

**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.

**MONTECITO  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Montecito Community Development District was held on **Tuesday, December 4, 2007, at 11:14 a.m.** at the office of Mercedes Homes, located at 6905 North Wickham Road, Suite 501, Room 529, Melbourne, Florida 32940.

Present and constituting a quorum:

Jim Sigmund	<b>Vice Chairman</b>
Ken Mitchell	<b>Board Supervisor, Assistant Secretary</b>
David Barin	<b>Board Supervisor, Assistant Secretary</b>

Also present were:

Vivian Carvalho	<b>District Manager, Rizzetta &amp; Company, Inc.</b>
Mike Pawelczyk	<b>District Counsel, Billing Cochran Heath et al.</b> <i>(via speakerphone)</i>
Rey Malave	<b>District Engineer, Bowyer-Singleton Associates, Inc.</b> <i>(via speakerphone)</i>
Hazel O'Toole	<b>Representative, Mercedes Homes</b>
Jason Venezia	<b>Representative, Mercedes Homes</b>
Brian Bussen	<b>Representative, Mercedes Homes</b>
Sharon Weber	<b>Representative, Mercedes Homes</b> <i>(joined the meeting in progress)</i>

**FIRST ORDER OF BUSINESS**

**Call to Order**

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

**SECOND ORDER OF BUSINESS**

**Administer Oath of Office to Newly  
Elected Board Supervisors**

Ms. Carvalho stated that the first item on the agenda would be to administer the Oath of Office to newly elected Board Supervisor David Barin (behind Tab 1).

Ms. Carvalho stated that she is a Notary Public in the State of Florida and duly authorized to administer the Oath of Office. She requested that Mr. Barin raise his right hand and swear and affirm to the Oath of Office. Mr. Barin swore and affirmed to the Oath of Office and executed the Oath.

Ms. Carvalho stated that the Oath of Office would be administered to Pat Longo at the next Board Meeting.

**THIRD ORDER OF BUSINESS**

**Presentation of the Minutes of the  
Landowners' Meeting held  
on November 6, 2007**

Ms. Carvalho stated that the next item on the agenda would be the presentation of the Minutes of the Landowners' Meeting held on November 6, 2007 (behind Tab 2).

Ms. Carvalho asked if there were any additions, deletions or corrections to the minutes as presented. There were none. Ms. Carvalho asked for a motion to approve.

On Motion by Mr. Barin, seconded by Mr. Sigmund, with all in favor, the Board approved the Minutes of the Landowners' Meeting held on November 6, 2007 for Montecito Community Development District.

**FOURTH ORDER OF BUSINESS**

**Consideration of the Minutes of the  
Board of Supervisors' Meeting held  
on November 6, 2007**

Ms. Carvalho stated that the next item on the agenda would be the consideration of the Minutes of the Board of Supervisors' Meeting held on November 6, 2007 (behind Tab 3).

Ms. Carvalho asked if there were any additions, deletions or corrections to the minutes as presented. There were none. Ms. Carvalho asked for a motion to approve.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board approved the Minutes of the Board of Supervisors' Meeting held on November 6, 2007 for Montecito Community Development District.

**FIFTH ORDER OF BUSINESS**

**Consideration of the Operation and  
Maintenance Expenditures for  
November 2007**

Ms. Carvalho stated that the next item on the agenda would be the consideration of the Operation and Maintenance Expenditures for November 2007 (behind Tab 4).

Ms. Carvalho stated that the expenditures for November 2007 totaled \$36,895.28 for the period of October 1, 2007 through October 31, 2007. She asked if there were any questions or comments. There were none. Ms. Carvalho asked for a motion to approve.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board approved the Operation and Maintenance Expenditures for November 2007 (\$36,895.28), for Montecito Community Development District.

**SIXTH ORDER OF BUSINESS**

**Consideration of Series 2006 AB  
Construction Requisitions #425 - #458**

Ms. Carvalho stated that the next item on the agenda would be the consideration of Series 2006 AB Construction Requisitions #402 through #458 (behind Tab 5).

Ms. Carvalho stated that Requisitions #427, #428, #429, #430, #431 and #449 are from the Series 2006 A Bond; the remainder of the requisitions are from the Series 2006 B Bond.

Ms. Carvalho asked if there were any comments or questions. There were none. Ms. Carvalho asked for a motion to approve.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board approved Series 2006 AB Construction Requisitions #425 - #458 for Montecito Community Development District.

**SEVENTH ORDER OF BUSINESS**

**Review of Contracts Executed by the  
Chairman Pursuant to Resolution 2006-14**

Ms. Carvalho stated the next item on the agenda would be the review of the contracts executed by the Chairman pursuant to Resolution 2006-14 (behind Tab 6). Ms. Carvalho asked the Board to refer to the recap sheet.

Ms. Carvalho briefly reviewed the contracts for the Board. It was stated that the Crawford Irrigation Design, Inc. proposal for the North Wall and Lake 30B was for \$300, not \$3,000, as listed in the recap sheet. General discussion ensued.

Ms. Carvalho asked if there were any further questions or comments. There were none. Ms. Carvalho asked for a motion to ratify the contracts executed by the Chairman pursuant to Resolution 2006-14.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board ratified the Contracts executed by the Chairman pursuant to Resolution 2006-14 for Montecito Community Development District.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Frank-Lin Excavating,  
Inc. Proposal for Land Clearing and  
Removal/Mobilization**

Ms. Carvalho stated that the next item on the agenda would be the consideration of the Frank-Lin Excavating, Inc. Proposal for Land Clearing and Removal/Mobilization (behind Tab 7).

Mr. Bussen stated that at the previous Board Meeting it was resolved to proceed with the demolition of the next set of units and pay for the fencing. He stated that the fencing has been relocated and some of the preliminary environmental work required prior to demolition has been completed. Mr. Bussen stated that this proposal relates to clearing after the structures have been demolished and to removing landscaping materials for use elsewhere. He suggested rebidding after the structures are cleared in order for the contractor to give a more accurate price estimate.

Ms. Carvalho stated that this item will be tabled until further notice.

**NINTH ORDER OF BUSINESS**

**Review of Financials**

Ms. Carvalho stated the next item on the agenda would be the review of the financials. She stated that she had distributed copies of the financial statement for the period ending October 31, 2007 and the U. S. Bank statement. Ms. Carvalho asked if there were any questions or comments. General discussion ensued.

**TENTH ORDER OF BUSINESS**

**New Business**

Ms. Carvalho stated the next item on the agenda would be the consideration of any new business.

Ms. O'Toole gave an update relating to the SBA Account. She stated that the State of Florida has recently taken the unprecedented action of freezing the SBA Fund due to the current financial crisis. Ms. O'Toole stated that the Cabinet will be meeting to discuss this issue. She stated that Steve Murman of Rizzetta & Company, Inc. will be advising her of the outcome of the Cabinet meeting. Ms. O'Toole stated that the District was using the SBA Account for short-term funds because of the better rates, however, if and when a percentage of the District's holdings are released, the funds will be moved into a government security account. Ms. O'Toole stated that she will keep the Board informed.

**ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

A. District Counsel

Mr. Pawelczyk stated that at the previous meeting there had been a discussion regarding the use of District funds for special community events at the Clubhouse. He stated that, following research, it is his opinion that in the future if the District wishes to budget for such special events, as long as tax exempt proceeds of any kind are not being used, then the District could use assessment dollars to fund special community events.

Ms. Carvalho asked if there were any other residents who have requested such special events. Ms. O'Toole stated that question was brought up at the Homeowners' Association meeting. She stated that the recommendation was that HOA funds not be used for events that may not be of interest to all homeowners. Ms. O'Toole stated that in other communities, homeowners' groups have been formed to plan and fund such activities; she stated that the Homeowners' Association Board might contemplate waiving fees for those events.

Ms. Carvalho noted that Mike Draper is no longer with ASG and his replacement will be Stacey Oakey. She stated that Ms. Oakey will be attending the next Board Meeting.

B. District Engineer  
No Report.

C. District Manager

Ms. Carvalho stated that the next regularly scheduled meeting would be held on Tuesday, January 8, 2008, at 11:00 a.m. at the office of Mercedes Homes, located at 6905 North Wickham Road, Suite 501, Room 529, Melbourne, Florida 32940.

Ms. Carvalho stated that when the Mercedes Homes office relocated, the Board never officially designated the new office address as the Local District Records Office. She requested a motion to redesignate the Local District Records Office as the office of Mercedes Homes, located at 6905 North Wickham Road, Suite 501, Room 529, Melbourne, Florida 32940.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board redesignated the Local District Records Office as the office of Mercedes Homes, located at 6905 North Wickham Road, Suite 501, Room 529, Melbourne, Florida 32940 for Montecito Community Development District.

**TWELFTH ORDER OF BUSINESS**

**Supervisor Requests and Audience Comments**

Ms. Carvalho asked if there were any audience comments or Supervisor requests. Ms. Carvalho noted that there were no audience members present. She asked if there were any Supervisor requests.

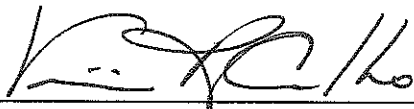
Mr. Barin noted that the District received a very nice thank-you letter from the City of Satellite Beach for the use of the Montecito Beach Club for the city's anniversary party.

**THIRTEENTH ORDER OF BUSINESS**

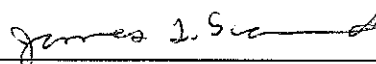
**Adjournment**

Ms. Carvalho stated that there were no other agenda items to come before the Board. Ms. Carvalho asked for a motion to adjourn the meeting.

On Motion by Mr. Sigmund, seconded by Mr. Barin, with all in favor, the Board adjourned the meeting at 11:40 a.m. for Montecito Community Development District.



Secretary/Assistant Secretary



Chairman/Vice Chairman