

**MINUTES OF MEETING  
STEVENS PLANTATION  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Stevens Plantation Community Development District was held on Thursday, April 3, 2014 at 6:00 P.M. at City Hall, 1300 Ninth Street, St. Cloud, Florida.

Present and constituting a quorum were:

Rebecca Fernandez	Vice Chair
Terence Connors	Assistant Secretary
Gary W. Clegg	Assistant Secretary
Daryl D. Greenwood	Assistant Secretary

Also present were:

Gary L. Moyer	Moyer Management Group, Inc.
Daniel Mantzaris	De Beaubien, Knight, Simmons, Mantzaris
Brian Smith	Field Manager
Jim Endicott	Landcare Specialists
Residents	

*The following is a summary of the minutes and actions taken at the April 3, 2014 Stevens Plantation Board of Supervisors meeting.*

**FIRST ORDER OF BUSINESS**

**Call to Order**

Mr. Moyer called the meeting to order at 6:00 P.M.

**SECOND ORDER OF BUSINESS**

**Roll Call**

Mr. Moyer called the roll.

**THIRD ORDER OF BUSINESS**

**Audience Comments**

Mr. Gary Riegleman addressed having his electric and water turned off when they return to the north in the spring.

Mr. Mantzaris noted this would be an issue for the City of St. Cloud. They meet on April 10<sup>th</sup>.

**FOURTH ORDER OF BUSINESS**

**Approval of the Minutes of the February 6, 2014 Meeting**

Mr. Moyer stated each Board member received a copy of the minutes of the February 6, 2014 meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Clegg seconded by Ms. Greenwood with all in favor the minutes of the February 6, 2014 meeting were approved.
---

**FIFTH ORDER OF BUSINESS**

**Resident Owner Association Report**

Ms. Fernandez asked if they can get signs on the ponds stating “Fishing for Residents Only”.

Mr. Moyer responded the District and everything we own is public. This means they are open to the public to use, if that is the desire of the Board, which means you cannot just have Stevens Plantation residents’ fish and have somebody else removed by the police for trespassing. Some districts have determined the ponds are not recreational, they are water management and drainage ponds, which mean nobody should be on the right-of-way around the ponds unless they are employed by the District or a contractor of the District doing drainage work.

Ms. Fernandez asked how is it handled if they go in someone’s backyard.

Mr. Moyer responded then it is trespassing and the homeowner can call the police.

Discussion followed on access to retention ponds surrounded by homes.

Ms. Fernandez asked can we get the power to the fountains turned off at midnight?

Mr. Smith responded the gentleman who does the work on the pumps said it is not going to save the pumps because it is more work for them to turn on. You will save the money on the electric if you want to give me hours I will put a timer on it.

Ms. Fernandez stated midnight to 7:00 a.m.

Ms. Greenwood stated there are no lights on the west side of the fountain.

Mr. Connors addressed the landscaping.

Ms. Fernandez noted the Board approved landscaping; they did not approve so much grass. Around Magnolia Green and The Grove almost all the shrubbery has been removed and replaced with small petunias.

Mr. Clegg noted they received a lot of comments at the HOA meeting about The Estates, The Grove and Magnolia Green.

Mr. Endicott stated we put in what was submitted on the proposal which included 17 pallets of sod.

Ms. Fernandez stated I thought the 17 pallets of sod were for Buddinger.

Mr. Endicott stated that is a different proposal.

Ms. Fernandez stated I have an issue with it because you are tilling up the weeds and replanting sod on top of the weeds.

Mr. Endicott stated we sprayed Roundup on it for approximately ten days.

Discussion continued on the sod replacement with Mr. Smith noting they will keep an eye on the area.

Discussion followed on expanding the planting beds at the entryways and adding sod at the curb line.

The issue at The Estates is the landscaping has all been removed and there is sod going up to the signs.

Mr. Endicott noted the grass has been there for two to three years.

Ms. Fernandez noted it was supposed to be temporary.

Mr. Smith noted they did discuss planting at the base of the sign. If there are specifics of what they want to see please provide them to Mr. Smith and they will see what they can do to improve it.

Ms. Greenwood noted she is disappointed with the entrance at The Grove where they removed the Buford Holly and replaced with four tiny Holly plants.

Mr. Endicott stated they came in smaller than I wanted and I am looking for larger replacements.

Discussion continued on the Holly plants and if they are the appropriate planting for this bed. Mr. Smith noted they will do a site inspection once all the proposals are completed and take the comments to see what they can improve.

Discussion followed on the proposals and if they provided specifics. Mr. Moyer noted going forward they can provide the Board maps and drawings.

Mr. Smith addressed reducing the mulch in the planters to provide a cleaner edge.

Ms. Fernandez noted her concern is it seems every time they remove shrubbery and landscaping they replace it with grass.

Mr. Smith noted their goal is to make each bed look clean and detailed.

Mr. Clegg noted what they are saying makes sense but if they are putting two strips of sod on both sides it does not leave a lot room for planting.

Mr. Smith noted it can be modified. As they go they will add plants and get them looking as good as they can.

Ms. Greenwood asked what happened to the roses removed from The Grove.

Mr. Smith responded we disposed of them.

Ms. Greenwood stated I thought they could be reused.

Mr. Smith stated along the asphalt it gets to hot for the roses and they do not do well.

Mr. Clegg noted they received compliments on the trimming of the trees. I agree trimming the Cedars looks good and you can see the traffic on the other side making it safer. The area around the trees on North Pawley has encroached up to the sidewalk and work needs to go into getting it further back.

Mr. Smith asked is eight to ten feet the parameter you would like to see.

Mr. Clegg responded absolutely. You can see where a homeowner has mowed and it looks good.

Mr. Smith stated we can go to where the construction ended. We cannot go into the conservation area. We will get as far back as we can.

Discussion followed on the area with it being noted they can selectively remove some of the Brazilian Pepper trees.

Discussion followed on the conservation area on Nolte near the bridge. The area behind the retention pond that backs up to The Grove is becoming overgrown.

Discussion continued on trimming the area at North Pawley.

The streetscape trees were discussed.

Mr. Connors noted at 3859 Cedar Hammock it is high around the pond.

Mr. Endicott reported they serviced it today; it was missed at the beginning of the week.

Ms. Fernandez addressed a triangle area on Lafayette noting the homeowners were told when the development was closed out the CDD would plant grass there. Now that the

development is closed out they are asking the CDD to maintain it and plant grass. The area is full of bur weeds.

Mr. Smith noted there is no irrigation in this area.

Ms. Fernandez stated even if they can weed and feed to keep the Bahia up.

**SIXTH ORDER OF BUSINESS**

**Presentation of Fiscal Year 2015 Budgets**

**A. Fiscal Year 2015 Budgets**

Mr. Moyer addressed the FY budget noting they are early. They will start the budget process in June and have the final public hearing on the budget in August.

- The draft budget does not anticipate raising assessments.

**B. Consideration of Resolution 2014-01 Approving the General and Debt Service Fund Budgets and Setting a Public Hearing**

This item was deferred to the June meeting for further review.

**SEVENTH ORDER OF BUSINESS**

**District Manager's Report**

**A. Approval of Financials - February**

Mr. Moyer reviewed the February financials, which were included in the agenda package and are available for public review.

- They have collected 57% of the non-ad valorem assessments.
- The assessments are due and payable no later than the end of March.
- On the expenditure side administrative is on budget, \$5,000 under in terms of the ROA work and \$5,000 over on Field Management items. Through February they are \$216 over budget.

Ms. Fernandez asked why year-to-date legal is so much higher than budgeted.

Mr. Moyer responded Mr. Mantzaris is very good about not spending our money and not coming to meetings in which we do not have anything. The reason for increase is the assessment problem. Mr. Mantzaris and the Severn Trent staff have spent an incredible amount of time in the last two months on the assessment issue.

Ms. Greenwood noted her concern on the costs of printing and binding.

Mr. Moyer stated if you would rather go paperless and receive electronic packages we can do that.

The consensus of the Board is for electronic agenda packages going forward.

Mr. Clegg requested an email reminder to the Board for meetings.

Mr. Moyer noted they will send reminders.

**B. Check Registers and Invoices**

Mr. Moyer reviewed the invoices for the period the January 1, 2014 to February 28, 2014, which were included in the agenda package and available for public review.

On MOTION by Ms. Greenwood seconded by Mr. Connors with all in favor the invoices for the period the January 1, 2014 to February 28, 2014 in the amount of \$303,538.97 were approved.

**C. Discussion of General Election and Consideration of Resolution 2014-02 Confirming the District's Use of the Osceola County Supervisor of Elections to Conduct the General Election of Supervisors in Conjunction with the General Election**

Mr. Moyer addressed the following:

- There are three seats up for election. Mayor Borders will come off the Board as a landowner and will be replaced by a resident registered voter. Mr. Connors and Ms. Fernandez's seats are also expiring.
- Qualifying information was also provided to the Board.
- There are two ways to qualify. One was by petition where the candidate needs to collect 25 signatures from qualified voters residing within the District and submit those to the Supervisor of Elections on or before May 19, 2014.
- The second way was to go down to the Supervisor of Elections office and pay a filing fee of \$25 and subscribe to a candidate's Oath of Office in order to appear on the ballot. The qualifying period is between noon on June 16, 2014 and noon on June 20, 2014. If no one qualifies, there would not be an election. However, if another candidate runs for the same seat as a qualifying Supervisor, there would be an election and it would appear on the ballot.
- Resolution 2014-2 puts the Supervisor of Elections on notice that the CDD wishes to utilize their services to conduct the General Election scheduled for November 4, 2014.

Ms. Greenwood asked why do we have to do it this cycle; why can't we wait.

Mr. Moyer responded general elections are held every two years and is why we have seats.

Ms. Greenwood stated this will be the first time we do that.

Mr. Moyer stated the Ordinance that created the District stated the City Council will serve as the Board of Supervisors. I think this might be the second cycle we have gone through.

Ms. Greenwood stated my understanding is that until the last City Commissioner is off we do not go to the voting cycle. There has been such a revolving door of people sitting on the Board I think it is time we have some consistency. Who says we have to do it this time?

Mr. Mantzaris responded statutorily the makeup of the Board is at the point where you have to have elections. As Mr. Moyer pointed out what was unique about this is the City Council started out as the initial Board. They would be appointed to the CDD Board by virtue of their election to the City Council. As they gave up their seats or lost reelection they would automatically lose their seat on the CDD Board. In that regard when that would happen, the seat would have to be filled in accordance with statutes. The last time we went through this no one qualified and the Board appointed residents to the seats. We have been through this process before, we just have not got to the point where we actually had a ballot and elections. You may or may not have it in this case. If nobody qualifies or only the individuals up for reelection qualify and there is no opposition, you will be elected. If nobody qualifies then the Board will have to appoint people to fill the seats.

Discussion followed on being qualified to run for a CDD seat.

<p>On MOTION by Mr. Clegg seconded by Ms. Greenwood with all in favor, Resolution 2014-02 a resolution of the Board of Supervisors of the Stevens Plantation Community Development District confirming the District's use of the Osceola County Supervisor of Elections to conduct the general election of Supervisors in conjunction with the general election was adopted.</p>
--

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

**i. Update on 2003B Assessment and Notice to Owners**

Mr. Moyer stated after the last meeting we got more into looking at the assessments that had been paid. People started to produce evidence and in some cases the assessment had been paid. We determined there were in fact ten individuals who had paid that were on the list. One had paid the ROA and the ROA never disbursed the monies to the CDD. As it relates to the ten that were oversights in which the management company should have recorded in the lien book

those liens had been paid, one of the gentleman I talked to suggested to me there had been a lot of stress on those people because they were notified and he thought it would be a good idea if we considered some sort of expression of our apology that this happened to them. I have gone to the management company and they are willing to contribute \$100 for each one of those ten people who were inconvenienced by the process. The check would come from Stevens Plantation and I will ask Mr. Mantzaris to help me draft the letter. The reimbursement will be in a separate letter which the management company will submit; it will be accounted for separately so there is no question that it did not come from Stevens Plantation CDD monies. My purpose for outlining this is to get your permission before we do that.

Ms. Greenwood noted she would like to hear from the audience as to how they feel about it.

A resident stated at the last meeting I asked that we be provided proof the lien exists. Fortunately, the property I have interest in is one of the ones where they were able to go back to the original builder to produce a copy of the check that was made out and paid. I am here tonight to ask what kind of audit exists to audit the management company because it seems someone either misappropriated the funds, dotted the wrong "i" or crossed the wrong "t" and brought this stress upon people. I am not looking for financial compensation. Not being part of the system I do not know what types of checks and balances exists and how this oversight existed. What happen to the money?

Mr. Moyer stated it went to the Trustee. Everything was handled properly - the girl did not take a book and put a checkmark next to the person who sent the check in. The check went to the appropriate people. Our books and records are audited every year by an independent CPA. The Trustee did receive the money and it did go to the bondholders as required.

The resident stated if it is just human error, it happens. I have a \$35,000 swimming pool in my backyard according to the Property Appraisers office that does not exist. I know there are homeowners who have been trying to figure out how to pay this thing and didn't need to pay it.

Ms. Greenwood stated however, we as a Board knew about this ahead of time and we did request before those letters went out that we be given a copy of the list, which none of us ever got.

Mr. Moyer stated we provided you a copy of the letter.

Ms. Greenwood stated we never received it.

Mr. Moyer stated we did it after the meeting of the Board of Supervisors.

Ms. Greenwood stated I know everyone makes mistakes, we are human. However, I think, as we said in December it could have been handled a different way. We could have worked through the association and approached the issue in a gentler way. Especially now finding out it was human error.

Mr. Moyer stated the reason for the way the letter was drafted was because of the legal issues that had to be in the letter. I agree government letters, in all cases, are cold and unfeeling. You are not the first Board who has complained to me about letters that are basically drafted by a combination of people most of which are attorneys. The reason, and in some cases if we are raising your assessment, we have to write a letter to all of the residents and in the letter it states if you do not pay the assessment we can foreclose your property. It is hard but there is no easy way to say it.

Ms. Greenwood stated I want this Board to have better control over what is disseminated. Maybe we should have looked better at our own records before we went out and demanded people to show us proof.

Mr. Moyer stated if there is no checkmark we can look at it all day long but thank god these people went back to look at their records and send us the information. Based on that Severn Trent is conducting an internal audit, there was one person who is no longer with the company who did not do her job and during the timeframe where she was an employee they are currently looking at it.

Ms. Greenwood asked besides those ten, the others who have not been able to come up with their proof, how do we know if it is actual or not?

Mr. Moyer responded as part of the internal audit they will contact the Trustee to find out who actually submitted checks even if we have to go to bank records to review deposits the Trustee made, they will do that.

Ms. Greenwood asked will those who have not been able to come up with proof be held in default?

Mr. Moyer responded yes. As we sit here tonight when the audit is complete and they said to us out of the 60 current outstanding delinquent assessments we did not find where those payments were made, those 60 people are in default.

Ms. Greenwood asked are there any left in Magnolia or The Grove?

Mr. Moyer responded I have a summary but I do not have specifics.

Mr. Clegg asked are you able to work with the builders on their end to resolve some of this?

Mr. Mantzaris responded that is probably a good segue into giving you the best update I can. I apologize, my list breaks down based on center, northwest and corporate campus; I do not have it by pod names. The majority of the ones on the list are by release amount.

As Mr. Moyer pointed out we worked on providing additional information to the individuals involved. We worked with Mr. Moyer's office to help identify those individuals you received information that this assessment had to be paid and tried to track down whether it had been paid. The reason I bring that up is the process we put in place when the homeowners were contacted; many went back to the individuals who handled the transaction when they acquired their properties and then we would start getting information. For example the one where the check was sent to the ROA was identified in this way. We heard from the closing agent who sent us the check and when we looked at the check it said Stevens Plantation ROA. We sent the follow-up information by Severn Trent to the ones involved and we have been working with several title companies, closing agents and some of the builders to address the issue. The builder we are having the most contact with is KB Homes and they are working to try to determine what happened. We have provided them the information we gave to the residents. One of the attorney's in our office is working with the builder rep to try to make sure they have all the information on their lots so they can decide what they are going to do. We have every indication KB Homes is going to resolve the issues; whether that comes to fruition or not and frankly based on information we received from them this afternoon I am afraid they are looking at the wrong development. But they are being very responsive to try to address their issues. We have not heard from any of the other builders involved. We have heard from several closing agents and a couple of attorney's representing property owners and we are providing them as much information as we can so they can clearly understand the situation and what happened. My office is offering to help anyway we can with the closing agents and we have an attorney who specializes in real estate who has been assigned to work with these people. We hope this resolves some of the issues and the title companies will be stepping up to address some of the issues as it relates to the residential pieces.

Ms. Greenwood stated all of the billing time for all of the work being done in your office is being paid by the CDD.

Mr. Mantzaris stated the way the bonding and assessments were setup the Board of Supervisors controls the CDD and are responsible for collecting the assessments and assuring they are paid the same way as those put on the tax roll. The CDD is responsible for the process so anything that happens with the failure to pay these assessments falls on the shoulders of the CDD. We have been working as counsel to the CDD to assist because it is this Board that is ultimately going to be the one who is going to have to say - we need to enforce these unpaid assessments.

Ms. Greenwood stated I fully understand that.

Mr. Mantzaris stated I assure we recognize it is a community problem and community issue but from the practical perspective the CDD really, based on the assessment and bonding used to build the development, has no other choice but to ultimately enforce the assessments and you are in a very difficult position because you are going to be asked to enforce these assessments against your neighbors.

Ms. Greenwood stated the reason I am asking is in my mind what it really goes back to is the young lady who did not put the checkmarks.

Mr. Mantzaris stated I agree that there were ten affected property owners who received information they should not have. Those on the staff side are sorry that happened; it was a mistake and a human error. The other items with the exception of the one where the ROA got the check we have clearly gone through and identified those assessments were not paid. The work we have been doing is really on behalf of those individuals to get them as much information as we can so they can go back to whomever they think they need to go back to. The question that has been asked is why doesn't the CDD pursue the title companies and get the money out of them. We are not in privity, we do not have a contractual relationship. All of the work our office has been doing is principally on these other items, my office has not spent any time on the ten items other than to see the list that says these ten were paid; it has all been handled internally by Severn Trent.

Ms. Greenwood stated I still do not understand where the checks and balances were that allowed this to happen in the first place. It would seem to me "x" property is sold; Severn Trent should be tasked with the job when a property is sold, money exchanged and deeds recorded that

they know the amount should be coming to the CDD. We see everything is built out in three of the pods and we should have “x” amount of money as a result of it and we do not. Where are the checks and balances for Magnolia, Verandah and The Grove to say this is the amount of money we should have in these accounts now that every house is sold but we only have this amount.

Mr. Mantzaris responded the way the process was designed to work as it relates to the transactions - first the CDD, Severn Trent nor anybody associated with the CDD was a party to any of those transactions so unless the CDD or the manager was actually onsite to say this house is now built and ready for sale there is no way they would know the property is being sold from builder/seller to the ultimate property owner. What the process is, as it is in any real estate transaction, it is incumbent upon the individual handling the closing to follow the terms of the contract to make sure they are aware of those items contained in the contract and title report that comes back. The title report, in all of these properties at Stevens Plantation, includes the reference to the CDD, the assessments and the consent to the assessments. They are to contact the CDD to say we are working on closing this property what is the situation with the assessments. In most of the files there should be two estoppel letters - one from the CDD and one from the ROA. Your closing agent gets the letter and that is how it is taken care of. As we pointed out in the information 400+ times it was done that way. We can only speculate as to why it was not with the other 60. The only check and balance the CDD could be charged with doing is basically to monitor 519 homes to determine if there was a change in ownership.

Ms. Greenwood stated doesn't the ROA do that? They know.

Mr. Mantzaris stated I do not know if they know.

Mr. Moyer stated they would know because they send invoices every month. We do not send invoices.

Ms. Greenwood stated they send them once a year.

Mr. Mantzaris stated there is also a lag time between the transfer of ownership and being placed in the public record. The way the process is set up it is incumbent upon the closing agent to deal with it unless the terms of the contract or the title insurance provided otherwise. We have been working and trying to explain to as many individuals as possible. The key issue we would like to tell the Board tonight and hope you understand is, again, you as the Board of Supervisors in our opinion are the caretakers for the collection of the assessments so you control to a certain extent how aggressive the collections are. I am not saying you can push it aside as a Board

because there may be an issue when the bondholders simply directs you to do this. The bondholders could come back to say you need to increase your collection efforts but the only way that is going to happen, based on my understanding of how this Board feels, is if the bondholders direct us to do that and we come back to this podium to say the bondholders have done that and here is what you need to do. We do not anticipate bringing that back anytime in the near future. We have asked the bondholders and have received several deferral letters or requests for deferrals in response to the updated letter we sent stating if you cannot meet the April 1 deadline imposed by the bondholders please let us know in writing. We have advised the bondholders of that through Bond Counsel and they have not instructed us to do anything else other than what we have already done. I think right now they appear to be appeased that the CDD is trying to address the issue and the property owners are trying to avail themselves of whatever remedy to address the issues.

Ms. Greenwood asked has the charter school property gone under contract?

Mr. Mantzaris responded I had it on my report to talk about.

Ms. Greenwood stated I have heard the City Manager quoted as saying as soon as we sell that land we will be able to make up the deficit. Which I do not understand because I do not think it is \$9 million.

Mr. Mantzaris stated I am not sure what deficit they are referring to. The DSD has a contract to sell several of the lots in the corporate campus. It is principally the lots on Progress and Buddinger to a charter school. There are about 10 ½ acres to be developed as a charter school. The closing is expected to take place on April 30<sup>th</sup>. A substantial part of the B assessments will be paid off as a part of the closing. However, I caution that this will not address these 60 property owners. It will provide a certain amount of appeasement to the bondholders because they will see a substantial decrease.

Ms. Greenwood asked can you tell us what the amount might be that will be applied toward the B bonds?

Mr. Mantzaris responded I can't tell you off the top of my head.

Ms. Greenwood asked can you get the information to us?

Mr. Mantzaris responded I can. A portion of the money is going to pay off A Bonds also. In this transaction the buyer actually paid more than the asking price for the property under the condition that their portion of the bonds would be paid off. As an entity within the CDD they

will be responsible for annual assessments but they will not have an A or B Bond assessment. The same buyer has a contract to buy 13 ½ acres across Progress Boulevard in the corporate campus. The option includes an extended inspection period and an anticipated closing of January 31, 2015. The other pending contract the DSD has is the north pod; it is moving forward and the contract has been extended with a final extension date where it will close in phases. We are not aware of any interest in any other pieces.

Ms. Greenwood stated I do understand they are thinking about putting the park in the new property they purchased.

Mr. Mantzaris stated the city just bought 47 acres with 30+ acres being buildable acres and 10 or 15 acres of wetlands. A portion of it will be the new police department and the other portion is for park purposes.

Ms. Greenwood stated it is not accessible from Stevens Plantation so it will not serve as our park.

Mr. Mantzaris stated I am not a planner so I do not know if it can be.

Ms. Greenwood stated this is why we should purchase a portion of the retail space, if we had the money as a CDD, to put a park in.

Mr. Mantzaris stated with regard to the issue with the B Bonds I want to make sure any property owner knows there is no eminent action to foreclose on these liens. Ultimately, it can put the CDD at odds with the bondholders. We would have to come back to this Board to get authority to do it. I assure you, as District Counsel, I am not going to recommend the CDD foreclose on those liens unless the bondholders put it to where the community as a whole is in danger. We will continue to work with residents to try to deal with this and hope we can.

Ms. Greenwood stated because we are the caretakers I need to see more information. I need to see this is the amount of money outstanding from the 60 properties and then I need to know how much money is coming in to pay off how much of the B Bond for the charter school. I need a monthly picture to show me how the \$10 million is being reduced.

Mr. Mantzaris stated it is \$8.8 million. I can do an analysis for you and provide the information that will show you how the pending contracts will impact the amount.

Mr. Clegg stated we know a portion of the B Bonds is to be paid at closing. Does it say who is to pay it at closing? I would think the builder would have built it into the price of the home and the builder at closing would be responsible for those funds. Is the language specific?

Mr. Mantzaris responded it is identified as builder release payments. The builder of the structure was to pay it. You are right in that the theory was they would build the cost into the price and take it out at closing. The amount bonded was put into place to build infrastructure that a builder would have had to pay out of their own pocket had the bonding not been there.

The Board asked me, in general, about the entrance way signs. We looked at the plats and the areas are contained within the public right-of-way so it is areas the CDD can do some improvements on if you want. There are several areas in the City of St. Cloud where a subdivision has put an entrance way feature in the middle of a road, which is basically what this is. It is not uncommon and typically the city is okay, within reason, with whatever improvements you want to do.

**B. Engineer**

There not being any, the next item followed.

**C. Field Manager**

**i. Field Maintenance Report**

Mr. Smith provided the Monthly Highlight Report for February, 2014 through March, 2014, which was included in the agenda package and available in the District Office for public review during normal business hours.

Ms. Fernandez stated lets go back to the sign since it has been deemed the CDD could acquire it. The HOA has already done the footwork and this is reasonably priced compared to most of them.

Mr. Moyer stated we went through the budget and we are right on budget so there are no surplus funds. Having said that the Board does carry reserves so if you desire and to the degree you want to do this there are fund balances but it is not budgeted. We can do it as part of the budget process but assessments will go up which means we send letters to everybody telling them their assessment is going to up by such an amount and here is the date of the public hearing. We are lucky that we do have some reserves but if we have a hurricane we may need them.

Ms. Greenwood asked what is our current reserves?

Mr. Moyer responded roughly \$250,000. Is this the only sign at issue?

Ms. Fernandez responded yes.

Ms. Greenwood stated this sign is not consistent with the rest of the signs.

Mr. Smith asked does it not conform?

Ms. Greenwood responded it conforms it is just not consistent. There will have to be other maintenance and upkeep to the other signs as the years go by. The thought was we would do one sign a year. This would be a major overhaul because it has to be completely redone. The others will just have to be kept up.

Mr. Moyer stated if it is the desire of the Board you can dip into the fund balance.

Ms. Fernandez asked options? Discussion?

Mr. Connors responded I am for it.

Mr. Clegg stated I am too.

Ms. Greenwood stated I am too.

Mr. Mantzaris stated you are talking about a \$20,000 expenditure. I am assuming the quote was received by the ROA.

Ms. Fernandez stated it was seen in February.

Mr. Mantzaris stated my point is if the Board wants to take action on it you certainly can but you might want to try to get some other information about other companies.

Ms. Greenwood stated they have. They did an RFP.

Mr. Mantzaris stated the ROA has. The ROA does not have to do that because they are private.

Ms. Fernandez stated you are saying because it is government and over \$3,000 it needs to go out to bid.

Mr. Mantzaris stated I am saying it would be prudent if you are going to sign this to at least try to verify the price.

Ms. Fernandez stated that is fine.

Mr. Clegg stated the protocol would be to run it in the newspaper.

Mr. Mantzaris stated the CDD through Severn Trent has ways of being able obtain RFPs and bring back two or three other bids including this one. The Board can look at them and decide yes, this is a great price or no, it is not. I think you should have that in hand when you make your final decision.

On MOTION by Ms. Greenwood seconded by Mr. Clegg with all in favor, to do the Verandah Lakes sign was approved.
---

Mr. Mantzaris stated I will get with the city so they understand what is going on, then we can report back on what, if anything, needs to be done on the city side because the sign construction will be in the right-of-way.

Ms. Fernandez stated I emailed the city building official twice and never received a response. I also called and left two messages in reference to this.

Mr. Mantzaris stated I will see him at a city staff meeting on Monday and hand it to him.

Mr. Smith stated I will solicit three bids and bring it to the next meeting.

**ii. Aquatic Weed Control Report**

**iii. Landscape Report**

**iv. Action Items**

Mr. Smith provided the Monthly Highlight Report, which was included in the agenda package and available in the District Office for public review during normal business hours.

**v. Cost Analysis - Fountain Pumps**

Mr. Smith outlined the fountain pump cost analysis.

Ms. Fernandez asked how much is a new pump?

Mr. Smith responded the rebuilt one was \$968. It is \$1,300 for a new one.

Mr. Clegg stated having them rebuilt is pretty common.

Ms. Fernandez stated there are companies other than John Deere that do rebuilding.

Mr. Smith stated we get a good price from John Deere.

Ms. Fernandez asked is there a warranty on the repairs.

Mr. Smith responded yes.

Mr. Smith noted the major work effort they have coming up is working on the Stevens Plantation signs to see if they can get them cleaned up.

The main work they have done recently is installing a drain on Pawleys Loop South where the berm goes down to the homeowner's yards.

Mr. Clegg asked do you have posted or is the scope of services and specifications available for pool service, ponds, and landscaping?

Mr. Smith responded we have a scope of service for landscape and aquatic weed control. The aquatic weed control is more of a proposal rather than a scope. The fountain maintenance is fairly limited. I can provide you the landscape scope and what we have for aquatic weed control.

Mr. Clegg stated I would like to read it.

**NINTH ORDER OF BUSINESS**

**Other Business**

There not being any, the next item followed.

**TENTH ORDER OF BUSINESS**

**Supervisor Requests**

Mr. Moyer asked can we circle back on the discussion about the gift cards?

Ms. Fernandez stated I think he is asking do we want to present the homeowners falsely accused of not paying a gesture of a gift of \$100 due to their stress. It is not costing the CDD, Severn Trent is paying for it, and it is just basically a statement saying we are sorry.

Mr. Clegg stated I think it is a nice thing to do rather than nothing at all.

Ms. Fernandez stated I think it is a nice gesture.

Mr. Connors noted he is on the fence; he would rather have a sincere apology.

Mr. Moyer stated we did, we sent a letter. It was brought to my attention by a gentleman who thought somebody needs to pay and I thought okay, maybe that is a good thought.

Ms. Fernandez asked does anybody have an objection to it?

There were no objections.

**ELEVENTH ORDER OF BUSINESS**

**Audience Comments**

Mr. Joe Shamoan stated I am here because of the Series B issue. I moved in September 1<sup>st</sup> after the 2003 bonds had supposedly been paid and we closed with no reference whatsoever. Because the A Bonds are on the tax bill it was clearly disclosed. I understand you had a handshake agreement with the builders on the B Bonds and to me the solution would have been they should have prepaid it. Where I feel I was affronted and violated is I did not get any notice in January, I did not get notice when I closed, yet a week before April 1 I get a letter basically threatening foreclosure. They also said they sent a bill in January but I did not receive one. I have no clue how much it is and now have to dig through websites and stuff. You can imagine my amazement and what it feels like to know you have \$30,000 that is due next week. I know you are giving for people falsely accused and things like that - I am affronted at that. I am affronted at somebody saying you have to come up with \$30,000. I am scrambling, I have title claim insurance and thankfully they have a claim out there and are going to research it. For somebody who has not had any part in the whole process even after the maturity date I am the one now being asked to be responsible for it and there is something inherently incorrect with that.

Two other side issues - I think the web server is hanging off the edge.

Ms. Fernandez stated there is no web service. It used to be provided by the city but they disconnected it but the towers are still there.

Mr. Shamoan stated it is dangling from the pole. It looks like a safety issue. Also, it would be nice if The Estates signed were pressure washed or something.

Mr. Smith stated that was actually going to be a question before we left. For all the community signs we maintain the landscape but we do not actually maintain the signs. Has that changed from our conversation today? Do I take care of all the signs and the lights?

Mr. Clegg responded it sounds like it is part of the common CDD responsibilities. I think we resolved that question.

Mr. Smith asked do we need a motion to transfer the ownership?

Mr. Clegg responded ownership has not transferred, ownership has been established more clearly now.

Mr. Smith asked do we need a maintenance agreement for us to do it?

Mr. Moyer responded Mr. Mantzaris is going to find out.

Mr. Mantzaris stated the question is what kind of maintenance are we talking about. If it is just pressure washing you are going to have to hire someone to do it.

Ms. Fernandez stated at the last meeting Mr. Smith said he was going to get quotes for pressure washing the sidewalks on the common areas.

Mr. Smith stated I sent one of my people and they have already done some of it, benches and trash cans. I was going to have one of my guys come out to do the signs as well. Are we going to start paying the electric to the signs as well as the maintenance to those lights?

Ms. Fernandez responded since we have requested the CDD take it over my recommendation is the maintenance be done. That way it is not back and forth. If it is an issue with an insurance claim then it is a different issue.

Mr. Connors asked who is paying the electricity?

Mr. Moyer responded I would assume the ROA.

Mr. Mantzaris stated I do not think so. I would suggest the city is paying the electricity.

Ms. Fernandez stated the lights were being replaced by the ROA at one point but the cost was not that high. I do not know what your electrician charges.

Ms. Greenwood stated the electric bill is part of the CDD.

Ms. Fernandez stated it is the light poles and everything; we do not pay the electric to the signs.

Mr. Smith stated the maintenance is easy I just did not know if there needed to be a formal turnover of it.

Discussion continued on the maintenance of the signs with it being noted the CDD will handle all maintenance outside of an insurance claim such as someone striking the sign with a car.

Mr. Moyer addressed Mr. Shamoan's comments noting the first letters were sent in January and he does not know why Mr. Shamoan did not receive it. As Mr. Mantzaris indicated the District cannot go to your title company to say why did you not catch this as part of the closing. Even though it is an inconvenience for you, you are the only one who can do that.

Mr. Shamoan stated I understand legality and so forth but I also recognize having to do due diligence. It looks like this property has exchanged hands four times over the course of time, all of them prior to May, 2013, so you would think there would have been some opportunity for checks and balances or some way of knowing this is what is left and this is how much is coming in. There should have been some red lights or warnings way before 2013 came - we have a balloon payment in two years, one year, this year what is happening. As a finance guy that is something I would look at and I think there is negligence somewhere.

Mr. Moyer stated negligence is a strong word. We and the city, two or more years ago, agreed that the DSD would undertake and we would participate in an effort to refinance those bonds.

Ms. Fernandez stated that was three years ago.

Mr. Moyer stated we did recognize it and were hopeful during that period the bondholders would in fact restructure the bonds. We pretty much got direction from the bondholders in the middle of last year that they were not interested in restructuring the bonds - this is when all the other stuff came into play.

Mr. Shamoan stated there are other ways to secure financing especially with rates at historic lows during that period of time; that is another conversation on a bigger scale than just me as an individual homeowner who got blindsided by this entire process. I understand there is legality and it can be cold and heartless but you have to show some sort of empathy and not in the process of alerting these homeowners, myself included, there had to be a better way to go

about the process. I think that was a very poor effort and a poor means of communicating that. I am looking at a letter and hoping the title insurance company can get it squared away and resolved.

The other thing is you are talking about different things, getting bids and so forth and I think the only people who are profiting is the lawyers. They seem to be making all the money on this and we as a community are suffering because we are having to try to cut back on things which are going to enhance our property value because of negligence that has taken place. All this effort and all this time could have been better deployed elsewhere.

Also we would like clarity on canoes in the pond. What is the process or understanding? We are not swimming. As a private owner on the water can I have a kayak?

Mr. Mantzaris responded the ponds are part of the integrated storm system for the whole development and permitted through the South Florida Water Management District (SFWMD). The permitting has restrictions on certain things the ponds can be used for. I will have to go into the permit to see if there are any restrictions on whether they can be used for a water surface type activity.

Mr. Shamoan stated we have an activity scheduled in two weeks and would like to know.

Mr. Mantzaris stated there are a couple of issues associated with it, first as you know the ponds are part of the CDD and if there is an incident or an accident then I assure you whoever the Scout Master is for that organization is not going to be the one sued it will be the CDD. In a typical sense what we advise all our government clients is if you are going to allow some sort of activity like this then the organization involved has to provide the appropriate insurance and hold harmless. It is probably ambitious to get all of these things wrapped up and put together for the Board to consider it and grant its approval within two weeks.

Ms. Greenwood asked is it a Boy Scout event? They don't require you to have a Certificate of Liability.

Mr. Shamoan stated we do things like canoe trips and all the vessels are licensed.

Ms. Fernandez asked does the group carry a Certificate of Liability?

Mr. Mantzaris stated those are the things we would be looking at and frankly we do not have the time to wrap it all up.

Ms. Fernandez stated he came to the meeting Tuesday night.

Mr. Mantzaris stated I understand. It may not be the place to do it; is the lakefront someplace you could do it?

Mr. Shamoan responded we needed a smaller area because of what the activity specifically is.

Mr. Mantzaris stated I am not telling you no. I am saying it is something we have to work through.

Mr. Shamoan asked is there a standard waiver that could be looked at?

Ms. Greenwood responded you cannot waive the rights of the boys.

Mr. Mantzaris stated all of it can be looked at but to be honest I do not think it can be done within two weeks. If it is something the Board wants us to put in place to be able to address it we would be looking at waivers, hold harmless, who the sponsoring organization is, we would want insurance and we would probably look for some sort of non-participant supervision whether it be an off duty officer or lifeguard.

Mr. Shamoan stated we all have licenses. In order to be eligible you have to have a CPR license.

Ms. Fernandez stated the timeframe you have presented us with is very tight to be able to collect all the information and allow us to review it. If it was presented before us fully and completely it might be doable. I personally was concerned about it and is why I told you to come here. I do not feel comfortable with it because you are putting children at risk, and the homeowners and everyone else. That is my personal opinion.

Discussion continued on the request.

Mr. Shamoan asked on the private side what prevents me from taking my own kayak out on the water?

Mr. Mantzaris responded the difference is it is essentially owned by the CDD. If you are in a public lake and a navigable water body there is not the same sort of liability; if you put your canoe in the lake you do it at your own risk.

Mr. Shamoan stated I am talking about me taking out my kayak.

Mr. Mantzaris stated this Board is not authorizing you to put your canoe in the water. In that case according to the law you are an uninvited guest and the CDD has less responsibility for you because you are doing it at your own risk. If the Board says go ahead and throw your canoe in there the Board's liability increases. We are not charged with the enforcement of the ponds in

the sense that we have people there to keep people from going in. All we can do is if we know people are using it, stop it and not authorize people to do it except for possibly in unique circumstances.

Mr. Clegg asked should signs be posted?

Mr. Mantzaris responded I do not know if the permit associated with it prohibits water activity. The permitting for the ponds at the front prohibit swimming and I believe there are signs stating no swimming.

Discussion continued on personal use and CDD responsibility.

Mr. Mantzaris suggested contacting the City of St. Cloud Parks and Recreation Department.

Discussion followed on creating a policy for this type of situation.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

There being no further business,

On MOTION by Mr. Greenwood seconded by Mr. Connors with all in favor, the meeting was adjourned.

---

Gary L. Moyer  
Secretary

---

Rebecca Fernandez  
Vice Chair