projects Fund	Capital Projects Fund - B	General Long Term Debt	Total
<u>Liabilities and Net Assets</u>							
<u>Current Liabilities</u>							
Accounts Payable	\$226,372.31						\$226,372.31
Deferred Revenue	57,186.69						57,186.69
Deferred Revenue		\$367,249.36					367,249.36
Total Current Liabilities	<u>\$283,559.00</u>	<u>\$367,249.36</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$650,808.36</u>
<u>Long Term Liabilities</u>							
Revenue Bonds Payable - Long-Term						\$23,420,000.00	\$23,420,000.00
Total Long Term Liabilities	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$23,420,000.00</u>	<u>\$23,420,000.00</u>
Total Liabilities	<u><u>\$283,559.00</u></u>	<u><u>\$367,249.36</u></u>	<u><u>\$0.00</u></u>	<u><u>\$0.00</u></u>	<u><u>\$0.00</u></u>	<u><u>\$23,420,000.00</u></u>	<u><u>\$24,070,808.36</u></u>
<u>Net Assets</u>							
Net Assets, Unrestricted	\$10,709.52						\$10,709.52
Current Year Net Assets, Unrestricted	(627.50)						(627.50)
Net Assets - General Government	25,683.41						25,683.41
Current Year Net Assets - General Government	(62,038.64)						(62,038.64)
Net Assets, Unrestricted		\$1,065,594.74					1,065,594.74
Current Year Net Assets, Unrestricted		131,370.34					131,370.34
Net Assets, Unrestricted			\$5,264,745.11				5,264,745.11
Current Year Net Assets, Unrestricted			(1,309,605.65)				(1,309,605.65)
Net Assets, Unrestricted				\$13,322.03			13,322.03
Current Year Net Assets, Unrestricted				7,036.33			7,036.33
Net Assets, Unrestricted					\$148,334.15		148,334.15
Current Year Net Assets, Unrestricted					57,494.14		57,494.14
Total Net Assets	<u><u>(\$26,273.21)</u></u>	<u><u>\$1,196,965.08</u></u>	<u><u>\$3,955,139.46</u></u>	<u><u>\$20,358.36</u></u>	<u><u>\$205,828.29</u></u>	<u><u>\$0.00</u></u>	<u><u>\$5,352,017.98</u></u>
Total Liabilities and Net Assets	<u><u>\$257,285.79</u></u>	<u><u>\$1,564,214.44</u></u>	<u><u>\$3,955,139.46</u></u>	<u><u>\$20,358.36</u></u>	<u><u>\$205,828.29</u></u>	<u><u>\$23,420,000.00</u></u>	<u><u>\$29,422,826.34</u></u>

Grove Resort CDD
Statement of Activities
As of 6/30/2020

	General Fund	Debt Service Fund	Debt Service Fund - B	Capital Projects Fund	Capital Projects Fund - B	General Long Term Debt	Total
<u>Revenues</u>							
On-Roll Assessments	\$90,317.31						\$90,317.31
Off-Roll Assessments	6,368.00						6,368.00
Developer Contributions	47,760.50						47,760.50
Other Income & Other Financing Sources	17,441.42						17,441.42
Inter-Fund Transfers In	(627.50)						(627.50)
On-Roll Assessments		\$580,189.90					580,189.90
Off-Roll Assessments		35,607.00					35,607.00
Other Assessments		454,925.99					454,925.99
Inter-Fund Group Transfers In		(6,835.65)					(6,835.65)
Off-Roll Assessments			\$3,347,255.30				3,347,255.30
Other Assessments			762,925.01				762,925.01
Inter-Fund Group Transfers In			(56,503.43)				(56,503.43)
Inter-Fund Transfers In				\$7,463.15			7,463.15
Inter-Fund Transfers In					\$56,503.43		56,503.43
Total Revenues	\$161,259.73	\$1,063,887.24	\$4,053,676.88	\$7,463.15	\$56,503.43	\$0.00	\$5,342,790.43
<u>Expenses</u>							
Trustee Services	\$11,047.43						\$11,047.43
Management	18,749.97						18,749.97
Engineering	287.65						287.65
Dissemination Agent	5,000.00						5,000.00
Property Appraiser	878.00						878.00
District Counsel	47,557.97						47,557.97
Assessment Administration	5,000.00						5,000.00
Audit	3,500.00						3,500.00
Travel and Per Diem	131.55						131.55
Postage & Shipping	27.61						27.61
Legal Advertising	1,802.47						1,802.47
Web Site Maintenance	1,200.00						1,200.00
Dues, Licenses, and Fees	175.00						175.00
General Liability Insurance	5,104.00						5,104.00
Property & Casualty	125,570.00						125,570.00

Grove Resort CDD
Statement of Activities
As of 6/30/2020

	General Fund	Debt Service Fund	Debt Service Fund - B	Capital Projects Fund	Capital Projects Fund - B	General Long Term Debt	Total
Principal Payments - A Bond		\$195,000.00					195,000.00
Interest Payments - A Bond		744,062.50					744,062.50
Principal Payments - B Bond			\$4,595,000.00				4,595,000.00
Interest Payments - B Bond			831,900.00				831,900.00
District Counsel				\$525.50			525.50
Total Expenses	<u>\$226,031.65</u>	<u>\$939,062.50</u>	<u>\$5,426,900.00</u>	<u>\$525.50</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$6,592,519.65</u>
<u>Other Revenues (Expenses) & Gains (Losses)</u>							
Interest Income	\$2,105.78						\$2,105.78
Interest Income		\$6,545.60					6,545.60
Interest Income			\$63,617.47				63,617.47
Interest Income				\$98.68			98.68
Interest Income					\$990.71		990.71
Total Other Revenues (Expenses) & Gains (Losses)	<u>\$2,105.78</u>	<u>\$6,545.60</u>	<u>\$63,617.47</u>	<u>\$98.68</u>	<u>\$990.71</u>	<u>\$0.00</u>	<u>\$73,358.24</u>
Change In Net Assets	(\$62,666.14)	\$131,370.34	(\$1,309,605.65)	\$7,036.33	\$57,494.14	\$0.00	(\$1,176,370.98)
Net Assets At Beginning Of Year	<u>\$36,392.93</u>	<u>\$1,065,594.74</u>	<u>\$5,264,745.11</u>	<u>\$13,322.03</u>	<u>\$148,334.15</u>	<u>\$0.00</u>	<u>\$6,528,388.96</u>
Net Assets At End Of Year	<u><u>(\$26,273.21)</u></u>	<u><u>\$1,196,965.08</u></u>	<u><u>\$3,955,139.46</u></u>	<u><u>\$20,358.36</u></u>	<u><u>\$205,828.29</u></u>	<u><u>\$0.00</u></u>	<u><u>\$5,352,017.98</u></u>

Grove Resort CDD
Budget to Actual
For the Month Ending 6/30/2020

	Year To Date			FY 2020 Adopted Budget
	Actual	Budget	Variance	
<u>Revenues</u>				
On-Roll Assessments	\$ 90,317.31	\$ 73,710.00	\$ 16,607.31	\$ 98,280.00
Off-Roll Assessments	6,368.00	36,918.00	(30,550.00)	49,224.00
Developer Contributions	47,760.50	71,640.72	(23,880.22)	95,521.00
Other Income & Other Financing Sources	17,441.42	-	17,441.42	-
Developer Contributions - Deficit Funding/Longboard	-	958,320.00	(958,320.00)	1,277,760.00
Net Revenues	\$ 161,887.23	\$ 1,140,588.72	\$ (978,701.49)	\$ 1,520,785.00
<u>General & Administrative Expenses</u>				
Trustee Services	\$ 11,047.43	\$ 9,000.00	\$ 2,047.43	\$ 12,000.00
Management	18,749.97	18,749.97	-	25,000.00
Engineering	287.65	3,750.03	(3,462.38)	5,000.00
Dissemination Agent	5,000.00	3,750.03	1,249.97	5,000.00
Property Appraiser	878.00	-	878.00	-
District Counsel	47,557.97	45,000.00	2,557.97	60,000.00
Assessment Administration	5,000.00	3,750.03	1,249.97	5,000.00
Reamortization Schedules	-	375.03	(375.03)	500.00
Audit	3,500.00	4,500.00	(1,000.00)	6,000.00
Travel and Per Diem	131.55	375.03	(243.48)	500.00
Telephone	-	375.03	(375.03)	500.00
Postage & Shipping	27.61	225.00	(197.39)	300.00
Copies	-	749.97	(749.97)	1,000.00
Legal Advertising	1,802.47	749.97	1,052.50	1,000.00
Miscellaneous	-	374.94	(374.94)	500.00
Office Supplies	-	112.50	(112.50)	150.00
Web Site Maintenance	1,200.00	1,800.00	(600.00)	2,400.00
Dues, Licenses, and Fees	175.00	131.22	43.78	175.00
General Liability Insurance	5,104.00	4,500.00	604.00	6,000.00
Property & Casualty	125,570.00	83,999.97	41,570.03	112,000.00
	-	958,320.00	(958,320.00)	1,277,760.00
Total General & Administrative Expenses	\$ 226,031.65	\$ 1,140,588.72	\$ (914,557.07)	\$ 1,520,785.00
Total Expenses	\$ 226,031.65	\$ 1,140,588.72	\$ (914,557.07)	\$ 1,520,785.00
Income (Loss) from Operations	\$ (64,144.42)	\$ -	\$ (64,144.42)	\$ -
<u>Other Income (Expense)</u>				
Interest Income	\$ 2,105.78	\$ -	\$ 2,105.78	\$ -
Total Other Income (Expense)	\$ 2,105.78	\$ -	\$ 2,105.78	\$ -
Net Income (Loss)	\$ (62,038.64)	\$ -	\$ (62,038.64)	\$ -

**Grove Resort
Community Development District**

Staff Reports

**Grove Resort
Community Development District**

Auditor Selection Committee

GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT REQUEST FOR PROPOSALS FOR ANNUAL AUDIT SERVICES

The Grove Resort Community Development District hereby requests proposals for annual financial auditing services. The proposals must provide for the auditing of the District's financials records for the fiscal year ending September 30, 2020, with an option for four additional annual renewals. The District is a local unit of special-purpose government created under Chapter 190, *Florida Statutes*, for the purpose of financing, constructing, and maintaining public infrastructure. The District is located in Orange County and has an annual operating budget of approximately \$1,568,935.00, not including debt service payments. The final contract will require that, among other things, the audit for the fiscal year ending September 30, 2020, be completed no later than April 15, 2021.

The auditing entity submitting a proposal must be duly licensed under Chapter 473, *Florida Statutes*, and be qualified to conduct audits in accordance with "Governmental Auditing Standards", as adopted by the Florida Board of Accountancy. Audits shall be conducted in accordance with Florida Law and particularly Section 218.39, *Florida Statutes*, and the rules of the Florida Auditor General.

Proposals packages, which include evaluation criteria and instructions to proposers, are available from the District Manager at the address and telephone number listed below.

Proposers must provide seven (7) copies and one electronic copy of their proposal to PFM Group Consulting LLC, Attn: District Manager, 12051 Corporate Blvd., Orlando, Florida 32817, Telephone (407) 723-5900, in an envelope marked on the outside "**Auditing Services – Grove Resort Community Development District.**" Proposals must be received by 5:00 p.m. on Monday, August 10, 2020, at the offices listed above. Please direct all questions regarding this Notice to the District Manager.

Jane Gaarlandt, District Manager
PFM Group Consulting LLC

Run date: July 30, 2020

**GROVE RESORT COMMUNITY DEVELOPMENT DISTRICT
REQUEST FOR PROPOSALS**

**District Auditing Services for Fiscal Year 2020
Orange County, Florida**

INSTRUCTIONS TO PROPOSERS

SECTION 1. DUE DATE. Sealed proposals must be received no later than August 10, at 5:00 p.m., at the offices of the District Manager, located at 12051 Corporate Blvd., Orlando, Florida 32817. Proposals will be publicly opened at that time.

SECTION 2. FAMILIARITY WITH THE LAW. By submitting a proposal, the Proposer is assumed to be familiar with all federal, state, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility to perform the work covered by the proposal in compliance with all such laws, ordinances and regulations.

SECTION 3. QUALIFICATIONS OF PROPOSER. The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience and licensing to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared to complete the work to the satisfaction of the District.

SECTION 4. SUBMISSION OF ONLY ONE PROPOSAL. Proposers shall be disqualified, and their proposals rejected if the District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any previous or existing contract, or for failure to demonstrate proper licensure and business organization.

SECTION 5. SUBMISSION OF PROPOSAL. Submit seven (7) copies and one (1) electronic copy of the Proposal Documents, and other requested attachments, at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the title “**Auditing Services – Grove Resort Community Development District**” on the face of it.

SECTION 6. MODIFICATION AND WITHDRAWAL. Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of ninety (90) days.

SECTION 7. PROPOSAL DOCUMENTS. The proposal documents shall consist of the notice announcing the request for proposals, these instructions, the Evaluation Criteria Sheet and a proposal with all required documentation pursuant to Section 12 of these instructions (the “Proposal Documents”).

SECTION 8. PROPOSAL. In making its proposal, each Proposer represents that it has read and understands the Proposal Documents and that the proposal is made in accordance therewith.

SECTION 9. BASIS OF AWARD/RIGHT TO REJECT. The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed in the best interests of the District.

SECTION 10. CONTRACT AWARD. Within fourteen (14) days of receipt of the Notice of Award from the District, the Proposer shall enter into and execute a Contract (engagement letter) with the District.

SECTION 11. LIMITATION OF LIABILITY. Nothing herein shall be construed as or constitute a waiver of District's limited waiver of liability contained in Section 768.28, *Florida Statutes*, or any other statute or law.

SECTION 12. MISCELLANEOUS. All proposals shall include the following information in addition to any other requirements of the proposal documents.

- A. List position or title of all personnel to perform work on the District audit. Include résumés for each person listed; list years of experience in present position for each party listed and years of related experience.
- B. Describe proposed staffing levels, including résumés with applicable certifications.
- C. Three references from projects of similar size and scope. The Proposer should include information relating to the work it conducted for each reference as well as a name, address and phone number of a contact person.
- D. The lump sum cost of the provision of the services under the proposal for Fiscal Year 2020, plus the lump sum cost of four (4) annual renewals.
- E. Provide a proposed schedule for performance of the audit.

SECTION 13. PROTESTS. In accordance with the District's Rules of Procedure, any protest regarding the Proposal Documents, must be filed in writing, at the offices of the District Manager, within seventy-two (72) calendar hours (excluding Saturday, Sunday, and state holidays) after the receipt of the Proposal Documents. The 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 Saturday, Sunday, and state holidays) after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to the aforesaid Proposal Documents.

SECTION 14. EVALUATION OF PROPOSALS. The criteria to be used in the evaluation of proposals are presented in the Evaluation Criteria Sheet, contained within the Proposal Documents.

