



**KEYS COVE II
COMMUNITY DEVELOPMENT
DISTRICT**

**MIAMI-DADE COUNTY
REGULAR BOARD MEETING
NOVEMBER 8, 2017
11:00 A.M.**

Special District Services, Inc.
6625 Miami Lakes Drive, Suite 374
Miami Lakes, FL 33014

www.keyscove2cdd.org
305.777.0761 Telephone
877.SDS.4922 Toll Free
561.630.4923 Facsimile

AGENDA
KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
Crexent Business Center, 6625 Miami Lakes Drive
3rd Floor Conference Room
Miami Lakes, Florida 33014
REGULAR BOARD MEETING
November 8, 2017
11:00 a.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions to Agenda
- E. Comments from the Public for Items Not on the Agenda
- F. Approval of Minutes
 - 1. May 10, 2017 Regular Board Meeting & Public Hearing.....Page 2
- G. Old Business
 - 1. Update Regarding Entrance Project (Permitting & Start Date)
 - 2. Staff Report as Required
- H. New Business
 - 1. Discussion Regarding Hurricane “Irma” and Post Storm Community Clean-Up
 - 2. Consider Resolution No. 2017-05 – Adopting a Fiscal Year 2016/2017 Amended Budget.....Page 7
 - 3. Discussion Regarding Traffic Calming Devices
- I. Administrative & Operational Matters
 - 1. Annual Audit FY 2016/2017 & Consider 2-Year Renewal Option (Grau & Associates).....Page 12
 - 2. Staff Report as Required
- J. Board Member & Staff Closing Comments
- K. Adjourn

MIAMI DAILY BUSINESS REVIEW

Published Daily except Saturday, Sunday and
Legal Holidays
Miami, Miami-Dade County, Florida

STATE OF FLORIDA
COUNTY OF MIAMI-DADE:

Before the undersigned authority personally appeared MARIA MESA, who on oath says that he or she is the LEGAL CLERK, Legal Notices of the Miami Daily Business Review f/k/a Miami Review, a daily (except Saturday, Sunday and Legal Holidays) newspaper, published at Miami in Miami-Dade County, Florida; that the attached copy of advertisement, being a Legal Advertisement of Notice in the matter of

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2017/2018 REGULAR MEETING SCHEDULE

in the XXXX Court,
was published in said newspaper in the issues of

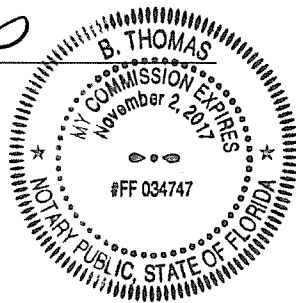
09/21/2017

Affiant further says that the said Miami Daily Business Review is a newspaper published at Miami, in said Miami-Dade County, Florida and that the said newspaper has heretofore been continuously published in said Miami-Dade County, Florida each day (except Saturday, Sunday and Legal Holidays) and has been entered as second class mail matter at the post office in Miami in said Miami-Dade County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this
21 day of SEPTEMBER, A.D. 2017

B. Thomas

(SEAL)
MARIA MESA personally known to me



**KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2017/2018 REGULAR MEETING SCHEDULE**

NOTICE IS HEREBY GIVEN that the Board of Supervisors (the "Board") of the Keys Cove II Community Development District (the "District") will hold Regular Meetings in the Crescent Business Center 3rd Floor Conference Room located at 6625 Miami Lakes Drive, 3rd Floor, Miami Lakes, Florida 33014 at 11:00 a.m. on the following dates:

- October 11, 2017
- November 8, 2017
- December 13, 2017
- January 10, 2018
- February 14, 2018
- March 14, 2018
- April 11, 2018
- May 9, 2018
- June 13, 2018
- July 11, 2018
- September 12, 2018

The purpose of the meetings is for the Board to consider any District business which may lawfully and properly come before the Board. Meetings are open to the public and will be conducted in accordance with the provisions of Florida law for Community Development Districts. Copies of the Agenda for any of the meetings may be obtained from the District's website or by contacting the District Manager at 305-777-0761 and/or toll free at 1-877-737-4822, prior to the date of the particular meeting.

From time to time one or two Board members may participate by telephone; therefore, a speaker telephone will be present at the meeting location so that Board members may be fully informed of the discussions taking place. Said meeting(s) may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at 305-777-0761 and/or toll free at 1-877-737-4822 at least seven (7) days prior to the date of the particular meeting.

Meetings may be canceled from time to time with no advertised notice.

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT

www.keyscove2cdd.org

9/21

17-136/0000259583M

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
PUBLIC HEARING & REGULAR BOARD MEETING
MAY 10, 2017

A. CALL TO ORDER

District Manager Neil Kalin called the May 10, 2017, Regular Board Meeting of the Keys Cove II Community Development District to order at 11:00 a.m. in the 3rd Floor Conference Room of the Crexent Business Center, 6625 Miami Lakes Drive, Miami Lakes, Florida 33014.

B. PROOF OF PUBLICATION

Mr. Kalin presented proof of publication that notice of the Regular Board Meeting had been published in the *Miami Daily Business Review* on April 21, 2017, and April 28, 2017, as legally required.

C. ESTABLISH A QUORUM

Mr. Kalin determined that the attendance of Chairman Christopher MacConnell, Vice Chairman Alfredo Pimentel and Supervisors Eddison Knights and Clarissa Delgado constituted a quorum and it was in order to proceed with the meeting

Staff in attendance: District Managers Neil Kalin & Armando Silva of Special District Services, Inc.; and General Counsel Gerald Knight of Billing, Cochran, Lyles, Mauro & Ramsey, P.A.

D. ADDITIONS OR DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

E. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

There were no comments from the public for items not on the agenda.

F. APPROVAL OF MINUTES

1. March 8, 2017, Regular Board Meeting

Mr. Kalin presented the minutes of the March 8, 2017, Regular Board Meeting and asked if there were any changes. There being no changes, a **motion** was made by Ms. Delgado, seconded by Mr. Knights and unanimously passed to approve the minutes of the March 8, 2017, Regular Board Meeting, as presented.

Note: At approximately 11:05 a.m., Mr. Kalin recessed the Regular Meeting and simultaneously opened the Public Hearing to receive comments on the Fiscal Year 2017/2018 Budget.

G. PUBLIC HEARING

1. Proof of Publication

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
PUBLIC HEARING & REGULAR BOARD MEETING
MAY 10, 2017

Mr. Kalin presented proof of publication that notice of the Public Hearing had been published in the *Miami Daily Business Review* on April 21, 2017, and April 28, 2017, as legally required.

2. Receive Public Comment on Fiscal Year 2017/2018 Final Budget and Assessments

Mr. Kalin opened the public comment portion of the Public Hearing to receive comments on the fiscal year 2017/2018 final budget and non-ad valorem special assessments. There being no public in attendance, Mr. Kalin closed the public comment portion of the Public Hearing.

3. Consider Resolution No. 2017-03 – Adopting a Fiscal Year 2017/2018 Final Budget

Mr. Kalin presented Resolution No. 2017-03, entitled:

RESOLUTION NO. 2017-03

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
APPROVING AND ADOPTING A FISCAL YEAR 2017/2018
FINAL BUDGET INCLUDING NON-AD VALOREM SPECIAL
ASSESSMENTS; AND PROVIDING AN EFFECTIVE DATE.**

Mr. Kalin read the title of the resolution into the record and stated that it provides for the approval and adoption of the fiscal year 2017/2018 final budget and non-ad valorem special assessment tax roll. For viewing purposes, a copy of the tax roll was provided at the meeting. Furthermore, Mr. Kalin stated that the debt service payment on the Series 2005 Bonds, which was due May 1, 2017, had been paid in full and on time to the District's Trustee. A discussion ensued after which:

A **motion** was made by Ms. Delgado, seconded by Mr. Knights and unanimously passed to approve and adopt Resolution No. 2017-03, *as presented*, thereby setting the fiscal year 2017/2018 final budget and non-ad valorem special assessment tax roll.

Note: At approximately 11:12 a.m., Mr. Kalin closed the Public Hearing and simultaneously reconvened the Regular Board Meeting.

H. OLD BUSINESS

1. Update on Status of License Agreement (Security Facilities)

Mr. Kalin stated that the draft License Agreement between the District and the Developer in order for the District to utilize security facilities (owned by the Developer) for providing

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
PUBLIC HEARING & REGULAR BOARD MEETING
MAY 10, 2017

community entrance security services to the District is close to completion. Now that D.R. Horton has purchased lots in the District and is creating a property owners' association ("POA"), the License Agreement requires revising to accommodate the new POA. No further action was required at this time regarding this matter.

Ms. Delgado expressed her concerns regarding the video cameras installed at the guard house and the resolution of the cameras. Mr. Silva informed the Board that Field Staff was aware of the camera resolution issue and Staff was in communication with the camera installation vendor to correct the resolution problem.

2. Update Regarding Commencement of entrance Modification Project

Mr. Silva explained that due to the bar code entry system component of the Project and modifications to the location of the bar code reader, revised engineering plans ("Plans") were required. The Plans have been completed and at this time the Project Contractor is repricing the Project. It is anticipated that the Project would commence in early June.

3. Staff Report, as Required

Mr. Pimentel requested that Field Staff make the paver repair project ("Paver Repair Project") a top priority and asked that it commence as soon as possible. Mr. Kalin advised that he would speak to Field Staff, asking them to make the necessary arrangements in order to commence the Paver Repair Project as soon as possible.

There was no additional Staff Report at this time.

I. NEW BUSINESS

1. Consider Resolution No. 2017-04 – Adopting a Fiscal Year 2017/2018 Meeting Schedule

Mr. Kalin presented Resolution No. 2017-04, entitled:

RESOLUTION NO. 2017-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2017/2018 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.

Mr. Kalin provided an explanation for the document. A discussion ensued after which:

A **motion** was made by Mr. Pimentel, seconded by Mr. Knights and unanimously passed to approve and adopt Resolution No. 2017-04, *as presented*, thereby setting the fiscal year

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
PUBLIC HEARING & REGULAR BOARD MEETING
MAY 10, 2017

2017/2018 regular meeting schedule and authorizing the publication of said schedule as required by law.

J. ADMINISTRATIVE & OPERATIONAL MATTERS

1. Financial Risk Management Policy Review/Update – Fiscal Year 2016/2017

Mr. Kalin explained that Special District Services, Inc. (“SDS, Inc.”), acting in the capacity of District Manager, as part of good management practices and to satisfy annual audit requirements does implement certain measures and procedures to identify and mitigate financial mismanagement/fraud risks, as follows:

a. Each month the District’s operating/checking bank account is reconciled by an authorized person who has not deposited funds to, processed expenditures or written checks from, that particular operating/checking account; and

b. Each expenditure from the District’s operating/checking account requires a minimum of two (2) approvals from authorized staff and/or District officials and the respective approvals are provided by persons other than the preparer of the expenditure; and

c. All financial transactions are logged and maintained by the District Manager for record keeping purposes; and

d. A designated member of the Board (by an electronic approval procedure) has an opportunity to review the District’s expenditure(s) prior to the payment(s) being released; and

e. The District engages an independent firm, pursuant to Chapter 218.391, Florida Statutes, to audit the prior year’s financial activities (October 1st through September 30th) from which an independent fiscal year annual audit is prepared; and

f. Within sixty (60) days of the end of each fiscal year (September 30th) the District’s Board of Supervisors reviews, pursuant to Chapter 189.418(5), Florida Statutes, the prior year’s budget relative to actual revenues and expenditures and adopts by resolution an amended/revised final budget.

2. Statement of Financial Interests – 2016 Form 1 – Filing Deadline: July 1, 2017

The Board was reminded of the importance of completing and mailing to the Supervisor of Elections within the County of residency their individual 2016 Statement of Financial Interests Form 1. The **2016 Form 1** is expected to be mailed around the second week in May and the deadline for submittal is July 1, 2017.

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
PUBLIC HEARING & REGULAR BOARD MEETING
MAY 10, 2017

3. Staff Report, as Required

There was no Staff Report at this time

K. BOARD MEMBER & STAFF CLOSING COMMENTS

Mr. Kalin indicated that unless an emergency were to arise the Board would not need to meet until September or October.

L. ADJOURNMENT

There being no further business to come before the Board, a **motion** was made by Mr. MacConnell, seconded by Ms. Delgado and unanimously passed to adjourn the Regular Board Meeting at 11:31 a.m.

Secretary/Assistant Secretary

Chairperson/Vice Chairperson

RESOLUTION NO. 2017-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2016/2017 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of the Keys Cove II Community Development District (“District”) is empowered to provide a funding source and to impose special assessments upon the properties within the District; and,

WHEREAS, the District has prepared for consideration and approval an Amended Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT, THAT:

Section 1. The Amended Budget for Fiscal Year 2016/2017 attached hereto as Exhibit “A” is hereby approved and adopted.

Section 2. The Secretary/Assistant Secretary of the District is authorized to execute any and all necessary transmittals, certifications or other acknowledgements or writings, as necessary, to comply with the intent of this Resolution.

PASSED, ADOPTED and BECOMES EFFECTIVE this 8th day of November, 2017.

ATTEST:

**KEYS COVE II
COMMUNITY DEVELOPMENT DISTRICT**

By: _____
Secretary/Assistant Secretary

By: _____
Chairperson/Vice Chairperson

Keys Cove II
Community Development District

**Amended Final Budget For
Fiscal Year 2016/2017
October 1, 2016 - September 30, 2017**

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- II **AMENDED FINAL DEBT SERVICE FUND BUDGET**

AMENDED FINAL BUDGET
KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
OPERATING FUND
FISCAL YEAR 2016/2017
OCTOBER 1, 2016 - SEPTEMBER 30, 2017

	FISCAL YEAR 2016/2017 BUDGET 10/1/16 - 9/30/17	AMENDED FINAL BUDGET 10/1/16 - 9/30/17	YEAR TO DATE ACTUAL 10/1/16 - 9/29/17
REVENUES			
ADMINISTRATIVE ASSESSMENTS	53,549	54,475	54,475
MAINTENANCE ASSESSMENTS	398,301	398,302	398,302
DEBT ASSESSMENTS	470,493	467,988	467,988
OTHER REVENUES	0	0	0
INTEREST INCOME	600	1,589	1,589
TOTAL REVENUES	\$ 922,943	\$ 922,354	\$ 922,354
ADMINISTRATIVE EXPENDITURES			
MANAGEMENT	30,264	30,264	30,264
SECRETARIAL & FIELD OPERATIONS	7,200	7,200	7,200
LEGAL	8,000	7,698	7,698
ASSESSMENT ROLL	10,000	10,000	10,000
AUDIT FEES	3,400	3,400	3,400
ARBITRAGE REBATE FEE	650	650	650
INSURANCE	6,950	6,042	6,042
LEGAL ADVERTISING	900	600	284
MISCELLANEOUS	900	900	872
POSTAGE	450	200	179
OFFICE SUPPLIES	700	525	488
DUES & SUBSCRIPTIONS	175	175	175
TRUSTEE FEES	4,350	4,213	4,213
CONTINUING DISCLOSURE FEE	750	500	500
WEBSITE MANAGEMENT	1,500	1,500	1,500
TOTAL ADMINISTRATIVE EXPENDITURES	\$ 76,189	\$ 73,867	\$ 73,465
MAINTENANCE EXPENDITURES			
ENGINEERING/INSPECTIONS	2,400	850	850
LAWN & LANDSCAPE MAINTENANCE	140,000	147,500	139,395
MULCH	12,000	2,000	0
TREE SHRUBBERY MAINTENANCE/REPLACEMENT	18,000	60,000	53,928
PEST CONTROL/FERTILIZATION	10,800	12,500	11,739
IRRIGATION MAINTENANCE & UPKEEP	12,000	12,800	12,310
STREET/ROADWAY MAINTENANCE & UPKEEP	9,000	25,000	22,440
SECURITY SERVICES/ENTRANCE	130,000	117,000	108,000
GUARD HOUSE UTILITIES & GATE MAINTENANCE	5,200	12,000	10,464
FP&L POWER - STREET LIGHTS/IRRIGATION PUMP STATIONS	62,500	45,791	45,791
STREET LIGHT MAINTENANCE	14,000	33,000	30,663
MISCELLANEOUS MAINTENANCE	5,400	14,000	11,269
STORM CLEANUP - IRMA	0	20,000	10,100
CAPITAL OUTLAY	0	26,755	26,755
TOTAL MAINTENANCE EXPENDITURES	\$ 421,300	\$ 529,196	\$ 483,704
TOTAL EXPENDITURES	\$ 497,489	\$ 603,063	\$ 557,169
EXCESS/ (SHORTFALL)	\$ 425,454	\$ 319,291	\$ 365,185
BOND PAYMENTS	(442,263)	(452,471)	(452,471)
BALANCE	\$ (16,809)	\$ (133,180)	\$ (87,286)
COUNTY APPRAISER & TAX COLLECTOR FEE	(18,447)	(8,954)	(8,954)
DISCOUNTS FOR EARLY PAYMENTS	(36,894)	(25,149)	(25,149)
EXCESS/ (SHORTFALL)	\$ (72,150)	\$ (167,283)	\$ (121,389)
CARRYOVER FROM PRIOR YEAR	72,150	72,150	0
NET EXCESS/ (SHORTFALL)	\$ -	\$ (95,133)	\$ (121,389)

FUND BALANCE AS OF 9/30/16	
FY 2016/2017 ACTIVITY	
FUND BALANCE AS OF 9/30/17	

\$524,052
(\$167,283)
\$356,769

Notes

Carryover From Prior Year Of \$72,150 was used to reduce Fiscal Year 2016/2017 Assessments.
\$102,300 Of Fund Balance To Be Used To Reduce 2017/2018 Assessments.

AMENDED FINAL BUDGET
KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND
FISCAL YEAR 2016/2017
OCTOBER 1, 2016 - SEPTEMBER 30, 2017

	FISCAL YEAR 2016/2017 BUDGET 10/1/16 - 9/30/17	AMENDED FINAL BUDGET 10/1/16 - 9/30/17	YEAR TO DATE ACTUAL 10/1/16 - 9/29/17
REVENUES			
Interest Income	250	755	755
NAV Tax Collection	442,263	452,471	452,471
Prepaid Bond Collection	0	0	0
Total Revenues	\$ 442,513	\$ 453,226	\$ 453,226
EXPENDITURES			
Principal Payments	155,000	155,000	155,000
Interest Payments	287,513	290,950	290,950
Extraordinary Principal Payments	0	30,000	30,000
Total Expenditures	\$ 442,513	\$ 475,950	\$ 475,950
EXCESS/ (SHORTFALL)	\$ -	\$ (22,724)	\$ (22,724)

FUND BALANCE AS OF 9/30/16	\$502,598
FY 2016/2017 ACTIVITY	(\$22,724)
FUND BALANCE AS OF 9/30/17	\$479,874

Note*: Reserve Fund Balance = \$231,000. Revenue Fund Balance = \$245,659.

Prepayment Fund Balance = \$3,215.

Revenue Fund Balance To Be Used To Make 11/1/2017 Interest Payment Of \$140,800

And Extraordinary Principal Payment Of \$25,000.

* Approximate Amounts

Series 2005 Bond Information

Original Par Amount =	\$11,745,000	Annual Principal Payments Due =
Interest Rate =	5.50%	May 1st
Issue Date =	November 2005	Annual Interest Payments Due =
Maturity Date =	May 2036	May 1st & November 1st
Par Amount As Of 9/30/17 =	\$5,120,000	

November 8, 2017

RE: Keys Cove II Community Development District Auditor Renewal

At the November 12, 2014 Keys Cove II Community Development District Board Of Supervisors meeting, the firm of Grau & Associates was selected to perform the 9-30-2014, 9-30-2015 and 9-30-2016 year end audits of the District with an option to perform the 9-30-2017 and 9-30-2018 audits.

The fees for the 9-30-2014 audit were \$3,200. The fees for the 9-30-2015 audit were \$3,300. And the fees for the 9-30-2016 audit were \$3,400. The proposed fees for the 9-30-2017 audit is \$3,400, which is the budgeted amount for audit fees for Fiscal Year 2017/2018. The proposed fee for the 9-30-18 audit is \$3,400.

Grau & Associates has been the district auditor for the past three years. Management is pleased with the professionalism and the competence of the Grau & Associates partners and staff; therefore management recommends that the Board approve the renewal option for the Fiscal Year Ending 9-30-2017 and 9-30-2018 audits for Grau & Associates.

Special District Services, Inc.