

MINUTES OF MEETING

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

**PASEO
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Paseo Community Development District was held on **Wednesday, March 23, 2011 at 11:03 a.m.** at the Paseo Village Center, located at 1611 Paseo Grande Boulevard, Fort Myers, Florida 33912.

Present and constituting a quorum:

Chad Kocses	Board Supervisor, Chairman
Keith Gelder	Board Supervisor, Vice Chairman
Valerie McChesney	Board Supervisor, Assistant Secretary
Tim Clark	Board Supervisor, Assistant Secretary
Frank Dengler	Board Supervisor, Assistant Secretary

Also present were:

Molly Syvret	District Manager; Rizzetta & Company, Inc.
Colt Little	District Counsel; Latham, Shuker, Eden & Beaudine, LLP
Brian Crumbaker	Trustee Counsel; Hopping Green & Sams (via speaker phone)
Danny Tyler	Bond Counsel; Nabors, Giblin & Nickerson (via speaker phone)
Hunter Jones	Maxcy Development (via speakerphone)
Audience	

FIRST ORDER OF BUSINESS

Call to Order

Ms. Syvret called the meeting to order and read roll call. Ms. Syvret advised that she would like the Board to consider amending the Agenda to include Business Item A: Presentation of the Third, Fourth, and Fifth Supplemental Trust Indentures and Consideration of Resolution 2011-13, Amendatory Resolution; and Business Item B: Consideration of the Restructuring Agreement.

On a Motion by Mr. Kocses, seconded by Mr. Gelder, with all in favor, the Board amended the Agenda to include Business Item A: Presentation of the Third, Fourth, and Fifth Supplemental Trust Indentures and Consideration of Resolution 2011-13, Amendatory Resolution; and Business Item B: Consideration of the Restructuring Agreement, for the Paseo Community Development District.

SECOND ORDER OF BUSINESS

Consideration of the Minutes of the Board of Supervisors Meeting held on February 23, 2011

Ms. Syvret presented the minutes of the Board of Supervisors' meeting held on February 23, 2011. She asked if there were any revisions. There were none.

On a Motion by Mr. Kocses, seconded by Mr. Clark, with all in favor, the Board approved the Minutes of the Board of Supervisors' Meeting held on February 23, 2011, for the Paseo Community Development District.

THIRD ORDER OF BUSINESS

Consideration of the Operation and Maintenance Expenditures for the Month of February 2011

Ms. Syvret presented the Operation and Maintenance Expenditures for the month of February 2011, covering the period of February 1-28, 2011, and totaling \$124,261.36. Ms. Syvret asked if there were any questions relating to the expenditures. Questions were entertained relating to the payment for the insurance premium. Ms. Syvret confirmed that the payment represented payment in full of the premium, which would save the District money it would have paid in terms of interest and finance charges had it continued under the finance agreement.

On a Motion by Mr. Kocses, seconded by Mr. Dengler, with all in favor, the Board approved the Operation and Maintenance Expenditures for the Month of February 2011, covering the period of February 1-28, 2011, and totaling \$124,261.36, for the Paseo Community Development District.

FOURTH ORDER OF BUSINESS

Presentation of the Third, Fourth, and Fifth Supplemental Trust Indentures and Consideration of Resolution 2011-13, Amending and Supplementing Resolution 2011-05, Adopted by the Board on November 17, 2010, Authorizing, Inter Alia, The Issuance and Delivery of Certain Revenue Bonds

Mr. Tyler provided an overview for the purpose of the Supplemental Indentures and reviewed the Resolution for the Board. Questions were entertained.

On a Motion by Mr. Kocses, seconded by Ms. McChesney, with all in favor, the Board approved the form of the Third, Fourth, and Fifth Supplemental Indentures and adopted Resolution 2011-13, Amending and Supplementing Resolution 2011-05, Adopted by the Board on November 17, 2010, Authorizing, Inter Alia, The Issuance and Delivery of Certain Revenue Bonds, for the Paseo Community Development District.

FIFTH ORDER OF BUSINESS

Consideration of the Restructuring Agreement

Mr. Little presented the draft restructuring agreement and explained the purpose of the agreement. Questions were entertained.

On a Motion by Mr. Kocses, seconded by Mr. Gelder, with all in favor, the Board approved the Restructuring Agreement, in substantial form, for the Paseo Community Development District.

SIXTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Little advised that the Bond Validation Hearing is Monday, March 28th. The State has agreed to stipulate to the documents as requested by District Counsel. If a judgment is entered following the validation hearing, there will be a 30 day appeal period. Pending no appeal, bonds may close after the 30 day period, the closing is tentatively scheduled for May 2, 2011.

B. District Engineer

Not present.

C. District Manager

Ms. Syvret reviewed for the Board discussions she and the District Engineer and with Timo Brothers relating to the paver repair issue. Ms. Syvret explained that the contractor acknowledged that the full scope of the work contemplated had not been completed and requested the opportunity to remedy the situation. After some discussion, the remedy that the parties proposed is for the District to make a partial payment now in the sum of \$1,200.00, for the value of the work actually performed to date; the walkways would be left in their current condition for purposes of evaluating the walkways throughout the rainy season. Subsequent to rainy season, the District's Engineer will inspect and evaluate the walkways to determine whether there is any indication of migration of material from the walkways through the retaining walls. Assuming no evidence of migration is found, the contractor would then coordinate with the District Manager and Engineer to complete the remainder of the work as originally contemplated. Upon completion of the work and approval by the District Engineer, the District will remit payment for the remaining balance of the project. In the event that the Engineer's inspection of the walkways subsequent to the rainy season suggests migration of material through the walls, the contractor would submit a proposal for the additional cost to perform the increased scope of work that would be necessary to remedy

the migration issue. Ms. Syvret advised that Management and the District Engineer would recommend this course of action in order to remedy the matter. Discussion ensued. The Board agreed to the proposed remedy and authorized Ms. Syvret to issue correspondence to the contractor confirming the terms of the agreement.

Ms. Syvret also provided updates regarding the water feature lighting issues, the landscape refurbishment, and irrigation issues.

Ms. Syvret stated that the next meeting of the Board of Supervisors is scheduled for Wednesday, April 20, 2011 at 11:00 am; which is also the Public Hearing regarding the Rules of Procedure.

SEVENTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Ms. Syvret opened the floor to supervisor requests and comments.

There were no supervisor requests or comments.

Ms. Syvret opened the floor to Audience comments. Questions and comments were entertained, no Board action was taken.

EIGHTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Kocses seconded by Mr. Clark, with all in favor, the Board adjourned the meeting at 12:15 p.m. for the Paseo Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman