

MINUTES OF MEETING

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

**HERITAGE PLANTATION
COMMUNITY DEVELOPMENT DISTRICT**

The special meeting of the Board of Supervisors of Heritage Plantation Community Development District was held on **Friday, June 13, 2014 at 10:05 a.m. (CST)** at the office of Pelican Real Estate, 5210 South Ferdon Boulevard, Crestview, FL 32536.

Present and constituting a quorum:

Louis Weltman	Board Supervisor, Chairman <i>(via speakerphone)</i>
Doug Turner	Board Supervisor, Vice Chairman
William A. Bailey	Board Supervisor, Assistant Secretary
Richard Bennett	Board Supervisor, Assistant Secretary
Gary Paulzak	Board Supervisor, Assistant Secretary

Also present were:

Debi Anderson	District Manager, Rizzetta & Company, Inc.
Ron Lewis	District Counsel, Bearden, Lewis & Thomas, LLP <i>(via speakerphone)</i>

FIRST ORDER OF BUSINESS

Call to Order

Ms. Anderson called the meeting to order and read roll call.

SECOND ORDER OF BUSINESS

Audience Comments

Ms. Anderson noted that there were no members of the general audience in attendance.

THIRD ORDER OF BUSINESS

**Consideration of Minutes of the Board of
Supervisors' Meeting on May 16, 2014**

Mr. Bailey pointed out a typographical error on page seven and sought clarification on the discussion relating to prior year budgets and participation by current Board Supervisors in their preparation. Ms. Anderson stated that she would listen to minutes and ensure the accuracy of that conversation.

On a Motion by Mr. Bailey, seconded by Mr. Bennett, with all in favor, the Board approved the Minutes of the Board of Supervisors' Meeting held on May 16, 2014 as discussed for the Heritage Plantation Community Development District.

Mr. Weltman sought verification on whether Management was able to locate any form 8B's filed by Mr. Riggs. Ms. Anderson stated that she found no forms in the District files, but has yet to research prior minutes. Mr. Weltman asked that the records reflect, that to the best of Staff's knowledge, there have been no "Conflict of Interest" forms filed by Mr. Riggs, even though it is highly unlikely that there were no matters considered by the Board that the audience should have been aware of a potential conflict.

FOURTH ORDER OF BUSINESS

Ratification of Series 2006 Construction Requisitions #132 & 133

A brief discussion ensued regarding the fact that the bondholders have declined to process the requisitions for payment; therefore, no Board action is required for this item. The bondholders have taken the position that they are an operation and maintenance expense and not construction related. It was stated that both the Chairman and Engineer had signed off on the requisitions, to pay past due invoices to Gustin, Cothorn, & Tucker, Inc. and for the road remediation, prior to their submittal.

FIFTH ORDER OF BUSINESS

Discussion and Vote of Supervisors to Authorize the Chairman upon the Direction of Counsel for the District, Subject to the Confirmation of the Plan of Re-Organization of Louis S. Weltman, but Otherwise without Limitation or Further Ratification to Enter into the Attached Settlement with Louis S. Weltman

Mr. Weltman stated that the first business item relates to his personal bankruptcy and his obligation to the District relative to the five lots that he owns. He asked if there were any questions regarding the agreement included in the agenda packet. A brief discussion ensued regarding the debt owed on the property; the value of the property; and, the way the funds from the sale would be distributed between the property taxes, District, and the HOA (in that order). Mr. Weltman indicated that he does not feel that there is any bank debt on the land; however, no title search has been completed to date. He confirmed that the plan calls for the property to be turned over to the HOA and to be sold with other lots owned by Southeastern Consulting & Development Co., Inc. ("SCDC"). Mr. Lewis responded to questions on this agreement and the District SCDC agreement. He addressed items in paragraph five and seven that need to be cleaned up relative to future debt.

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Mr. Weltman stated that he would be recusing himself from the vote and recommended that Mr. Turner do the same. Ms. Anderson stated that they are not able to merely reclude themselves from the vote, but would actually need to vote against the motion. Mr. Lewis confirmed this and both Mr. Weltman and Mr. Turner indicated that they would vote in favor of the motion. Mr. Weltman stated that he has filed his form 8B stating his conflict of interest on items being discussed at today's meeting.

On a Motion by Mr. Turner, seconded by Mr. Bailey, with all in favor, the Board of Supervisors directed the Chairman to send a letter to District Counsel requesting that he enter into the Settlement Agreement with the District as discussed (to be signed by someone other than the Chairman) and sign District's ballot in favor of the treatment of the District's claims pursuant to the Plan of Reorganization proposed by Mr. Weltman in his Chapter 11 Case for the Heritage Plantation Community Development District.

SIXTH ORDER OF BUSINESS

Discussion and vote of Supervisors to authorize the Chairman and/or counsel for the District, subject to the confirmation of the Plan of Reorganization of Southeastern Consulting & Development Co., Inc., but otherwise without limitation or further ratification, as follows:

- i. to execute the attached Settlement Agreement with Southeastern Consulting & Development Co., Inc. ("SCDC")

A brief discussion was held regarding the need to ensure that the language regarding the five lots owned by Mr. Weltman, which was just approved by the Board, conform to the language contained in the proposed SCDC Agreement. Some questions were raised regarding Exhibit B. Mr. Weltman explained that this portion of the agreement does not actually need to be part of the agreement as it relates to the waste water system. It addresses an alternative option available to the District to provide waste water services to the residents, which will not be needed if the Amendment to the Development Agreement is approved. Mr. Weltman explained that the Amendment to the Development Agreement will eliminate the need for any annexation to occur. He asked that the Board focus on the substantive aspects of the agreement between SCDC and the District.

Mr. Lewis discussed a request that he made to the attorneys for the bondholders to outline the differences between what they are proposing and what this agreement is proposing, as under both options the lots go back to the District. He stated that he did not receive a response from the letter mailed on June 3, 2014. Mr. Weltman stated that he believes the Indenture Trustee and the Bondholders are trying to enforce their perceived rights pursuant to Florida Statutes, ie to get back the lots in such a way as to require the District to levy finance assessments in the future following foreclosure. He emphasized what he sees as the responsibility of the Board to the District to ensure that the Indenture Trustee and the Bondholders obtain the relief they seek, ie

get the lots back, without the District incurring the unnecessary cost of litigating a Stay Relief Motion and Mr. Weltman encouraged approval of the agreement.

Further discussion ensued regarding the substantive portion of the plan as described in paragraph five that addresses how the sale of the 240 lots will be handled and payment to the bondholders made. As well as, the items listed under item nine of the Agreement, addressing funding for the design of the waste water plant and ultimately the construction of the infrastructure needed to bring the services to the District lands. It is intended that the payment for this project will be less than current bond assessments and keep costs at a reasonable level for current and future residents, while maintaining and upholding the rights of the bondholders. Mr. Weltman reviewed the advantages of approving this agreement rather than seeking a Motion for Relief from the Automatic Stay in order to proceed with the foreclosure on the lots; with the biggest advantages being the elimination of the cost of litigation, the certainty of agreement compared to the uncertainty of litigation and the positive impact on the value of the property being returned to the District for the Benefit of the Bondholders by virtue of the addition of the waste water system as an asset owned by the District.

Mr. Lewis confirmed that it is his recommendation that the Board approve the Agreement as he does not see any other better or viable option for the District.

A question was raised regarding the ability of the Board to review the final document before being executed and it was determined that time constraints would preclude this as an option. It was decided that the document would come back to the Board for ratification, similar to how expenditures are approved.

On a Motion by Mr. Bailey, seconded by Mr. Bennett, with all in favor, the Board of Supervisors approved the Southeastern Consulting & Development Co., Inc. Settlement Agreement in substantial form pending review by the Chairman and District Counsel (to be brought back to the Board for ratification) and the Board of Supervisors directed the Chairman to send a letter to District Counsel requesting that he enter into the Settlement Agreement between SCDC and the District as discussed (to be signed by someone other than the Chairman) and sign the District's ballot in favor of the treatment of the District's claims pursuant to the Plan of Reorganization proposed in SCDC's Chapter 11 Case for the Heritage Plantation Community Development District.

- ii. to execute the attached Third Amendment to the Development Agreement by and between SCDC, the District and Okaloosa County

It was noted that there have been no changes made to the Third Amendment to the Development Agreement since last presented to the Board.

On a Motion by Mr. Turner, seconded by Mr. Bennett, with all in favor, the Board approved the Third Amendment to the Development Plans for the Heritage Plantation Community Development District.

- iii. to engage an auction company to market and sell the Heritage Plantation Lots for the benefit of the District as detailed in the attached proposal

Mr. Weltman reviewed how the trust would be established to hold the 240 lots that will be conveyed to the District, the costs associated with the auction of the lots, and payments made for property taxes, etc. He confirmed that the sale would not include the acreage from future phases. Mr. Weltman spoke regarding the reasons for selecting Fischer as the potential auction company. He confirmed that he did not speak with any other firms, but emphasized that he felt comfortable with his recommendation that they be hired as the auctioneer for the sale. A brief discussion ensued regarding whether there is a minimum amount that would need to be obtained for each lot to meet the debt owed on them, and what happens if that amount is not obtained.

It was ultimately decided to hold off on hiring an auction company until after the SCDC Agreement and the Third Amendment to the Development Plan have been approved to allow the bond holders to offer an opinion on the matter.

- iv. to ratify the attached agreement with Gustin Cothorn & Tucker for services related to remediation of stormwater and road damage

Mr. Weltman stated that this was a moot point given the failure of the bondholders to release funds to cover this project. No Board discussion was held.

- v. to execute an agreement, independently, or jointly with the Heritage Plantation Homeowners' Association, Inc., with Village Environmental Services for maintenance of the common areas of the District and the HOA for the benefit of all of the lot owners

Mr. Weltman stated that he was not ready to present this item at this time as he has not spoken to Mr. Owns yet, and would not be doing so until such time as Mr. Owns no longer owes monies to the District and/or HOA. No Board discussion was held.

SEVENTH ORDER OF BUSINESS

Staff Reports

Ms. Anderson reminded the Board that the next regular meeting is scheduled for August 21, 2014 at 10:00 a.m. (CDT) at the office of Pelican Real Estate, 5210 South Ferdon Boulevard, Crestview, FL 32536.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Mr. Turner presented Ms. Anderson with his letter of resignation (effectively immediately).

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On a Motion by Mr. Weltman, seconded by Mr. Bennett, with all in favor, the Board accepted the resignation of Doug Turner as Board Supervisor for the Heritage Plantation Community Development District.

Ms. Anderson stated that she would get with Mr. Turner after the meeting to review the forms that he will need to submit to the Supervisor of Elections. She confirmed that he still needs to submit the 2013 Form 1 by July 1, 2014.

Mr. Bailey asked that the Board packages be distributed sooner as he did not have much time to review them prior to the meeting. Mr. Weltman apologized for the delay, stating that he was late getting the material to District Management.

NINTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Weltman, seconded by Mr. Turner, with all in favor, the Board adjourned the meeting at 11:50 a.m. CST for the Heritage Plantation Community Development District.



~~Secretary~~/Assistant Secretary



Chairman/~~Vice Chairman~~

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME WELTMAN, LOUIS SOLOMAN		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE BOARD OF SUPERVISORS	
MAILING ADDRESS 9164 SANDERSON COURT		THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF <input type="checkbox"/> CITY <input checked="" type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY	
CITY BOYNTON BEACH	COUNTY PALM BEACH	NAME OF POLITICAL SUBDIVISION HERITAGE PLANTATION COMM. DEV. DIST	
DATE ON WHICH VOTE OCCURRED JUNE 13, 2014		MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Louis S WELTMAN, hereby disclose that on JUNE 13, 20 14:

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

ALL MATTERS THAT CAME TO A VOTE PURSUANT TO THE PROPERLY NOTICED MEETING & AGENDA

Date Filed June 13, 2014

Signature Louis S Weltman

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

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MAILING ADDRESS 9164 SANDERSON COURT	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input type="checkbox"/> CITY <input checked="" type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY BOYNTON BEACH	COUNTY PALM BEACH
DATE ON WHICH VOTE OCCURRED JUNE 13, 2014	NAME OF POLITICAL SUBDIVISION: HERITAGE PLANTATION COMM. DEV. DIST.
	MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

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* * * * *

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* * * * *

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APPOINTED OFFICERS (continued)

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- inured to my special private gain or loss;
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