

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.

FISHHAWK COMMUNITY DEVELOPMENT DISTRICT

The Continued Meeting of the Board of Supervisors of Fishhawk Community Development District was held on **Wednesday, June 21, 2017, at 6:05 p.m.** located at the Osprey Club, 5721 Osprey Ridge Drive, Lithia, Florida 33547.

Present and constituting a quorum:

Terrie Morrison	Board Supervisor, Chairman
Randy Crouse	Board Supervisor, Vice Chairman
Steven Reiser	Board Supervisor, Assistant Secretary
Kerri McDougald	Board Supervisor, Assistant Secretary
Tim Coffey	Board Supervisor, Assistant Secretary

Also present were:

Greg Cox	District Manager; Rizzetta & Company, Inc.
Biff Craine	District Counsel; Petitt Worrell Rocha PLLC
Holly Quigley	Community Director; Fishhawk CDD
Tucker Mackie	Merger Counsel, Hopping Greens & Sams (via phone)

Audience **Present**

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cox called the meeting to order at 6:05 p.m., read the roll call and it was determined that a quorum was met.

SECOND ORDER OF BUSINESS

Audience Comments

The Board heard audience comments as several attendees expressed their concerns regarding the potential merger and the impact it might have on their capital reserves and their assessment levels.

THIRD ORDER OF BUSINESS

Discussion of Merger

Ms. Morrison and Mr. Cox opened and summarized the workshop process. It was explained that this would be a workshop and no decisions would be made during this meeting. All decisions would be made during the next CDD Board meeting. The process, as explained, was for Board members to identify those items associated with the potential merger of the three districts that they felt were positive (pros); negative (cons); areas that they needed more information; and items or issues that were felt to be "show-stoppers". Following identification of those items by each Board member, the Board members discussed the topics so as to get a better clarification of what each meant. A summary of the input provided by the Board members is as follows:

1. There was general consensus of most Board members on the idea that the capital reserves accumulated to date should be protected in the merger agreement to ensure that they would only be spent on the facilities of the District of origin until those funds are depleted.
2. There were comments that FH CDD III should take steps to increase their level of capital reserves through some means if a merger were to occur.
3. There was no support for a significant increase in O&M assessments for CDD I as a merger result however significant was not defined.
4. The loss of FH CDD I control of FH CDD I assets due to a merger was emphasized as a concern.
5. Concerns were expressed as to whether one Board would be able to adequately manage a much larger single District.
6. The positive comments were primarily centered around the goodness of one community and how it would enhance property values, provide economies of scale for cost savings and how the merger would ensure long term availability of amenities for all and provide for consistency for all and one place to go to with issues.
7. The negative comments were primarily centered around legal costs of pursuing the merger; the impact on O&M assessments for Fishhawk CDD I and CDD II residents; loss of control of assets; and concern regarding use of Capital Reserve funds that had been accumulated to date.
8. It was clarified that the merger would have zero effect on anyone's bond debt.
9. The show stoppers for a merger were identified as 1) clarification and resolution of the issue of the \$23 million in Capital Debt in Fishhawk CDD III's financials; 2) the protection of each District's capital reserves moving forward; and 3) an unacceptable increase in O&M assessments for Fishhawk CDD and Fishhawk CDD III residents as a result of the merger.

FOURTH ORDER OF BUSINESS

Audience Comments

The Board members received additional comments from the attending audience.

FIFTH ORDER OF BUSINESS

Supervisor Requests

Ms. Morrison requested more information of about Fishhawk CDD II's and Fishhawk CDD III's concept of the segregation of capital reserves.

Mr. Reiser requested information regarding how much has been spent on Mr. Craine and Ms. Mackie's services to date relative to the merger consideration.

Mr. Coffey requested more information regarding a potential "lump sum" contribution from Fishhawk CDD III towards its Capital Reserves and requested that Ms. Mackie attend the next Fishhawk CDD meeting.

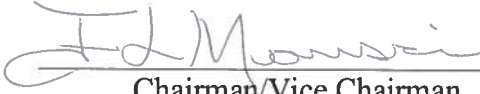
Mr. Crouse requested information regarding a one special assessment for Fishhawk CDD III to increase their level of capital reserves.

SIXTH ORDER OF BUSINESS

Adjournment

On a motion from Ms. Morrison, seconded by Ms. McDougald, the Fishhawk CDD Board adjourned the continued meeting at 8:22 p.m. for the Fishhawk Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman