

*Chapel Creek
Community Development District*

Meeting Agenda

February 2, 2021

AGENDA

Chapel Creek

Community Development District

219 E. Livingston St., Orlando, Florida 32801

Phone: 407-841-5524 - Fax: 407-839-1526

January 26, 2021

**Board of Supervisors
Chapel Creek
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Chapel Creek Community Development District** will be held **Tuesday, February 2, 2021 at 11:00 AM** at the **Hampton Inn – Dade City, 13215 Hwy US 301, Dade City, FL 33525**. Masks are required to be worn at the meeting venue.

Those members of the public wishing to attend the meeting can do so using the information below:

Zoom Video Link: <https://zoom.us/j/94406903761>

Zoom Call-In Information: 1-646-876-9923

Meeting ID: 944 0690 3761

Following is the advance agenda for the meeting:

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period (¹Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the January 5, 2021 Board of Supervisors Meeting
4. Consideration of Resolution 2021-07 Adopting a Policy for the District Regarding Parking and Towing
5. Consideration of Property Towing and Impound Agreement with 813 Towing Service, LLC
6. Presentation of Supplemental Engineer's Report for Phases 7 and 8
7. Presentation of Master Assessment Methodology
8. Consideration of Resolution 2021-08 Declaring Special Assessments

¹ Comments will be limited to three (3) minutes

9. Consideration of Resolution 2021-09 Setting a Public Hearing on the Imposition of Special Assessments
10. Consideration of Memorandum from Straley Robin Vericker Regarding E-Verify System
 - A. Consideration of E-Verify Memorandum of Understanding for Employers
11. Consideration of Underwriter Services Agreement with FMS Bonds – **ADDED**
12. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Field Manager's Report
 - i. Consideration of Purchase and Installation of Dog Waste Stations
 - D. District Manager's Report
 - i. Discussion Regarding May Meeting Date
13. Other Business
14. Supervisors Requests and Audience Comments
15. Adjournment

MINUTES

**MINUTES OF MEETING
CHAPEL CREEK
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Chapel Creek Community Development District was held on Tuesday, **January 5, 2021** at 11:00 a.m. at the Hampton Inn – Dade City, 13215 US Hwy 301, Dade City, Florida.

Present and constituting a quorum were:

Brian Walsh	Chairman
Milton Andrade	Vice Chairman
Garret Parkinson	Assistant Secretary
Tim Jones	Assistant Secretary
Steve Johnson	Assistant Secretary

Also, present were:

Jill Burns	District Manager, GMS
Tracy Robin <i>via Zoom</i>	District Counsel, Straley Robin Vericker
Clayton Smith	GMS
Baron Hoffmeister	GMS
Tonja Stewart <i>via Zoom</i>	District Engineer

The following is a summary of the discussions and actions taken at the January 5, 2021 Chapel Creek Community Development District's Regular Board of Supervisor's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order. There were five members present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Burns noted there were no members of the public present at the meeting.

THIRD ORDER OF BUSINESS

Approval of Minutes of the December 1, 2020 Board of Supervisors Meeting

Ms. Burns presented the December 1, 2020 Board meeting minutes and asked for questions, comments, or corrections on the minutes. The Board had no changes to the minutes.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, the Minutes of the December 1, 2020 Board of Supervisors Meeting, were approved.
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FOURTH ORDER OF BUSINESS

Consideration of Resolution 2021-06 Electing a Treasurer and Assistant Treasurer

Ms. Burns requested that Ariel Lovera be appointed Treasurer and Jill Burns be appointed as the Assistant Treasurer.

On MOTION by Mr. Walsh, seconded by Mr. Parkinson, with all in favor, Resolution 2021-06 Electing Mr. Lovera as Treasurer and Ms. Burns as Assistant Treasurer, was approved.

FIFTH ORDER OF BUSINESS

Consideration of Agreement with Stantec Consulting Services, Inc.

Ms. Burns presented the proposal for the engineer's report for the next bond issuance that will be paid out of the cost of issuance account when the bonds are issued. Ms. Stewart requested a copy of the legal description of the District. The agreement will be updated with E-Verify language.

On MOTION by Mr. Walsh, seconded by Mr. Jones, with all in favor, the Agreement with Stantec Consulting Services, Inc. subject to counsel review, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Landscaping Proposals

A. Floralawn

Mr. Smith presented the landscaping proposal and noted that Floralawn was the most expensive.

B. Cardinal Landscaping

Mr. Smith presented the landscaping proposal and noted the quality of their past work performance and that the price was lower than the current contract.

C. Prince & Sons, Inc.

Mr. Smith presented the landscaping proposal and noted the lower price than the current contract.

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, to Terminate the Existing Landscaping Contract and Select the Landscaping Proposal from Cardinal Landscaping with Additional Areas Noted, subject to counsel review, was approved.

SEVENTH ORDER OF BUSINESS**Consideration of Audit Engagement
Letter with McDirmit Davis – ADDED**

Ms. Burns noted the audit was for the Fiscal Year 2020 and stated that this was a renewal of the existing contract with the price of \$4,800.

On MOTION by Mr. Walsh, seconded by Mr. Jones, with all in favor, the Audit Engagement Letter with McDirmit Davis, subject to counsel review, was approved.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. Attorney**

Mr. Robin had nothing further to report.

B. Engineer

Ms. Stewart requested the schedule for the bond issuance and the completion of the engineer's report. Ms. Burns stated the schedule would be discussed and determined on an upcoming conference call.

C. Field Manager's Report

Mr. Smith noted that outlets were added for Christmas decorations and there were plans for more decor next year. Mr. Smith's upcoming projects include landscaping improvements, adding in mulch at the playground, and a dog waste station for the pet park. He stated that he will

bring back quotes for more stations along the boulevard for the next meeting. Security options were discussed as well.

D. District Manager's Report

Ms. Burns had nothing further to report.

NINTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS

**Supervisors Requests and Audience
Comments**

It was requested to add towing policies and resolution setting public hearing to the next agenda. Also, for Mr. Smith and Mr. Hoffmeister to look into getting Wi-Fi at the amenity.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, the meeting was adjourned.
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Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

RESOLUTION 2021-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT ADOPTING A POLICY REGARDING PARKING AND TOWING AT THE DISTRICT OWNED AMENITY CENTER PROPERTY; AUTHORIZING THE ENGAGEMENT OF AN AUTHORIZED TOWING OPERATOR; PROVIDING FOR CONFLICTS AND SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Chapel Creek Community Development District (the “**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated in Pasco County, Florida;

WHEREAS, the District owns and maintains the amenity center site and adjacent service road known as Dissenter Court, located within the boundaries of the District, described and/or depicted as Tracts R-1 and R-3 (collectively, the “**Amenity Property**”) in the Parking and Towing Policy (“**Parking and Towing Policy**”) attached hereto as **Exhibit “A”** and made a part hereof;

WHEREAS, the Board of Supervisors of the District (the “**Board**”) is authorized by Sections 190.011(15) and 190.012(2)(d), Florida Statutes, to establish a parking and towing policy for the Amenity Property and to have vehicles or vessels towed from the Amenity Property whenever they are in violation of the District’s policies or applicable regulatory requirements;

WHEREAS, unauthorized vehicles or vessels on the Amenity Property restrict the District’s vendors from performing their responsibilities and may pose a danger or cause a hazard to the health, safety, and welfare of the District, its residents, its infrastructure, and the general public;

WHEREAS, the Board held a public meeting to receive public comment on its proposed parking and towing policy; and

WHEREAS, the District desires to authorize the engagement of a towing operator to tow unauthorized vehicles or vessels.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD:

1. **Incorporation of Recitals.** The above recitals are true and correct and by this reference are incorporated as a material part of this resolution.
2. **Adoption of Parking and Towing Policy.** The Board hereby adopts the Parking and Towing Policy attached hereto as **Exhibit “A”**.
3. **Authorizing the Engagement of an Approved Towing Operator.**
 - a. The Board hereby authorizes the District’s entering into an agreement with a company that is authorized to perform towing or wrecker services in compliance with Florida law, applicable Pasco County regulations, and the Parking and Towing Policy.
 - b. The District shall coordinate with the towing operator to ensure that the required signage shall be posted on Amenity Property in the manner required by applicable laws and regulations (including specifically Section 715.07, Florida Statutes).

4. **Conflicts.** This Resolution replaces any prior resolutions, policies, rules, actions or any portion or content included therein in conflict with this resolution.
5. **Severability.** If any section or part of a section of this resolution is declared invalid, unconstitutional, or inconsistent with any law or regulation, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such part of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.
6. **Effective Date.** This Resolution shall become effective upon its passage and shall remain in effect unless rescinded, repealed, replaced, or superseded.

Passed and Adopted on February 2, 2021

Attest:

**Chapel Creek
Community Development District**

Assistant Secretary

Name: _____
Chair of the Board of Supervisors

Exhibit A

Parking and Towing Policy

The Chapel Creek Community Development District (the “**District**”) has adopted the following policy (the “**Policy**”) regarding the parking and towing of vehicles or vessels of any kind (as defined by Section 715.07, Florida Statutes) located on or immediately surrounding District’s amenity center property, described and/or depicted as Tracts R-1 and R-3 on “**Exhibit A**” attached hereto (the “**Amenity Property**”). The term Amenity Property shall include all common areas and sidewalks located adjacent to the Amenity Property, and the grass strip between sidewalk and any roadway located adjacent to the Amenity Property. This Policy is in addition to, and exclusive of, various state laws, county regulations, or homeowners’ association standards governing parking.

1. Except during the hours beginning at 6:00 a.m. and ending at 10:00 p.m. each day, there shall be no parking of vehicles or vessels at any time on the Amenity Property.
2. Any vehicle or vessel parked on the Amenity Property in violation of this Policy or applicable regulatory requirements shall be towed, at the sole expense of the owner, in accordance with applicable laws and regulations (including Section 715.07, Florida Statutes).
3. Upon discovery of a violation, the towing operator with whom the District enters into a towing authorization agreement shall tow the vehicle or vessel from Amenity Property in accordance with said agreement.
4. The towing operator may patrol the Amenity Property for violations of this Policy (roam towing).
5. Residents may contact the towing operator directly concerning any violations of this Policy.

This policy was adopted by Resolution 2021-07 on February 2, 2021

EXHIBIT A
CHAPEL CREEK PHASE 1A
TRACT "R-1" (AMENITY CENTER)

DESCRIPTION: That part of TRACT "R", according to the plat of CHAPEL CREEK PHASE 1A, as recorded in Plat Book 62, Pages 134 through 148 inclusive, of the Public Records of Pasco County, Florida, lying in Section 6, Township 26 South, Range 21 East, Pasco County, Florida, being more particularly described as follows:

COMMENCE at the Northwest corner of said TRACT "R", run thence along the Northerly boundary of said TRACT "R", the following two (2) courses: 1) S.89°11'33"E., 217.58 feet to the **POINT OF BEGINNING**; 2) continue S.89°11'33"E., 407.00 feet to a point on a curve, also being the Northeast corner of said TRACT "R"; thence along the Easterly boundary of said TRACT "R", the following four (4) courses: 1) Southerly, 247.11 feet along the arc of a curve to the left having a radius of 480.00 feet and a central angle of 29°29'49" (chord bearing S.11°04'55"W., 244.39 feet) to a point of reverse curvature; 2) Southerly, 29.27 feet along the arc of a curve to the right having a radius of 550.00 feet and a central angle of 03°02'57" (chord bearing S.02°08'32"E., 29.27 feet) to a point of compound curvature; 3) Southwesterly, 27.66 feet along the arc of a curve to the right having a radius of 20.00 feet and a central angle of 79°13'38" (chord bearing S.38°59'46"W., 25.50 feet) to a point of tangency; 4) S.78°36'35"W., 25.53 feet; thence continue S.78°36'35"W., 108.24 feet to a point of curvature; thence Westerly, 193.83 feet along the arc of a curve to the right having a radius of 975.00 feet and a central angle of 11°23'25" (chord bearing S.84°18'17"W., 193.51 feet) to a point of tangency; thence WEST, 21.34 feet; thence NORTH, 340.26 feet to the **POINT OF BEGINNING**.

Containing 2.719 acres, more or less.

CURVE DATA TABLE

NO.	RADIUS	DELTA	ARC	CHORD	BEARING
1	480.00	29°29'49"	247.11	244.39	S.11°04'55"W.
2	550.00	03°02'57"	29.27	29.27	S.02°08'32"E.
3	20.00	79°13'38"	27.66	25.50	S.38°59'46"W.
4	975.00	11°23'25"	193.83	193.51	S.84°18'17"W.

BASIS OF BEARINGS

CARDINAL BEARING NOTE:

Cardinal bearings where shown hereon shall be assumed to have the same bearings as follows:

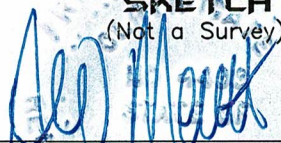
NORTH - N.00°00'00"E.
SOUTH - S.00°00'00"W.
EAST - N.90°00'00"E.
WEST - N.90°00'00"W.

The Northerly boundary of TRACT "R", according to the plat of CHAPEL CREEK PHASE 1A, as recorded in Plat Book 62, Pages 134 through 148 inclusive, of the Public Records of Pasco County, Florida, has a Grid bearing of S.89°11'33"E. The Grid bearings as shown hereon refer to the State Plane Coordinate System (NAD 1963-1990 Re-adjustment) for the West Zone of Florida, as established from horizontal control monuments of Pasco County, Florida.

CHAPEL CREEK PHASE 1A
TRACT "R-1" (AMENITY CENTER)

Prepared For: **NEW CHAPEL CREEK, LLC**

**DESCRIPTION
SKETCH
(Not a Survey)**


Arthur W. Merritt
FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. 4498

AMERRITT, INC.

LAND SURVEYING AND MAPPING
LICENSED BUSINESS NUMBER LB7778
3010 W. Azeele Street, Suite 150
Tampa, FL 33609
PHONE (813) 221-5200

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL
RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

Drawn: WFS	Checked: AWM	Order No.: AMI-NCC-CC-001
Date: 9-21-20	Dwg: CHAPELCRK-WEST-AMENITY-DS.dwg	
File Path: P:\Chapel Creek West\Master Plan\Description\Amenity Center		
SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST		

No.	Date	Description	Dwn.
REVISIONS			
SHEET NO. 1 OF 2 SHEETS			

LEGEND:

1. O.R. - Official Records Book
2. (R) indicates radial line
3. (NR) indicates non-radial line
4. RB - indicates reference bearing

NOTE:

- SEE SHEET 1 OF 2 SHEETS FOR:
- 1) LEGAL DESCRIPTION
 - 2) BASIS OF BEARINGS NOTE
 - 3) CURVE DATA TABLE
 - 4) CARDINAL BEARING NOTE

**NORTHEAST 1/4 OF
SECTION 6-26-21
SOUTHEAST 1/4 OF
SECTION 6-26-21**

CHAPEL CREEK PHASE 1A
(PLAT BOOK 62, PAGES 134-148)

TRACT "H"
DRAINAGE AREA

(NR)
S.89°11'33"E. 624.58'

TRACT "H"
WETLAND
CONSERVATION
AREA "T"

RB=N.64°10'11"W.1

217.58'

407.00'

POINT OF BEGINNING

NORTHERLY BOUNDARY
OF TRACT "R"
BASIS OF BEARINGS
REFERENCE LINE

NORTHEAST CORNER
OF TRACT "R"

TRACT "R-1"
AMENITY CENTER

TRACT "R"
FUTURE
DEVELOPMENT

TRACT "R-2"
OFFICE SITE

TRACT "R"
FUTURE
DEVELOPMENT

NORTH
340.26'

TRACT "A"
60.00' LANDSCAPE BUFFER

TRACT "R"
FUTURE
DEVELOPMENT

WEST
21.34'

TRACT "R-3"
DISSENTER COURT

SOUTHERLY BOUNDARY
OF TRACT "R"

TRACT "F"
DRAINAGE AREA

CHAPEL CREEK PHASE 1A
(PLAT BOOK 62, PAGES 134-148)

108.24'
S.78°36'35"W.

S.78°36'35"W.
25.53'

TRACT "V"
40.00' LANDSCAPE BUFFER

CLIFTON DOWN DRIVE

**CHAPEL CREEK PHASE 1A
TRACT "R-1" (AMENITY CENTER)**

Prepared For: **NEW CHAPEL CREEK, LLC**

**DESCRIPTION
SKETCH**
(Not a Survey)

Arthur W. Merritt

Arthur W. Merritt

FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. 4498

AMERRITT, INC.

LAND SURVEYING AND MAPPING

LICENSED BUSINESS NUMBER LB7778

3010 W. Azele Street, Suite 150

Tampa, FL 33609

PHONE (813) 221-5200

Drawn: WFS Checked: AWM Order No.: AMI-NCC-CC-001

Date: 9-21-20 Dwg: CHAPELCRK-WEST-AMENITY-DS.dwg

File Path: P:\Chapel Creek West\Master Plan\Description\Amenity Center

SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL
RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER

REVISIONS

SHEET NO. 2 OF 2 SHEETS

No.	Date	Description	Dwn.
REVISIONS			

SECTION V

PROPERTY TOWING AND IMPOUND AGREEMENT

In accordance with the terms of this PROPERTY TOWING AND IMPOUND AGREEMENT (“**Agreement**”) by and between 813 Towing Service, LLC, whose address is 1112 E. 127th Avenue, Tampa, Florida 33612 (“**Contractor**”) and the Chapel Creek Community Development District., whose mailing address is c/o Government Management Services – Central Florida, LLC, 219 E. Livingston Street, Orlando, Florida 32801 (“**District**”), the parties do hereby agree as follows:

1. In accordance with the provisions of this Agreement, Contractor shall remove vehicles from the property (“**Property**”) below:

PROPERTY NAME: Chapel Creek Community Development District

ADDRESS: 6351 Clifton Down Drive, Zephyrhills, FL 33541

DISTRICT PROPERTY SUBJECT TO TOWING: District clubhouse/amenity center parking lot area and immediate surrounding portion of the Property common areas and drive entrances, located within the District at the address shown for the Property in this Section.

2. The District authorizes Contractor, including its employees and agents, to patrol and roam the Property, and tow any vehicles or vessels in violation (or upon request) during the times specified below, in accordance with this Agreement. The following persons are designated as authorized agents of the District who are exclusively authorized to direct Contractor to remove vehicles from the Property:
 - a. The District Manager;
 - b. The Chair of the Board of Supervisors, or such other member of the Board as designated by the Board in writing from time to time.
3. The District hereby grants Contractor the non-exclusive right to access the Property to remove any vehicle improperly parked on District Property. “**District Property**” means and includes the District clubhouse/amenity center parking lot area and the immediate surrounding portion of the Property common areas and drive entrances. The District hereby authorizes the Contractor to remove any vehicle or vessel from District Property for the following violations and other violations as determined by the District’s authorized representative from time to time:

Any vehicle or vessel parked on the District Property between the hours of 10:00 p.m. – 6:00 a.m. is in violation of the District’s parking policy.

4. Contractor shall perform all towing and impound services in accordance with Florida Statute § 715.07 and § 713.78 and any and all applicable federal, state, and local laws and ordinances (collectively, “**Towing Regulations**”). Contractor is exclusively responsible for complying with Fla. Stat. 715.07 and § 713.78 and all Towing Regulations. Contractor is solely and exclusively responsible for notifying the appropriate law

enforcement agencies regarding the removal and/or impoundment of any vehicles or vessels pursuant to this Agreement.

5. Contractor shall receive payment for towing and impound services solely from the vehicle owner in accordance with Towing Regulations. The District shall not be responsible for or liable to Contractor for any costs, expenses, fees, or charges incurred or imposed by Contractor arising from or relating to any services performed pursuant to this Agreement.
6. This Agreement will be in effect 24 hours per day, 365 days per year. This Agreement shall remain in force for a term of one (1) calendar year from date of signing, unless sooner terminated as provided herein. Either party may terminate this Agreement with or without cause upon 30 days' written notice to the other party. Upon written agreement of the parties, this Agreement shall be renewable annually.
7. All notices to either party to this Agreement shall be sent to the party's address provided herein by U.S. Mail and Certified Mail, Return Receipt Requested. Notices shall be deemed received upon the earlier of written confirmation of receipt or three (3) days after deposit in the mail.
8. This Agreement shall be interpreted in accordance with Florida law. Venue shall be in Pasco County. In the event of any litigation to enforce this Agreement or any of the terms herein, the prevailing party shall be entitled to recover their reasonable attorney's fees and costs from the non-prevailing party.
9. This Agreement constitutes the full and complete agreement between the Parties with respect to this matter and there are no agreements or understandings between the Parties except as provided herein. This Agreement may not be changed orally but only by a written instrument signed by both parties.
10. The Contractor shall comply with necessary economic, operational, safety, insurance, and other compliance requirements imposed by federal, state, county, municipal or regulatory bodies, relating to the contemplated operations and services hereunder.
11. The Contractor shall carry commercial general liability insurance of no less than \$1,000,000. The Contractor shall deliver to the District proof of insurance referred to herein or a certificate evidencing the coverage provided pursuant to this Agreement and naming the District as "Additional Insured" under such policy. Such insurance policy may not be canceled without a thirty-day written notice to the District. The Contractor will maintain Workers Compensation insurance as required by law.
12. Contractor agrees to indemnify, defend and hold the District and its supervisors, officers, managers, agents and employees harmless from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or of any nature, arising as a result of the negligence of the Contractor, including litigation or any appellate proceedings with respect thereto. Contractor further agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on

liability contained in section 768.28, Florida Statutes, or other statute or law. Any subcontractor retained by the Contractor shall acknowledge the same in writing. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorney fees, and paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.

13. As required under Section 119.0701, Florida Statutes, Contractor shall (a) keep and maintain public records that ordinarily and necessarily would be required by the District in order to perform the service, (b) provide the public with access to public records on the same terms and conditions that the District would provide the records and at a cost that does not exceed the cost provided by law, (c) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law, (d) meet all requirements for retaining public records and transfer, at no cost, to the District all public records in possession of the Contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with the information technology systems of the District.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE DISTRICT MANAGER JILL BURNS AT (407) 841-5524 EXT. 115 OR BY EMAIL AT JBURNS@GMSOFL.COM OR BY REGULAR MAIL AT THE ADDRESS FIRST SHOWN ABOVE.

14. E-Verify Requirement. Pursuant to Section 448.095(2), Florida Statutes,
 - a. Contractor represents that Contractor is eligible to contract with the District and is currently in compliance, and will remain in compliance for as long as it has any obligations under this Agreement, with all requirements of the above statute; this includes, but is not limited to, registering with and using the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all employees hired on or after January 1, 2021.
 - b. If the District has a good faith belief that the Contractor has knowingly violated Section 448.09(1), Florida Statutes, the District shall terminate this Agreement as required by Section 448.095(2)(c), Florida Statutes. If the District has a good faith belief that a subcontractor knowingly violated Section 448.09(1), Florida Statutes, but the Contractor otherwise complied with its obligations thereunder, the District shall promptly notify the Contractor and the Contractor will immediately terminate its contract with the subcontractor.

- c. If this Agreement is terminated in accordance with this section, then the Contractor will be liable for any additional costs incurred by the District.

IN WITNESS WHEREOF and intending to be legally bound, the parties have executed this Agreement.

813 Towing Service, LLC,
a Florida limited liability company

Chapel Creek
Community Development District

Name: _____
Manager

Name: _____
Chair of the Board of Supervisors

SECTION VI

**Chapel Creek Community
Development District**

Report of the District Engineer
Capital Improvement Revenue Bonds,
Series 2021



Prepared for:
Board of Supervisors
Chapel Creek Community
Development District

Prepared by:
Stantec Consulting Services Inc.
777 S. Harbour Island Boulevard
Suite 600
Tampa, FL 33602
(813) 223-9500

December 17, 2020



1.0 INTRODUCTION

The Chapel Creek Community Development District (the "District") encompasses approximately 350 acres in Pasco County, Florida. The District is located within Sections 5 and 6, Township 26 South, Range 21 East, and more precisely being on the north side of Eiland Boulevard just to the east of Handcart Road.

See Appendix A for a Vicinity Map.

2.0 PURPOSE

Pasco County Board of County Commissioners adopted Resolution 06-119 (effective February 14, 2006) for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Report of the District Engineer is to provide a description and estimated costs of the public improvements and community facilities within the final phases of the community, Phases 7 and 8.

3.0 THE DEVELOPER AND DEVELOPMENT

The undeveloped land encompassing the District is owned and will be developed by Clayton Properties Group (the "Developer"), and they plan to build 390 detached single-family units within Phases 7 and 8.

See Appendix B for the Phases 7 and 8 Site Plan.

4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES

The community's master and subdivision public improvements and community facilities are described separately, as follows:

4.1 WATER MANAGEMENT AND CONTROL

The design criteria for the District's water management and control is regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The continuing subdivision water management and control plan for the District focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways and drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the continuing Subdivision Water Management and Control for the District are:



1. To provide stormwater quality treatment of run-off from the subdivision improvements.
2. To protect the subdivision improvements within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of the subdivision improvement during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater run-off from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100 year storm event.

The continuing Subdivision Water Management and Control includes the storm sewer systems and stormwater ponds directing and receiving drainage from the continuing subdivision improvements.

Subdivision Water Management and Control have been and will be designed in accordance with Pasco County and SWFWMD technical standards, and the storm sewer systems will be owned and maintained by the District.

4.2 DISTRICT ROADS

Subdivision District Roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas associated with the subdivision streets that will be intersecting the community collector roads.

Subdivision Roads have been and will be designed in accordance with Pasco County's Land Development Code and technical standards, and all roads will be owned and maintained by Pasco County.

4.3 SEWER AND WASTEWATER MANAGEMENT

The District is located within the Pasco County Public Utilities service area which will provide sewer and wastewater management service to the community. The continuing Subdivision Sewer and Wastewater Management improvements include 8" gravity sanitary sewer systems within the subdivision roads right of way within Phases 7B, 8A and 8B that will connect to the Master Sewer and Wastewater Management system and the reclaimed water system providing irrigation to the community.

Subdivision Sewer and Wastewater Management Systems have been and will be designed in accordance with Pasco County technical standards and it will be owned and maintained by Pasco County.

4.4 WATER SUPPLY

The District is located within the Pasco County Public Utilities service area which will provide water supply for potable water service and fire protection to the community. The continuing water supply improvements within Phases 7B, 8A and 8B include looped water mains that will connect to the Master Water Supply System.

Subdivision Water Supply systems have been and will be designed in accordance with Pasco County technical standards and will be owned and maintained by Pasco County.



4.5 AMENITY/WALLS/LANDSCAPING

An additional park site will be constructed within Phases 7 and 8 and landscaping, irrigation and buffering/screening walls and or fencing.

4.6 UNDERGROUNDING OF ELECTRICAL POWER

The District lies within the area served by Tampa Electric Company ("TECO") for electrical power service. TECO will provide electric service to the continuing subdivision streets from the Master Electric system, and there are fees to convert this service from overhead to underground. It is anticipated that the District will enter into a Street Lighting Agreement with TECO who will then own and maintain the streetlights.

4.7 PROFESSIONAL SERVICES AND PERMITTING FEES

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the continuing subdivision design, permitting, and construction administration. As well, development/construction management services are required for the project coordination and field management.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure are also required by Pasco County and may be funded through the District.

5.0 CONSTRUCTION PERMIT STATUS

Phases 7 and 8 SWFWMD and Pasco County construction permit applications have been submitted by the Developer.

6.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS

See Appendix C for the Construction Cost Estimate of the Public Improvements and Community Facilities which includes a small contingency to cover unforeseen field conditions and costs to resolve.

7.0 SUMMARY AND CONCLUSION

The District, as outlined above, is responsible for the functional development of the lands within the District, and, except as noted above in this report, such public improvements and community facilities are located within the boundary of the District.

The planning and design of the District will be in accordance with current governmental regulatory requirements.

Items included in the Construction Cost Estimate are based on our review and analysis of the Phases 7 and 8 Site Plan and information provided by the Developer. It is our professional opinion that the estimated costs provided herein for the development are conservative to complete the



construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

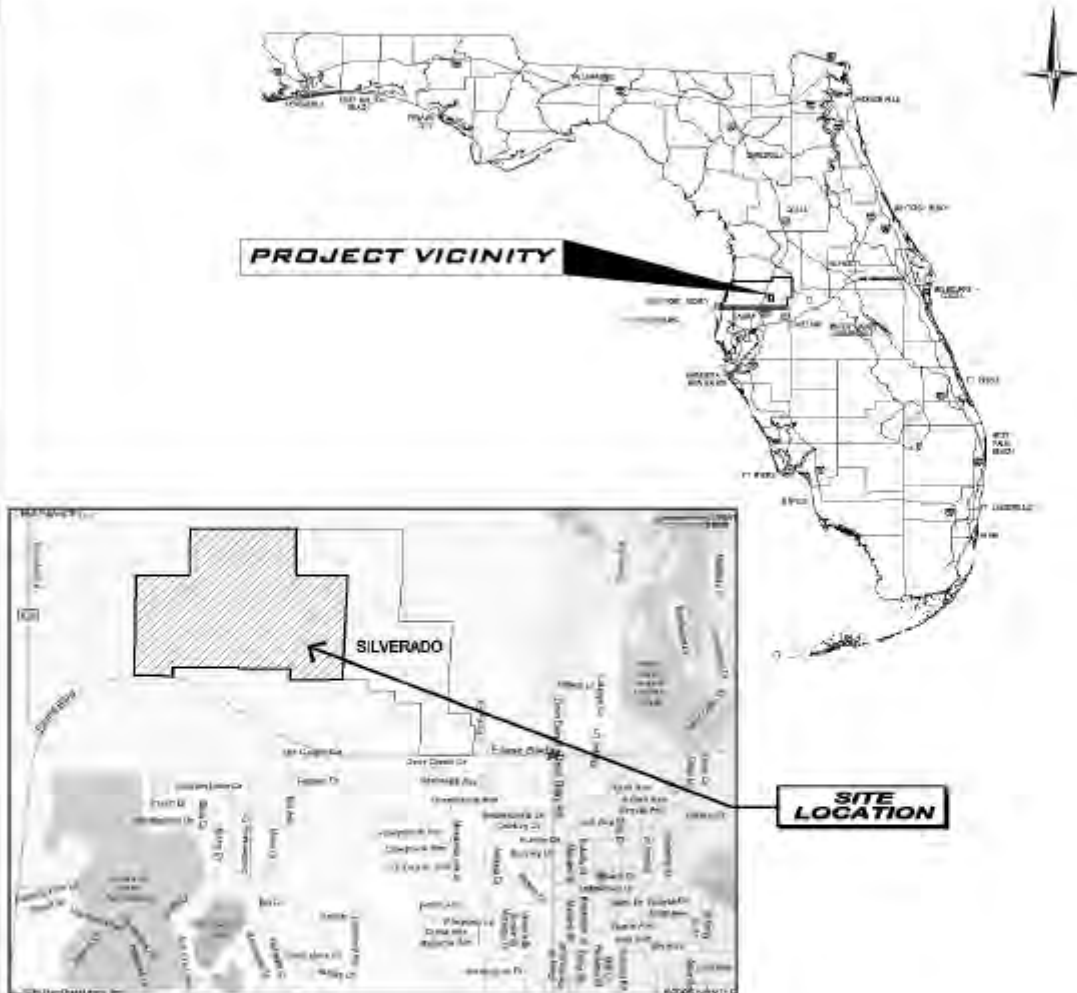
The professional service for establishing the Construction Cost Estimate are consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

Tonja L. Stewart, P.E.
Florida License No. 47704



Chapel Creek CDD
Report of the District Engineer
December 17, 2020

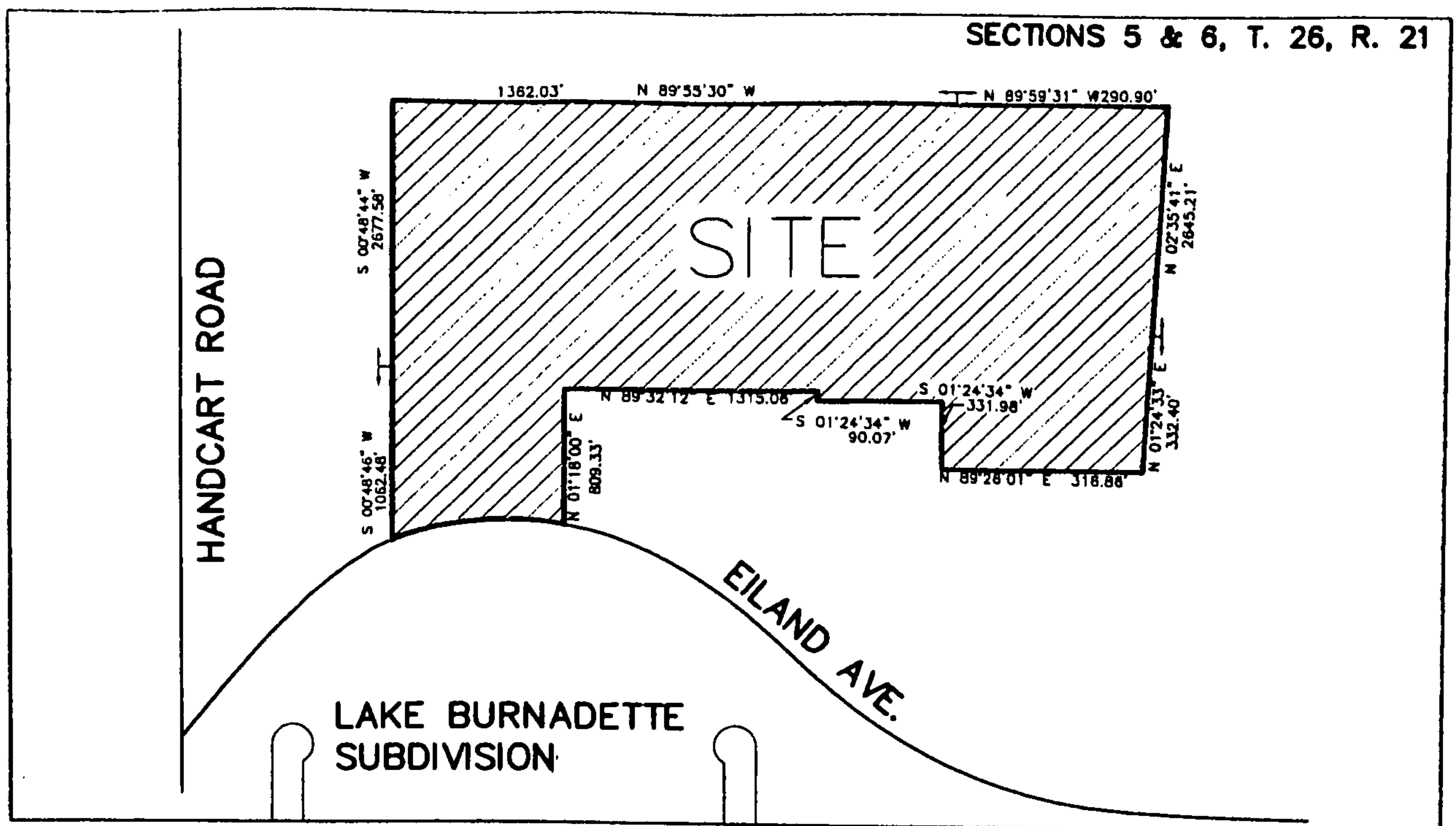
Appendix A VICINITY MAP



SECTION 05 & 06 TOWNSHIP 26 RANGE 21 EAST
PASCO COUNTY, FLORIDA

VICINITY & LOCATION MAP

FIGURE 1



THE NORTHWEST $\frac{1}{4}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY FLORIDA;
AND

TRACTS 3 THROUGH 6, INCLUSIVE; TRACTS 11 THROUGH 14, INCLUSIVE; TRACTS 19 THROUGH 22, INCLUSIVE; TRACTS 27 THROUGH 30, INCLUSIVE; TRACTS 35 THROUGH 46 INCLUSIVE; TRACTS 51 THROUGH 58 INCLUSIVE; TRACTS 59 THROUGH 62, INCLUSIVE; TRACTS 67 AND 68 INCLUSIVE; TRACTS 57 AND 58 LESS THE SOUTH 30 FEET THEREOF, ZEPHYRHILLS COLONY COMPANY LANDS, IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA;
AND

THE EAST $\frac{1}{4}$ OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA;

LESS AND EXCEPT THE FOLLOWING PARCELS:

PARCEL "A"

THAT PORTION OF THE EAST $\frac{1}{8}$ OF THE SOUTHEAST $\frac{1}{4}$ OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING NORTH OF EILAND BOULEVARD, LYING AND BEING IN PASCO COUNTY, FLORIDA.

PARCEL "B"

THE SOUTH 58.25 FEET OF THE EAST $\frac{1}{8}$ OF THE NORTHEAST $\frac{1}{4}$ OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING AND BEING IN PASCO COUNTY, FLORIDA.

PARCEL "C"

THE SOUTH 43.25 FEET OF TRACTS 57 AND 58 OF ZEPHYRHILLS COLONY COMPANY IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, ACCORDING TO THE MAP OR PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA.

PARCEL "D"

THAT PART OF THE EAST $\frac{1}{4}$ OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, LYING SOUTH OF THE ZEPHYRHILLS BY-PASS WEST (AKA EILAND BOULEVARD).

"PARCEL E"

A PORTION OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, BEING FURTHER DESCRIBED AS FOLLOWS:
COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 6; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 6, N. 01°27'41" E., A DISTANCE OF 1813.75 FEET FOR A POINT OF BEGINNING; THENCE A DISTANCE OF 1035.93 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 2270.00 FEET AND A CHORD OF 1028.97 FEET WHICH BEARS S. 81°22'19" W.; THENCE N., 21°42'07" W., A DISTANCE OF 10.00 FEET; THENCE A DISTANCE OF 286.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT TO THE WEST BOUNDARY LINE OF THE EAST $\frac{1}{4}$ OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2260.00 FEET AND A CHORD OF 286.79 FEET WHICH BEARS S. 64°41'32" W.; THENCE ALONG THE WEST BOUNDARY LINE OF THE EAST $\frac{1}{4}$ OF SAID SECTION 6, N. 00°48'41" E., A DISTANCE OF 243.07 FEET; THENCE A DISTANCE OF 1319.83 FEET ALONG THE ARC OF A CURVE TO THE RIGHT TO THE EAST BOUNDARY LINE OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2494.00 FEET AND A CHORD OF 1304.48 FEET WHICH BEARS N. 79°01'00" E.; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 6, S. 01°27'41" W., A DISTANCE OF 224.28 FEET TO THE POINT OF BEGINNING, TOTALING 350.3 ACRES.



HILLS & ASSOCIATES, INC.

8406 Benjamin Road, Suite G
Tampa, Florida 33634
Phone: 813-887-3130
FAX: 813-887-3140

Civil Engineering / Surveying / Land Planning

Location Map

**CHAPEL CREEK
COMMUNITY DEVELOPMENT DISTRICT
Pasco County, Florida**

HAJ#: 04-010

DATE: 9/15/04

EXHIBIT BY: HILLS

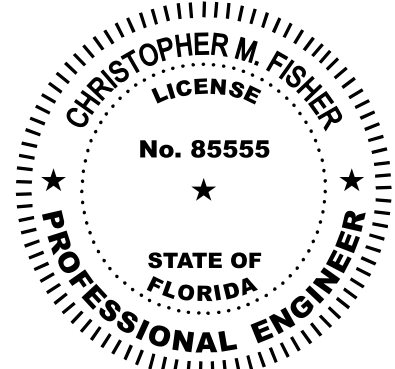


Chapel Creek CDD
Report of the District Engineer
December 17, 2020

Appendix B PHASES 7 AND 8 SITE PLAN



10-23-2020	REVIEW SUBMITTAL	INI
DATE	DESCRIPTION	BY
	REVISIONS	



Clearview
LAND DESIGN, P.L.

Engineering Business C.A. No.: 28858
3010 W Azele St., Suite 150, Tampa, Florida 33609
Office: 813-223-3919

DATE:
CHRISTOPHER M. FISHER NO. 85555
FLORIDA PROFESSIONAL ENGINEER

AERIAL SITE PLAN	
JOB NO. HLH-CC-009	CHAPEL CREEK VILLAGES 7 & 8 PHASES 1 - 3
DESIGN SANDERS	
DRAWN DROOR	PREPARED FOR: HIGHLAND HOMES
DATE 10-23-2020	Elevations based on North American Vertical Datum 1988 (NAVD 88) Conversion from NAVD 88 to NGVD 29 = +0.84 Feet
FILE ASP	SHEET 3 OF 79 SHEETS



Chapel Creek CDD
Report of the District Engineer
December 17, 2020

Appendix C CONSTRUCTION COST ESTIMATE

Chapel Creek CDD
Construction Cost Estimate
Bond Series 2021

<u>DESCRIPTION</u>	<u>ESTIMATE</u>
Water Management & Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Walls/Landscaping	\$1,000,000
Professional Fees & Permitting	\$950,000
Undergrounding of Electric	\$750,000
TOTAL	\$15,685,000

SECTION VII

**MASTER
ASSESSMENT METHODOLOGY
FOR THE SERIES 2021 ASSESSMENT AREA

FOR

CHAPEL CREEK
COMMUNITY DEVELOPMENT DISTRICT**

Date: January 21, 2021

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

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GMS-CF, LLC does not represent the Chapel Creek Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Chapel Creek Community Development District with financial advisory services or offer investment advice in any form.

1.0 Introduction

The Chapel Creek Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes (the “District”), as amended. The District anticipates the issuance of, not to exceed, \$19,515,000 of special assessment bonds (“Series 2021 Bonds”). The Series 2021 Bonds are anticipated to fund certain infrastructure improvements that benefit Chapel Creek Villages 7 & 8, Phases 1-5 collectively referred to as the Series 2021 Assessment Area (the “Series 2021 Assessment Area”). The infrastructure to be financed (the “2021 Project”) is identified in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021 dated December 17, 2020, for Community wide Capital Improvements prepared by Stantec Consulting Services (the “Engineer’s Report”).

1.1 Purpose

This Master Assessment Methodology for the Series 2021 Assessment Area (the “Assessment Report”) provides for an assessment methodology for allocating the debt to be incurred by the District to benefiting properties within the Series 2021 Assessment Area. This Assessment Report allocates the debt to certain properties based on the special benefits each receives from the 2021 Project, as delineated in the Engineer’s Report. This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of Series 2021 Bonds. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to impose non ad valorem special assessments on the benefited lands within the Series 2021 Assessment Area based on this Assessment Report. It is anticipated that all of the proposed special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes, or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 350 acres in Pasco County, Florida of which the Series 2021 Assessment Area. The proposed development plan is depicted in Table 1 (the “Development Plan”). The Development Plan envisions approximately 390 residential units. It is recognized that the Development Plan may change, and this Assessment Report will be modified accordingly.

The improvements contemplated by the District in the 2021 Project include master public facilities that benefit certain properties within the Series 2021 Assessment Area of the District. Specifically, the District will construct and/or acquire certain infrastructure including water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements and services that may be provided by the District and the costs to implement the 2021 Project.
2. The District Engineer determines the assessable acres that benefit from the District's the 2021 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the 2021 Project.
4. The assessments are initially divided equally among the benefited properties on a prorated gross acreage basis. As land is platted, this amount will be allocated to each of the benefited properties based on the number of platted units and product type.

1.3 Special Benefits and General Benefits

The 2021 Project undertaken by the District creates special and peculiar benefits to assessable property within the Series 2021 Assessment Area different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large.

However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to certain property within the District. The implementation of the 2021 Project enables the 2021 Project within the boundaries of the Series 2021 Assessment Area to be developed. Without the District's 2021 Project, there would be no infrastructure to support development of land within the Series 2021 Assessment Area of the District. Without these improvements, development of the property within the Series 2021 Assessment Area of the District would be prohibited by law.

There is no doubt that the general public and property owners outside the Series 2021 Assessment Area of the District will benefit from the provision of the District's the 2021 Project. However, these benefits will be incidental to the District's the 2021 Project, which is designed solely to meet the needs of property within the Series 2021 Assessment Area of the District. Properties outside the District boundaries and outside of the Series 2021 Assessment Area of the District do not depend upon the District's

the 2021 Project. The property owners within the Series 2021 Assessment Area are therefore receiving special benefits not received by those outside the District's boundaries and outside the boundaries of the Series 2021 Assessment Area within the District.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Exceed the Costs Allocated

The special benefits provided to the property owners within the Series 2021 Assessment Area are greater than the costs associated with providing these benefits. The District Engineer estimates that the 2021 Project, that is necessary to support full development of property within the Series 2021 Assessment Area, will cost approximately \$15,685,000. The District's Underwriter projects that financing costs required to fund the infrastructure improvements, including the 2021 Project, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be approximately \$19,515,000. Without the 2021 Project, the property within the Series 2021 Assessment Area would not be able to be developed and occupied by future residents of the development.

2.0 Assessment Methodology

2.1 Overview

The District may issue up to \$19,515,000 in Series 2021 Bonds to fund the District's the 2021 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$19,515,000 in debt to the properties benefiting from the 2021 Project.

Table 1 identifies the land uses as indicated by the Developer of the land within the Series 2021 Assessment Area. The construction costs needed for completion of the 2021 Project are outlined in Table 2. The improvements needed to support the Development Plan are described in detail in the Engineer's Report and are estimated to cost \$15,685,000. Based on the estimated costs, the size of the bond issue needed to

generate funds to pay for the 2021 Project and related costs was determined by the District's Underwriter to total approximately \$19,515,000. Table 3 shows the breakdown of the bond sizing.

2.2 Allocation of Debt

Allocation of debt assessments is a continuous process until the Development Plan is completed. The 2021 Project funded by the Series 2021 Bonds benefits all developable acres within the Series 2021 Assessment Area.

The initial debt assessments will be levied on the currently platted lots, and then the remaining gross acres within the Series 2021 Assessment Area and then as platting occurs such debt assessments will be assigned to the remaining platted lots. A fair and reasonable methodology allocates the debt assessments incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the Series 2021 Assessment Area are benefiting from the improvements.

As additional platting or the recording of declaration of condominium, ("Assigned Properties") has occurred and lots are developed, the assessments will be assigned to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Series 2021 Bonds will be allocated to the planned 546 residential units within the Series 2021 Assessment Area. The planned 546 residential units are the beneficiaries of the 2021 Project, as depicted in Table 5 and Table 6. If there are changes to Development Plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer, or one of its affiliates that own land within the Series 2021 Assessment Area is required. The process is outlined in Section 3.0

The assignment of debt assessments in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The 2021 Project consists of water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report, and professional fees along with related incidental costs. There are two product types within the Development Plan. The multi-family has been set as the base unit and has been assigned one and a half equivalent residential units ("ERU"). Table 4 shows the allocation of benefit to the particular land use. It is important to note that the benefit derived from the 2021 Project on the particular units exceeds the cost that the units will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed 2021 Project will provide several types of systems, facilities and services for its residents. These include water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric and professional fees along with related incidental costs. The 2021 Project improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the improvements in fact actually provided.

For the provision of the 2021 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual non-ad valorem special assessment levied for the improvement or the debt as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the 2021 Project described in the Engineer's Report is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type).

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the 2021 Project have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the product type categories.

Accordingly, no acre or parcel of property within the Series 2021 Assessment Area will have a lien for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for the two product types (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated units are built and sold as planned, and the entire proposed the 2021 Project is developed or acquired and financed by the District.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is processed, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property or property that is not developable. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the developable Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding bonds to a level that will be supported by the new net annual debt service assessments.

4.0 Assessment Roll

The District will initially distribute the liens across the platted and unplatted property within the Series 2021 Assessment Area of the District boundaries, with remaining liens placed on unplatted property on an equal gross acreage basis. As Assigned Property becomes known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the Development Plan changes, then the District will update Table 6 to reflect the changes. The current assessment roll is depicted in Table 7.

TABLE 1
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
 DEVELOPMENT PROGRAM
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	Total Units	ERUs per Unit (1)	Total ERUs
Single Family	390	1.00	390
Total Units*	390		390

(1) Benefit is allocated on an ERU basis; based on density of planned development, with SF = 1 ERU

* - Unit mix is subject to change based on market and other factors

TABLE 2
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
INFRASTRUCTURE COST ESTIMATES
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

2021 Project (1)	Cost Estimate
Water Management and Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Wall/Landscaping	\$1,000,000
Undergrounding of Electric	\$750,000
Professional and Inspection Fees, Other Misc. Fees	\$950,000
Totals	\$ 15,685,000

(1) A detailed description of these improvements is provided in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021, prepared by Stantac Consulting Services Inc.

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
BOND SIZING
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Description	Total
Construction Funds	\$ 15,685,000
Debt Service Reserve	\$ 1,269,450
Capitalized Interest	\$ 1,951,500
Underwriters Discount	\$ 390,300
Cost of Issuance	\$ 218,750
Contingency	\$ -
Par Amount*	\$ 19,515,000

Bond Assumptions:			
Interest Rate	5.00%		
Amortization	30 years		
Capitalized Interest	24 Months		
Debt Service Reserve	100% Max Annual D/S		
Underwriters Discount	2%		

* Par amount is subject to change based on the actual terms at the sale of the bonds

TABLE 4
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF IMPROVEMENT COSTS
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvement Costs Per Product Type	Improvement Costs Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 40,218
Totals	390		390	100.00%	\$ 15,685,000	

* Unit mix is subject to change based on marketing and other factors

TABLE 5
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
 ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	ERU Totals	% of ERU	Improvement Costs by Product Type	Allocation of Par Debt Per Product Type	Par Debt Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 19,515,000	\$50,038
Totals	390		390	100%	\$ 15,685,000	\$ 19,515,000	

* Unit mix is subject to change based on marketing and other factors

TABLE 6
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	Allocation of Par		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt		Gross Annual Debt	
		Debt Per Product Type	Type			Assessment Per Unit	Debt Assessment Per Unit	Assessment Per Unit (1)	Debt Assessment Per Unit (1)
Single Family	390	\$	19,515,000	\$ 50,038	\$ 1,269,450	\$ 3,255	\$	\$ 3,463	
Totals	390	\$	19,515,000		\$ 1,269,450				

(1) This amount includes collection fees and early payment discounts when collected on the Pasco County Tax Bill

* Unit mix is subject to change based on market and other factors

TABLE 7
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY ASSESSMENT ROLL
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Owner	Property ID #'s	Acres	Total Par Debt Allocation	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Clayton Properties Group Inc	05-26-21-0010-00100-0000	157.11	\$ 19,515,000	\$ 1,269,450	\$ 1,345,617
Totals			\$ 19,515,000	\$ 1,269,450	\$ 1,345,617

(1) This amount includes 6% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	5.00%
Maximum Annual Debt Service	\$1,269,450

SECTION VIII

RESOLUTION NO. 2021-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT DECLARING NON-AD VALOREM SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THE PUBLIC IMPROVEMENTS WHICH COST IS TO BE DEFRAIDED IN WHOLE OR IN PART BY SUCH DEBT ASSESSMENTS; PROVIDING THE PORTION OF THE ESTIMATED COST OF THE PUBLIC IMPROVEMENTS TO BE DEFRAIDED IN WHOLE OR IN PART BY SUCH DEBT ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH DEBT ASSESSMENTS SHALL BE MADE; PROVIDING WHEN SUCH DEBT ASSESSMENTS SHALL BE MADE; DESIGNATING LANDS UPON WHICH SUCH DEBT ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT; AUTHORIZING THE PREPARATION OF A PRELIMINARY ASSESSMENT ROLL; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors (the "**Board**") of the Chapel Creek Community Development District (the "**District**") has determined to construct and/or acquire certain public improvements (the "**Project**") set forth in the plans and specifications described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the "**Engineer's Report**"), incorporated by reference as part of this Resolution, which is available for review at the offices of Governmental Management Services - Central Florida, LLC, located at 219 E. Livingston Street, Orlando, Florida 32801 (the "**District Office**"); and

WHEREAS, the Board finds that it is in the best interest of the District to pay for costs of the Project by imposing, levying, and collecting non-ad valorem special assessments pursuant to Chapter 190, the Uniform Community Development District Act, Chapter 170, the Supplemental Alternative Method of Making Local and Municipal Improvements, and Chapter 197, Florida Statutes (the "**Debt Assessments**"); and

WHEREAS, the District is empowered by Chapters 190, 170, and 197, Florida Statutes, to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain the Project and to impose, levy, and collect the Debt Assessments; and

WHEREAS, the District hereby determines that benefits will accrue to the property improved, the amount of those benefits, and that the Debt Assessments will be made in proportion to the benefits received as set forth in the Master Assessment Methodology For The Series 2021 Assessment Area For Chapel Creek Community Development District, dated January 21, 2021, (the "**Assessment Report**") incorporated by reference as part of this Resolution and on file in the District Office; and

WHEREAS, the District hereby determines that the Debt Assessments to be levied will not exceed the benefits to the property improved.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE DISTRICT THAT:

1. The foregoing recitals are hereby incorporated as the findings of fact of the Board.
2. The Debt Assessments shall be levied to defray costs for the Project.

3. The nature of the Project generally consists of public improvements including, without limitation, undergrounding of electrical power, roadways, stormwater management system, potable water distribution system, sanitary sewer system, reuse water, recreational amenities, walls, landscaping, and hardscaping, all as described more particularly in the plans and specifications on file at the District Office, which are by specific reference incorporated herein and made part hereof.
4. The general locations of the Project are as shown on the plans, and specifications referred to above.
5. As stated in the Engineer's Report, the estimated cost of the Project is approximately \$15,685,000 (hereinafter referred to as the "**Estimated Cost**").
6. As stated in the Assessment Report, the Debt Assessments will defray approximately \$19,515,000 of the expenses, which includes the Estimated Cost, plus financing related costs, capitalized interest, a debt service reserve and contingency, all of which may be financed by the District's proposed Special Assessment Revenue Bonds, Series 2021, to be issued in one or more series.
7. The manner in which the Debt Assessments shall be made is based upon an allocation of the benefits among the parcels of land benefited by the Project as set forth in the Assessment Report. As further provided therein, the lands benefited by the Project are located within the District and are currently undeveloped and unplatted. Therefore, the Debt Assessments on the benefited land will initially be levied on a per acre basis. On and after the date the benefited land within the District is specifically platted, the Debt Assessments as to platted lots will be levied in accordance with the Assessment Report, on an equivalent residential unit basis per product type. Until such time that all benefited land within the District is specifically platted, the manner by which the Debt Assessments will be imposed on unplatted land shall be on a per acre basis in accordance with the Assessment Report.
8. In the event the actual cost of the Project exceeds the Estimated Cost, such excess may be paid by the District from additional assessments or contributions from other entities. No such excess shall be required to be paid from the District's general revenues.
9. The Debt Assessments shall be levied in accordance with the Assessment Report referenced above on all lots and lands, within the District, which are adjoining and contiguous or bounding and abutting upon the Project or specially benefited thereby and further designated by the assessment plat hereinafter provided for.
10. There is on file at the District Office, an assessment plat showing the area to be assessed, with the plans and specifications describing the Project and the Estimated Cost, all of which shall be open to inspection by the public.
11. The Chair of the Board has caused the District Manager to prepare a preliminary assessment roll which shows the lots and lands assessed, the amount of benefit to and the assessment against each lot or parcel of land and the number of annual installments into which the assessment is divided. The preliminary assessment roll is part of the Assessment Report which is on file at the District Office.

12. In accordance with the Assessment Report and commencing with the year in which the District is obligated to make payment of a portion of the Estimated Cost acquired by the District, the Debt Assessments shall be paid in not more than 30 annual installments payable at the same time and in the same manner as are ad valorem taxes and as prescribed by Chapter 197, Florida Statutes; provided, however, that in the event the uniform method for the collection of non-ad valorem assessments is not available to the District in any year, or the District determines not to utilize the provision of Chapter 197, Florida Statutes, the Debt Assessments may be collected as is otherwise permitted by law.

Passed and Adopted on February 2, 2021.

Attest:

**Chapel Creek
Community Development District**

Printed Name: _____
Secretary / Assistant Secretary

Brian Walsh
Chair of the Board of Supervisors

SECTION IX

RESOLUTION NO. 2021-09

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT SETTING A PUBLIC HEARING TO BE HELD ON TUESDAY, APRIL 6, 2021, AT 11:00 A.M. AT THE HAMPTON INN DADE CITY ZEPHYRHILLS, 13215 US HWY 301, DADE CITY, FLORIDA 33525, FOR THE PURPOSE OF HEARING PUBLIC COMMENT ON IMPOSING NON-AD VALOREM SPECIAL ASSESSMENTS ON CERTAIN PROPERTY WITHIN THE DISTRICT GENERALLY DESCRIBED AS CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT IN ACCORDANCE WITH CHAPTERS 170, 190, AND 197, FLORIDA STATUTES.

WHEREAS, the Board of Supervisors (the "**Board**") of the Chapel Creek Community Development District (the "**District**") has previously adopted Resolution No. 2021-08 entitled

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT DECLARING NON-AD VALOREM SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THE PUBLIC IMPROVEMENTS WHICH COST IS TO BE DEFRAIDED IN WHOLE OR IN PART BY SUCH DEBT ASSESSMENTS; PROVIDING THE PORTION OF THE ESTIMATED COST OF THE PUBLIC IMPROVEMENTS TO BE DEFRAIDED IN WHOLE OR IN PART BY SUCH DEBT ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH DEBT ASSESSMENTS SHALL BE MADE; PROVIDING WHEN SUCH DEBT ASSESSMENTS SHALL BE MADE; DESIGNATING LANDS UPON WHICH SUCH DEBT ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT; AUTHORIZING THE PREPARATION OF A PRELIMINARY ASSESSMENT ROLL; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with Resolution No. 2021-08, a preliminary assessment roll has been prepared and all other conditions precedent set forth in Chapters 170, 190, and 197, Florida Statutes; to the holding of the aforementioned public hearing have been satisfied, and the preliminary assessment roll and related documents are available for public inspection at the offices of Governmental Management Services - Central Florida LLC located at 219 E. Livingston Street, Orlando, Florida 32801 (the "**District Office**").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DISTRICT THAT:

1. There is hereby declared a public hearing to be held on Tuesday, April 6, 2021, at 11:00 a.m. at the Hampton Inn Dade City Zephyrhills, 13215 US Hwy 301, Dade City, Florida 33525, for the purpose of hearing comment and objection to the proposed non-ad valorem special assessments for District public improvements as identified in the preliminary assessment roll, a copy of which is on file at the District Office. Affected parties may appear at that hearing or submit their comments in writing prior to the meeting to the District Manager at the District Office at the address listed above.
2. Notice of said hearing shall be advertised in accordance with Chapters 170, 190, and 197 Florida Statutes, and the District Manager is hereby authorized to place said notice in a newspaper of

general circulation within Pasco County (by 2 publications 1 week apart with the first publication at least 20 days prior to the date of the hearing established herein). The District Manager shall file a publisher's affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give 30 days written notice by first class United States mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the District Office. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

3. This Resolution shall become effective upon its passage.

Passed and Adopted on February 2, 2021.

Attest:

**Chapel Creek
Community Development District**

Printed Name:_____
Secretary / Assistant Secretary

Brian Walsh
Chair of the Board of Supervisors

SECTION X

STRALEY ROBIN VERICKER

1510 W. Cleveland Street

Tampa, FL 33606

Phone: 813-223-9400

Website: www.srvlegal.com

M E M O R A N D U M

TO: Community Development District Supervisors and District Managers

FROM: Straley Robin Vericker

RE: 2020 Legislative Update

DATE: April 21, 2020

During the 2020 Florida legislative session, our firm monitored several bills that could have impacted community development districts (“CDDs”) and we have prepared this memorandum to focus on the bills that passed in the legislature that will have the most impact on CDDs. Copies of any bill may be viewed online at the Florida legislature’s website: <http://www.leg.state.fl.us>.

A. The number of documents a CDD is required to post on its website by law has been reduced.

Senate Bill 1466 reduces what is required to be posted on CDD websites by amending Section 189.069, Florida Statutes. These changes include the following:

- 1) Each CDD now has the option to post a link to the Auditor General’s website for the final audit report rather than posting the actual document on its own website, so long as the CDD sends the report to the Office of the Auditor General.
- 2) A CDD is no longer required to post a public facilities report on its website.
- 3) A CDD are no longer required to post meeting materials on its website. Agendas must still be posted on its website 7 days in advance of a publicly noticed meeting or workshop and must remain on the website for at least 1 year.

Unless vetoed by Governor DeSantis, these changes will take effect on July 1, 2020.

B. The percentage a CDD may retain from progress payments to contractors for certain public construction services contracts and contracts for construction of public buildings has been reduced.

House Bill 101 amends Section 218.735, Florida Statutes to reduce the percentage retained or withheld by a CDD from 10 percent to 5 percent of each progress payment for construction services contracts and contracts for construction of public buildings having a total contract amount of \$200,000 or greater.

Unless vetoed by Governor DeSantis, these changes will become effective on October 1, 2020.

C. Public employers, contractors and subcontractors must register with and use the E-Verify system when hiring new employees and entering into certain contracts.

Senate Bill 664 requires public employers, contractors and subcontractors to register with and use the E-Verify system to verify the work authorization status of all newly hired employees in order to enter into a contract beginning on January 1, 2021. The definition of public employers includes local governments. This requirement includes those contractual relationships between contractors and subcontractors and requires subcontractors to complete an affidavit stating that the subcontractor does not employ, contract with, or subcontract with unauthorized workers.

If a public employer, contractor, or subcontractor has a good faith belief that a person or entity with which it is contracting has knowingly violated the requirement to register with and use E-Verify, it must terminate the contract with that person or entity. If a public employer has a good faith belief that the contractor followed the requirements of the E-Verify law, but the subcontractor has not done so, it must notify the contractor and order the contractor to terminate the subcontractor. Termination of contracts in this manner may be challenged within 20 calendar days. If a contractor is terminated for failure to follow the requirements of E-Verify law, it may not be awarded a public contract for at least 1 year from the date the contract was terminated and is liable for any additional costs incurred by the public employer as a result of the termination of the contract.

Unless vetoed by Governor DeSantis, this bill will become effective on July 1, 2020.

If you have questions about the above-mentioned anticipated changes to Florida law, please contact us at your convenience.

SECTION A



Company ID Number: _____

THE E-VERIFY MEMORANDUM OF UNDERSTANDING FOR EMPLOYERS

ARTICLE I PURPOSE AND AUTHORITY

The parties to this agreement are the Department of Homeland Security (DHS) and the _____ (Employer). The purpose of this agreement is to set forth terms and conditions which the Employer will follow while participating in E-Verify.

E-Verify is a program that electronically confirms an employee's eligibility to work in the United States after completion of Form I-9, Employment Eligibility Verification (Form I-9). This Memorandum of Understanding (MOU) explains certain features of the E-Verify program and describes specific responsibilities of the Employer, the Social Security Administration (SSA), and DHS.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). The Federal Acquisition Regulation (FAR) Subpart 22.18, "Employment Eligibility Verification" and Executive Order 12989, as amended, provide authority for Federal contractors and subcontractors (Federal contractor) to use E-Verify to verify the employment eligibility of certain employees working on Federal contracts.

ARTICLE II RESPONSIBILITIES

A. RESPONSIBILITIES OF THE EMPLOYER

1. The Employer agrees to display the following notices supplied by DHS in a prominent place that is clearly visible to prospective employees and all employees who are to be verified through the system:
 - a. Notice of E-Verify Participation
 - b. Notice of Right to Work
2. The Employer agrees to provide to the SSA and DHS the names, titles, addresses, and telephone numbers of the Employer representatives to be contacted about E-Verify. The Employer also agrees to keep such information current by providing updated information to SSA and DHS whenever the representatives' contact information changes.
3. The Employer agrees to grant E-Verify access only to current employees who need E-Verify access. Employers must promptly terminate an employee's E-Verify access if the

employee is separated from the company or no longer needs access to E-Verify.

4. The Employer agrees to become familiar with and comply with the most recent version of the E-Verify User Manual.

5. The Employer agrees that any Employer Representative who will create E-Verify cases will complete the E-Verify Tutorial before that individual creates any cases.

a. The Employer agrees that all Employer representatives will take the refresher tutorials when prompted by E-Verify in order to continue using E-Verify. Failure to complete a refresher tutorial will prevent the Employer Representative from continued use of E-Verify.

6. The Employer agrees to comply with current Form I-9 procedures, with two exceptions:

a. If an employee presents a "List B" identity document, the Employer agrees to only accept "List B" documents that contain a photo. (List B documents identified in 8 C.F.R. § 274a.2(b)(1)(B)) can be presented during the Form I-9 process to establish identity.) If an employee objects to the photo requirement for religious reasons, the Employer should contact E-Verify at 888-464-4218.

b. If an employee presents a DHS Form I-551 (Permanent Resident Card), Form I-766 (Employment Authorization Document), or U.S. Passport or Passport Card to complete Form I-9, the Employer agrees to make a photocopy of the document and to retain the photocopy with the employee's Form I-9. The Employer will use the photocopy to verify the photo and to assist DHS with its review of photo mismatches that employees contest. DHS may in the future designate other documents that activate the photo screening tool.

Note: Subject only to the exceptions noted previously in this paragraph, employees still retain the right to present any List A, or List B and List C, document(s) to complete the Form I-9.

7. The Employer agrees to record the case verification number on the employee's Form I-9 or to print the screen containing the case verification number and attach it to the employee's Form I-9.

8. The Employer agrees that, although it participates in E-Verify, the Employer has a responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, including the obligation to comply with the antidiscrimination requirements of section 274B of the INA with respect to Form I-9 procedures.

a. The following modified requirements are the only exceptions to an Employer's obligation to not employ unauthorized workers and comply with the anti-discrimination provision of the INA: (1) List B identity documents must have photos, as described in paragraph 6 above; (2) When an Employer confirms the identity and employment eligibility of newly hired employee using E-Verify procedures, the Employer establishes a rebuttable presumption that it has not violated section 274A(a)(1)(A) of the Immigration and Nationality Act (INA) with respect to the hiring of that employee; (3) If the Employer receives a final nonconfirmation for an employee, but continues to employ that person, the Employer must notify DHS and the Employer is subject to a civil money penalty between \$550 and \$1,100 for each failure to notify DHS of continued employment

following a final nonconfirmation; (4) If the Employer continues to employ an employee after receiving a final nonconfirmation, then the Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A); and (5) no E-Verify participant is civilly or criminally liable under any law for any action taken in good faith based on information provided through the E-Verify.

b. DHS reserves the right to conduct Form I-9 compliance inspections, as well as any other enforcement or compliance activity authorized by law, including site visits, to ensure proper use of E-Verify.

9. The Employer is strictly prohibited from creating an E-Verify case before the employee has been hired, meaning that a firm offer of employment was extended and accepted and Form I-9 was completed. The Employer agrees to create an E-Verify case for new employees within three Employer business days after each employee has been hired (after both Sections 1 and 2 of Form I-9 have been completed), and to complete as many steps of the E-Verify process as are necessary according to the E-Verify User Manual. If E-Verify is temporarily unavailable, the three-day time period will be extended until it is again operational in order to accommodate the Employer's attempting, in good faith, to make inquiries during the period of unavailability.

10. The Employer agrees not to use E-Verify for pre-employment screening of job applicants, in support of any unlawful employment practice, or for any other use that this MOU or the E-Verify User Manual does not authorize.

11. The Employer must use E-Verify for all new employees. The Employer will not verify selectively and will not verify employees hired before the effective date of this MOU. Employers who are Federal contractors may qualify for exceptions to this requirement as described in Article II.B of this MOU.

12. The Employer agrees to follow appropriate procedures (see Article III below) regarding tentative nonconfirmations. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending. Further, when employees contest a tentative nonconfirmation based upon a photo mismatch, the Employer must take additional steps (see Article III.B. below) to contact DHS with information necessary to resolve the challenge.

13. The Employer agrees not to take any adverse action against an employee based upon the employee's perceived employment eligibility status while SSA or DHS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Employer understands that an initial inability of the SSA or DHS automated verification system to verify work authorization, a tentative nonconfirmation, a case in continuance (indicating the need for additional time for the government to resolve a case), or the finding of a photo mismatch, does not establish, and should not be interpreted as, evidence that the employee is not work authorized. In any of such cases, the employee must be provided a full and fair opportunity to contest the finding, and if he or she does so, the employee

may not be terminated or suffer any adverse employment consequences based upon the employee's perceived employment eligibility status (including denying, reducing, or extending work hours, delaying or preventing training, requiring an employee to work in poorer conditions, withholding pay, refusing to assign the employee to a Federal contract or other assignment, or otherwise assuming that he or she is unauthorized to work) until and unless secondary verification by SSA or DHS has been completed and a final nonconfirmation has been issued. If the employee does not choose to contest a tentative nonconfirmation or a photo mismatch or if a secondary verification is completed and a final nonconfirmation is issued, then the Employer can find the employee is not work authorized and terminate the employee's employment. Employers or employees with questions about a final nonconfirmation may call E-Verify at 1-888-464-4218 (customer service) or 1-888-897-7781 (worker hotline).

14. The Employer agrees to comply with Title VII of the Civil Rights Act of 1964 and section 274B of the INA as applicable by not discriminating unlawfully against any individual in hiring, firing, employment eligibility verification, or recruitment or referral practices because of his or her national origin or citizenship status, or by committing discriminatory documentary practices. The Employer understands that such illegal practices can include selective verification or use of E-Verify except as provided in part D below, or discharging or refusing to hire employees because they appear or sound "foreign" or have received tentative nonconfirmations. The Employer further understands that any violation of the immigration-related unfair employment practices provisions in section 274B of the INA could subject the Employer to civil penalties, back pay awards, and other sanctions, and violations of Title VII could subject the Employer to back pay awards, compensatory and punitive damages. Violations of either section 274B of the INA or Title VII may also lead to the termination of its participation in E-Verify. If the Employer has any questions relating to the anti-discrimination provision, it should contact the Immigrant and Employee Rights Section, Civil Rights Division, U.S. Department of Justice at 1-800-255-8155 or 1-800-237-2515 (TTY) or go to <https://www.justice.gov/ier>.

15. The Employer agrees that it will use the information it receives from E-Verify only to confirm the employment eligibility of employees as authorized by this MOU. The Employer agrees that it will safeguard this information, and means of access to it (such as PINS and passwords), to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person other than employees of the Employer who are authorized to perform the Employer's responsibilities under this MOU, except for such dissemination as may be authorized in advance by SSA or DHS for legitimate purposes.

16. The Employer agrees to notify DHS immediately in the event of a breach of personal information. Breaches are defined as loss of control or unauthorized access to E-Verify personal data. All suspected or confirmed breaches should be reported by calling 1-888-464-4218 or via email at E-Verify@dhs.gov. Please use "Privacy Incident – Password" in the subject line of your email when sending a breach report to E-Verify.

17. The Employer acknowledges that the information it receives from SSA is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)). Any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.

18. The Employer agrees to cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, which includes permitting DHS, SSA, their contractors and

other agents, upon reasonable notice, to review Forms I-9 and other employment records and to interview it and its employees regarding the Employer's use of E-Verify, and to respond in a prompt and accurate manner to DHS requests for information relating to their participation in E-Verify.

19. The Employer shall not make any false or unauthorized claims or references about its participation in E-Verify on its website, in advertising materials, or other media. The Employer shall not describe its services as federally-approved, federally-certified, or federally-recognized, or use language with a similar intent on its website or other materials provided to the public. Entering into this MOU does not mean that E-Verify endorses or authorizes your E-Verify services and any claim to that effect is false.

20. The Employer shall not state in its website or other public documents that any language used therein has been provided or approved by DHS, USCIS or the Verification Division, without first obtaining the prior written consent of DHS.

21. The Employer agrees that E-Verify trademarks and logos may be used only under license by DHS/USCIS (see [M-795 \(Web\)](#)) and, other than pursuant to the specific terms of such license, may not be used in any manner that might imply that the Employer's services, products, websites, or publications are sponsored by, endorsed by, licensed by, or affiliated with DHS, USCIS, or E-Verify.

22. The Employer understands that if it uses E-Verify procedures for any purpose other than as authorized by this MOU, the Employer may be subject to appropriate legal action and termination of its participation in E-Verify according to this MOU.

B. RESPONSIBILITIES OF FEDERAL CONTRACTORS

1. If the Employer is a Federal contractor with the FAR E-Verify clause subject to the employment verification terms in Subpart 22.18 of the FAR, it will become familiar with and comply with the most current version of the E-Verify User Manual for Federal Contractors as well as the E-Verify Supplemental Guide for Federal Contractors.

2. In addition to the responsibilities of every employer outlined in this MOU, the Employer understands that if it is a Federal contractor subject to the employment verification terms in Subpart 22.18 of the FAR it must verify the employment eligibility of any "employee assigned to the contract" (as defined in FAR 22.1801). Once an employee has been verified through E-Verify by the Employer, the Employer may not create a second case for the employee through E-Verify.

a. An Employer that is not enrolled in E-Verify as a Federal contractor at the time of a contract award must enroll as a Federal contractor in the E-Verify program within 30 calendar days of contract award and, within 90 days of enrollment, begin to verify employment eligibility of new hires using E-Verify. The Employer must verify those employees who are working in the United States, whether or not they are assigned to the contract. Once the Employer begins verifying new hires, such verification of new hires must be initiated within three business days after the hire date. Once enrolled in E-Verify as a Federal contractor, the Employer must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.

b. Employers enrolled in E-Verify as a Federal contractor for 90 days or more at the time of a contract award must use E-Verify to begin verification of employment

eligibility for new hires of the Employer who are working in the United States, whether or not assigned to the contract, within three business days after the date of hire. If the Employer is enrolled in E-Verify as a Federal contractor for 90 calendar days or less at the time of contract award, the Employer must, within 90 days of enrollment, begin to use E-Verify to initiate verification of new hires of the contractor who are working in the United States, whether or not assigned to the contract. Such verification of new hires must be initiated within three business days after the date of hire. An Employer enrolled as a Federal contractor in E-Verify must begin verification of each employee assigned to the contract within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever is later.

c. Federal contractors that are institutions of higher education (as defined at 20 U.S.C. 1001(a)), state or local governments, governments of Federally recognized Indian tribes, or sureties performing under a takeover agreement entered into with a Federal agency under a performance bond may choose to only verify new and existing employees assigned to the Federal contract. Such Federal contractors may, however, elect to verify all new hires, and/or all existing employees hired after November 6, 1986. Employers in this category must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.

d. Upon enrollment, Employers who are Federal contractors may elect to verify employment eligibility of all existing employees working in the United States who were hired after November 6, 1986, instead of verifying only those employees assigned to a covered Federal contract. After enrollment, Employers must elect to verify existing staff following DHS procedures and begin E-Verify verification of all existing employees within 180 days after the election.

e. The Employer may use a previously completed Form I-9 as the basis for creating an E-Verify case for an employee assigned to a contract as long as:

- i. That Form I-9 is complete (including the SSN) and complies with Article II.A.6,
- ii. The employee's work authorization has not expired, and
- iii. The Employer has reviewed the Form I-9 information either in person or in communications with the employee to ensure that the employee's Section 1, Form I-9 attestation has not changed (including, but not limited to, a lawful permanent resident alien having become a naturalized U.S. citizen).

f. The Employer shall complete a new Form I-9 consistent with Article II.A.6 or update the previous Form I-9 to provide the necessary information if:

- i. The Employer cannot determine that Form I-9 complies with Article II.A.6,
- ii. The employee's basis for work authorization as attested in Section 1 has expired or changed, or
- iii. The Form I-9 contains no SSN or is otherwise incomplete.

Note: If Section 1 of Form I-9 is otherwise valid and up-to-date and the form otherwise complies with Article II.C.5, but reflects documentation (such as a U.S. passport or Form I-551) that expired after completing Form I-9, the Employer shall

not require the production of additional documentation, or use the photo screening tool described in Article II.A.5, subject to any additional or superseding instructions that may be provided on this subject in the E-Verify User Manual.

g. The Employer agrees not to require a second verification using E-Verify of any assigned employee who has previously been verified as a newly hired employee under this MOU or to authorize verification of any existing employee by any Employer that is not a Federal contractor based on this Article.

3. The Employer understands that if it is a Federal contractor, its compliance with this MOU is a performance requirement under the terms of the Federal contract or subcontract, and the Employer consents to the release of information relating to compliance with its verification responsibilities under this MOU to contracting officers or other officials authorized to review the Employer's compliance with Federal contracting requirements.

C. RESPONSIBILITIES OF SSA

1. SSA agrees to allow DHS to compare data provided by the Employer against SSA's database. SSA sends DHS confirmation that the data sent either matches or does not match the information in SSA's database.

2. SSA agrees to safeguard the information the Employer provides through E-Verify procedures. SSA also agrees to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security numbers or responsible for evaluation of E-Verify or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

3. SSA agrees to provide case results from its database within three Federal Government work days of the initial inquiry. E-Verify provides the information to the Employer.

4. SSA agrees to update SSA records as necessary if the employee who contests the SSA tentative nonconfirmation visits an SSA field office and provides the required evidence. If the employee visits an SSA field office within the eight Federal Government work days from the date of referral to SSA, SSA agrees to update SSA records, if appropriate, within the eight-day period unless SSA determines that more than eight days may be necessary. In such cases, SSA will provide additional instructions to the employee. If the employee does not visit SSA in the time allowed, E-Verify may provide a final nonconfirmation to the employer.

Note: If an Employer experiences technical problems, or has a policy question, the employer should contact E-Verify at 1-888-464-4218.

D. RESPONSIBILITIES OF DHS

1. DHS agrees to provide the Employer with selected data from DHS databases to enable the Employer to conduct, to the extent authorized by this MOU:

- a. Automated verification checks on alien employees by electronic means, and
- b. Photo verification checks (when available) on employees.

2. DHS agrees to assist the Employer with operational problems associated with the Employer's participation in E-Verify. DHS agrees to provide the Employer names, titles, addresses, and telephone numbers of DHS representatives to be contacted during the E-Verify process.
3. DHS agrees to provide to the Employer with access to E-Verify training materials as well as an E-Verify User Manual that contain instructions on E-Verify policies, procedures, and requirements for both SSA and DHS, including restrictions on the use of E-Verify.
4. DHS agrees to train Employers on all important changes made to E-Verify through the use of mandatory refresher tutorials and updates to the E-Verify User Manual. Even without changes to E-Verify, DHS reserves the right to require employers to take mandatory refresher tutorials.
5. DHS agrees to provide to the Employer a notice, which indicates the Employer's participation in E-Verify. DHS also agrees to provide to the Employer anti-discrimination notices issued by the Immigrant and Employee Rights Section, Civil Rights Division, U.S. Department of Justice.
6. DHS agrees to issue each of the Employer's E-Verify users a unique user identification number and password that permits them to log in to E-Verify.
7. DHS agrees to safeguard the information the Employer provides, and to limit access to such information to individuals responsible for the verification process, for evaluation of E-Verify, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security numbers and employment eligibility, to enforce the INA and Federal criminal laws, and to administer Federal contracting requirements.
8. DHS agrees to provide a means of automated verification that provides (in conjunction with SSA verification procedures) confirmation or tentative nonconfirmation of employees' employment eligibility within three Federal Government work days of the initial inquiry.
9. DHS agrees to provide a means of secondary verification (including updating DHS records) for employees who contest DHS tentative nonconfirmations and photo mismatch tentative nonconfirmations. This provides final confirmation or nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to DHS, unless DHS determines that more than 10 days may be necessary. In such cases, DHS will provide additional verification instructions.

ARTICLE III

REFERRAL OF INDIVIDUALS TO SSA AND DHS

A. REFERRAL TO SSA

1. If the Employer receives a tentative nonconfirmation issued by SSA, the Employer must print the notice as directed by E-Verify. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of

the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.

2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.

3. After a tentative nonconfirmation, the Employer will refer employees to SSA field offices only as directed by E-Verify. The Employer must record the case verification number, review the employee information submitted to E-Verify to identify any errors, and find out whether the employee contests the tentative nonconfirmation. The Employer will transmit the Social Security number, or any other corrected employee information that SSA requests, to SSA for verification again if this review indicates a need to do so.

4. The Employer will instruct the employee to visit an SSA office within eight Federal Government work days. SSA will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.

5. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.

6. The Employer agrees not to ask the employee to obtain a printout from the Social Security Administration number database (the Numident) or other written verification of the SSN from the SSA.

B. REFERRAL TO DHS

1. If the Employer receives a tentative nonconfirmation issued by DHS, the Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.

2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.

3. The Employer agrees to refer individuals to DHS only when the employee chooses to contest a tentative nonconfirmation.

4. If the employee contests a tentative nonconfirmation issued by DHS, the Employer will instruct the employee to contact DHS through its toll-free hotline (as found on the referral letter) within eight Federal Government work days.

5. If the Employer finds a photo mismatch, the Employer must provide the photo mismatch tentative nonconfirmation notice and follow the instructions outlined in paragraph 1 of this section for tentative nonconfirmations, generally.

6. The Employer agrees that if an employee contests a tentative nonconfirmation based upon a photo mismatch, the Employer will send a copy of the employee's Form I-551, Form I-766, U.S. Passport, or passport card to DHS for review by:

- a. Scanning and uploading the document, or
- b. Sending a photocopy of the document by express mail (furnished and paid for by the employer).

7. The Employer understands that if it cannot determine whether there is a photo match/mismatch, the Employer must forward the employee's documentation to DHS as described in the preceding paragraph. The Employer agrees to resolve the case as specified by the DHS representative who will determine the photo match or mismatch.

8. DHS will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.

9. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.

ARTICLE IV SERVICE PROVISIONS

A. NO SERVICE FEES

1. SSA and DHS will not charge the Employer for verification services performed under this MOU. The Employer is responsible for providing equipment needed to make inquiries. To access E-Verify, an Employer will need a personal computer with Internet access.

ARTICLE V MODIFICATION AND TERMINATION

A. MODIFICATION

1. This MOU is effective upon the signature of all parties and shall continue in effect for as long as the SSA and DHS operates the E-Verify program unless modified in writing by the mutual consent of all parties.

2. Any and all E-Verify system enhancements by DHS or SSA, including but not limited to E-Verify checking against additional data sources and instituting new verification policies or procedures, will be covered under this MOU and will not cause the need for a supplemental MOU that outlines these changes.

B. TERMINATION

1. The Employer may terminate this MOU and its participation in E-Verify at any time upon 30 days prior written notice to the other parties.

2. Notwithstanding Article V, part A of this MOU, DHS may terminate this MOU, and thereby the Employer's participation in E-Verify, with or without notice at any time if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or DHS that there has been a breach of system integrity or security by the Employer, or a failure on the part of the Employer to comply with established E-Verify procedures and/or legal requirements. The Employer understands that if it is a Federal contractor, termination of this MOU by any party for any reason may negatively affect the

performance of its contractual responsibilities. Similarly, the Employer understands that if it is in a state where E-Verify is mandatory, termination of this by any party MOU may negatively affect the Employer's business.

3. An Employer that is a Federal contractor may terminate this MOU when the Federal contract that requires its participation in E-Verify is terminated or completed. In such cases, the Federal contractor must provide written notice to DHS. If an Employer that is a Federal contractor fails to provide such notice, then that Employer will remain an E-Verify participant, will remain bound by the terms of this MOU that apply to non-Federal contractor participants, and will be required to use the E-Verify procedures to verify the employment eligibility of all newly hired employees.

4. The Employer agrees that E-Verify is not liable for any losses, financial or otherwise, if the Employer is terminated from E-Verify.

ARTICLE VI PARTIES

A. Some or all SSA and DHS responsibilities under this MOU may be performed by contractor(s), and SSA and DHS may adjust verification responsibilities between each other as necessary. By separate agreement with DHS, SSA has agreed to perform its responsibilities as described in this MOU.

B. Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against the Employer, its agents, officers, or employees.

C. The Employer may not assign, directly or indirectly, whether by operation of law, change of control or merger, all or any part of its rights or obligations under this MOU without the prior written consent of DHS, which consent shall not be unreasonably withheld or delayed. Any attempt to sublicense, assign, or transfer any of the rights, duties, or obligations herein is void.

D. Each party shall be solely responsible for defending any claim or action against it arising out of or related to E-Verify or this MOU, whether civil or criminal, and for any liability wherefrom, including (but not limited to) any dispute between the Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Employer.

E. The Employer understands that its participation in E-Verify is not confidential information and may be disclosed as authorized or required by law and DHS or SSA policy, including but not limited to, Congressional oversight, E-Verify publicity and media inquiries, determinations of compliance with Federal contractual requirements, and responses to inquiries under the Freedom of Information Act (FOIA).

F. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer and DHS respectively. The Employer understands that any inaccurate statement, representation, data or other information provided to DHS may subject the Employer, its subcontractors, its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001 and/or; (2) immediate termination of its MOU and/or; (3) possible debarment or suspension.

G. The foregoing constitutes the full agreement on this subject between DHS and the

Employer.

To be accepted as an E-Verify participant, you should only sign the Employer's Section of the signature page. If you have any questions, contact E-Verify at 1-888-464-4218.

Approved by:

E-Verify Employer	
Name (Please Type or Print)	Title
Signature	Date
Department of Homeland Security – Verification Division	
Name (Please Type or Print)	Title
Signature	Date

Information Required for E-Verify	
Information relating to your Company:	
Company Name:	
Company Facility Address:	
Company Alternate Address:	
County or Parish:	

SECTION XI

fmsbonds
Municipal Bond Specialists

20660 W. Dixie Highway
North Miami Beach, FL 33180

January 27, 2021

Chapel Creek Community Development District
c/o Governmental Management Services
219 East Livingston Street
Orlando, Florida 32801
Attn: Ms. Jill Burns

Re: Agreement for Underwriter Services & Rule G-17 Disclosure

Dear Ms. Burns:

Thank you for the opportunity to work with the Chapel Creek Community Development District (the "District") regarding the underwriting of the District's Special Assessment Bonds, Series 2021 and future series of bonds (the "Bonds"). The District and FMSbonds, Inc. ("FMS"), solely in its capacity as Underwriter, agree to the proposed terms set forth herein in Attachment I. By executing this letter both parties agree to the terms set forth herein.

FMS's role is limited to act as Underwriter within the Scope of Services set forth herein as Attachment I, and not as a financial advisor or municipal advisor. FMS is not acting as a municipal advisor for the developer in connection with the subject transaction. Any information that FMS has previously provided was solely for discussion purposes in anticipation of being retained as your underwriter. Attachment II, attached hereto, contains the Municipal Securities Rulemaking Rule Board Rule G-17 Disclosure that the District should read in its entirety and acknowledge by signing below.

We look forward to working with you.

Yours truly,

FMSbonds, Inc.

By: 

Name: Jon Kessler

Title: Executive Director

Agreed to and accepted as of the date first written above:

**CHAPEL CREEK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Title: _____

ATTACHMENT I

Section 1 Scope of Services of FMS: FMS proposes that its duties as Underwriter shall be limited to the following:

1. To provide advice to the District on the structure, timing and terms of the Bonds;
2. To coordinate the financing process;
3. To conduct due diligence;
4. To assist in the preparation of an offering memorandum;
5. To review the assessment methodology and Bond documents;
6. To market and offer Bonds to investors.

Section 2 Terms and Conditions:

1. Underwriter Fee ("Underwriting Fee"). FMS shall act as sole lead underwriter. The Underwriting Fee to FMS for acting as Underwriter shall be 2% of the Par Amount of any Bonds issued. The Underwriting Fee shall be due and payable only upon the closing of the Bonds. The Underwriting Fee may be modified pursuant to a bond delegation or award resolution approved by the Board and consented to by the Underwriter.
2. Price and Interest Rates: The offering price and interest rates are expected to be based on recent comparable transactions in the market, if any. FMS and the District will jointly determine the offering price and interest rates immediately prior to the start of the order period, based on market conditions then prevailing.
3. Bond Purchase Agreement. The obligations of the Underwriter and those of the District would be subject to the satisfactory completion of due diligence and to the customary representations, warranties, covenants, conditions, including provisions respecting its termination contained in the form of a bond purchase agreement FMS will prepare and as generally used in connection with the offering of Bonds for this type of transaction.
4. Costs of Issuance. The District shall be responsible for the payment of all expenses relating to the offering, including but not limited to, attorney fees, consultant fees, costs associated with preparing offering documents, if any, the purchase agreement, regulatory fees and filing fees and expenses for qualification under blue sky laws designated by FMS and approved by the District.
5. Assumptions. The proposed terms and statements of intention set forth in this agreement are based on information currently available to FMS about the District and the market for special assessment bonds similar to the Bonds and the assumptions that:

- a) the financial condition and history of the project shall be substantially as understood, and the financial information for the relevant and appropriate period ended to be included in the final offering memorandum will not vary materially from those set forth in the material furnished to FMS;
 - b) no adverse developments shall occur which materially and adversely affect the underlying security and financial condition of the district;
 - c) the offering memorandum will comply with all applicable laws and regulations;
 - d) there will not be any unanticipated substantial delays on the part of the District in completing the transaction; and
 - e) all conditions of the Underwriter to purchase Bonds will be included in the bond purchase agreement and conditions shall be satisfied or waived, in the sole discretion of the Underwriter.
6. Information. The District agrees to reasonably and actively assist FMS in achieving an underwriting that is satisfactory to FMS and the District. To assist FMS in the underwriting the District will (a) provide and cause the District's staff and its professionals to provide FMS upon request with all information reasonably deemed necessary by FMS to complete the underwritings, included but not limited to, information and evaluations prepared by the District and its advisors; and (b) otherwise assist FMS in its underwriting efforts.
7. Term of Engagement. The term of this Agreement shall commence as of the date of this Agreement and continue in full force and effect unless terminated by either party. In event of termination by the District without cause, FMS shall be entitled to recover its reasonable out of pocket expenses incurred up to the date of termination.
8. No Commitment. Notwithstanding the foregoing, nothing herein shall constitute an agreement to provide a firm commitment, underwriting or placement or arrangement of any securities by FMS or its affiliates. Any such commitment, placement or arrangement shall only be made a part of an underwriting agreement or purchase agreement at the time of the sale of the bonds.

The engagement contemplated hereby and this agreement are solely for the benefit of the District and FMS and their respective successors, assigns and representatives and no other person or entity shall acquire or have any right under or by virtue hereof.

This Agreement contains the entire understanding of the parties relating to the transactions contemplated hereby and this Agreement supersedes all prior agreements, understandings and negotiations with respect thereto. This Agreement may be executed in counterparts each of which shall be an original but all of such counterparts shall constitute one and the same instrument.

9. No Financial Advisor. FMS's role is limited to that of an Underwriter and not a Financial Advisor or Municipal Advisor.

ATTACHMENT II

MSRB Rule G-17 Disclosure --- The District has engaged FMS to serve as underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds. As part of our services as underwriter, FMS may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds. We may also have provided such advice as part of the process of seeking to be selected to serve as your underwriter. Any such advice was provided by FMS as an underwriter and not as your financial advisor in this transaction.

Pursuant to the Notice, we are required by the MSRB to advise you that:

- MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- The underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. As such, the underwriter has financial and other interests that differ from those of the Issuer.
- Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- The underwriter has a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable.
- As underwriter, we will review the disclosure document for the Bonds in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.¹

The underwriter will be compensated by a fee and/or a fee that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since an underwriter may have an incentive to recommend a transaction that is unnecessary or to recommend that the size of a transaction be larger than is necessary. The District acknowledges no such recommendation has been made by FMS.

Please note nothing in this letter is an expressed nor an implied commitment by us to provide financing or to purchase or place the Bonds or any other securities. Any such commitment shall

¹ Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the offering document by the underwriters is solely for purposes of satisfying the underwriters' obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the offering document.

only be set forth in a bond purchase agreement or other appropriate form of agreement for the type of transaction undertaken by you.

Further, our participation in the transaction contemplated herein remains subject to, among other things, the execution of a bond purchase agreement (or other appropriate form of agreement), further internal review and approvals, satisfactory completion of our due diligence investigation and market conditions.

FMS is acting independently in seeking to act as an underwriter in the transactions contemplated herein and shall not be deemed for any purpose to be acting as an agent, joint venturer or partner of any other principal involved in the proposed financing. FMS assumes no responsibility, express or implied, for any actions or omissions of, or the performance of services by, the other underwriters in connection with the transactions contemplated herein or otherwise.

If you or any other Issuer representatives have any questions or concerns about these disclosures, please make those questions or concerns known immediately to FMS. In addition, Issuer should consult with its own financial, municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. Depending on the final structure of the transaction that the District and FMS decide to pursue, or if additional actual or perceived material conflicts are identified, we may be required to send you additional disclosures.

SECTION XII

SECTION C

Chapel Creek CDD

Field Management Report



February 5, 2021
Clayton Smith
Field Services Manager
GMS

Completed

Holiday Décor - Removed



- ✚ Took Down holiday décor and placed neatly in a bin.
- ✚ Did not originally have keys to storage areas, however items will be stored onsite.
- ✚ Additionally, checked lighting. Considering options for enhancing lighting.

Dog Station Install

- ✚ As per request 2 dog stations were installed.
- ✚ Bags were purchased to go with the stations.
- ✚ New incoming landscaper has agreed to empty them under contract with CDD provided bags.
- ✚ Consider additional stations.



Upcoming Projects

Landscape Enhancements



- Many landscape areas identified in need of better maintenance and enhancements.
- Will proceed with an enhancement plan after landscape bid process.
- To prioritize entrance monuments.
- Amenity parking area has significant need.

Mulch Playground

- Playground Mulch is significantly under recommended height.
- Mulch will need to be added.



In Progress

Landscape Maintenance Improvements



- ✚ Work with current or new landscaper on significant improvements to overall maintenance.
- ✚ Remove/replace Median palms.
- ✚ Address concerns regarding palms at pool.
- ✚ Many other items to address.
- ✚ Trimming trees along main Drive
- ✚ Clearing up bed along northern edge of property.
- ✚ Irrigation repairs.

In Progress

Pool Access Control



- ✚ Access control system has been installed. Coordinating with the contractor.
- ✚ Contractor originally believe system could use cell service.
- ✚ System will need Wi-Fi installed to work.

Conclusion

For any questions or comments regarding the above information, please contact me by phone at 407-201-1514, or by email at csmith@gmscfl.com. Thank you.

Respectfully,
Clayton Smith

SECTION 1



Governmental
Management Services -
Tampa

Maintenance Services

Phone: 407-201-1514

Email: Csmith@gmscfl.com

TO: Chapel Creek CDD Zephyrhills, FL 33541	Prepared By: Governmental Management Services-Tampa 18842 N Dale Mabry Hwy Lutz, FL 33548
Job name and Description	
<p><u>Chapel Creek CDD</u> – Install Dog Stations along Clifton Downs.</p> <p>➤ There is need for some dog stations along Clifton Downs Dr. Recommended 4 stations. Station includes dog baggie dispenser, sign, and disposal can. This is a per unit install/assembly price.</p>	

Qty	Description	Unit Price	Line Total
	Labor, Mobilization, and install Materials		\$525.00
4	Dog Waste station	\$250.00	\$1000.00
Total Due:			\$1525.00

All proposals are valid for 30 days from date of completion.

Thank You!

Client: _____