

STEVENS PLANTATION
Community Development District
AGENDA

REVISED 6-4-07

Thursday
June 7, 2007
6:00 p.m.

City Hall
1300 Ninth Street, 3rd Floor
St. Cloud, Florida

- 1. Roll Call**
- 2. Approval of minutes of the April 5, 2006 Meeting**
- 3. Administrative Matters**
 - A. Acceptance of Resignation Letter from Wade Davis
 - B. Appointment of Board Member to fill Vacant Position
 - C. Oath of Office
 - D. Review of Sunshine Law and Instructions for Form
- 4. Presentation of Fiscal Year 2008 Proposed Budget**
 - A. Discussion of Fiscal Year 2008 Proposed Budget
 - B. Consideration of Resolution 2007-01 Approving the FY2008 Proposed Budget and Setting a Public Hearing
- 5. District Manager's Report**
 - A. Financials
 - B. Check Register
 - C. Report on Number of Registered Voters within the District – 179
- 6. Staff Reports**
 - A. Attorney – Discussion Regarding Auditing Services Related to Infrastructure Engineering and Construction Services
 - B. Engineer
 - West New Nolte Rehab Project
 - Quotes for Easement Fence
 - C. Community manager
- 7. Other Business**
- 8. Supervisor Requests**
- 9. Audience Comments**
- 10. Adjournment**

MINUTES OF MEETING
STEVENS PLANTATION COMMUNITY DEVELOPMENT DISTRICT

A regular meeting of the Board of Supervisors of the Stevens Plantation Community Development District was held Thursday, June 7, 2007 at 6:00 p.m. City Hall, 1300 Ninth Street, St. Cloud, Florida.

Present and constituting a quorum were:

Donna Hart	Chairman
Margaret Hopper	Vice Chairman
Mike Wetzel	Assistant Secretary
Jeff McCorkle	Assistant Secretary
Jarom Fertic	Assistant Secretary

Also present were:

Gary Moyer	District Manager
Dan Mantzaris	De Beaubien, Knight, Simmons Mantzaris & Neal
Kevin Rainey	Stantec Engineering
Tom Hurt	City Manager
Linda Johnson	Community Manager
Brenda Wright	Moyer Management Group
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Ms. Hart called the meeting to order at 6:00 p.m.

Ms. Hart Called the roll.

SECOND ORDER OF BUSINESS

Approval of Minutes of the April 5, 2007 meeting

Ms. Hart stated on the seventh order of business, page four it says, "Ms. Hart stated I drove down the Boulevard with Mr. Hurt," and it was not me, I believe it was Ms. Hopper.

On Motion by M. Wetzel, seconded by Ms. Hopper, with a 4/0 vote in favor, approval was given to the minutes of the April 5, 2007 meeting as amended.
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THIRD ORDER OF BUSINESS

Administrative Matters

A. Acceptance of Resignation Letter from Wade Davis

Mr. Mantzaris stated the enabling Ordinance for the CDD has a specific provision in it for the period of time that elected City Council members can be on the Board of Supervisors.

B. Appointment of Board Member to Fill Vacant Position

Mr. Wetzel stated I nominate Mr. Jarom Fertic.

On Motion by Mr. Wetzel, seconded by Ms. Hopper, with a vote of 4/0 in favor, approval was given to appoint Jarom Fertic to fill the vacant position of Mr. Davis.
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C. Oath of Office

Mr. Moyer stated before I give the oath of office, some of you know me, but many of you do not. I am Gary Moyer and I know you have gone through a lot of managers with Severn Trent in the last three and a half years. I am not replacing Mr. Nanni, but I will be assisting him. I believe you all know Ms. Wright, who was with me for a long time while I was in this business. I have been managing these types of Districts since the mid 1970s and I was lucky enough to be with the folks that drafted Chapter 190 back in 1980. I built a firm going around the State managing Community Development Districts and in 1998 I sold that company to Severn Trent. I stayed with them for five years as Senior Manager and in 2004 I decided I needed a little break, so I went to the Villages of Lake Sumter and now I am getting back into the District Management business. Mr. Nanni is not leaving the District he is just getting some additional help. Having said that, it is nice to be here this evening.

Mr. Moyer administered the Oath of Office to Mr. Fertic.

D. Review of Sunshine Law and Instructions for Form 1

FOURTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2008
Budget**

A. Discussion of Fiscal Year 2008 Proposed Budget

Mr. Moyer stated the proposed budget for Fiscal Year 2008 is included in your agenda. As you are aware our fiscal year starts on October 1st and runs through September 30th. To start the process we would ask the Board to approve this budget for the purpose of setting a public hearing, which needs to be at least 60 days from today. This will give us time to submit it to you as the City Council for your review and comments. It is a little unusual that the City

Council sits as the governing Board of a Community Development District, but we still need to follow the law that provides this to the City 60 days before we ask you to adopt it. I am asking you tonight to approve the proposed budget and set the public hearing and then after the public hearing I will ask you to adopt the budget. During this interim 60 days it gives us the opportunity to work with Ms. Johnson and others in terms of revising the budget to actually reflect the work program for next year. The budget is broken down into revenues, administrative expenses and operation and maintenance expenses and the primary source of revenue for the Districts are non-ad valorem assessments that are allotted on the benefited property within Stevens Plantation.

Ms. Hart asked based on this, what are the assessments?

Mr. Moyer stated there is a page that shows what it will be in total and considered with the debt service to cover these expenses, we are looking at a 7.6% increase. The administrative expenses basically stayed the same, going down a couple of thousand dollars, but with the field maintenance part of it we have made some proposed adjustments, which need to be reviewed by Ms. Johnson and then come back at your next month's meeting with those adjustments.

Mr. Wetzel stated why are we being charged \$200 a month for the District Administrative Office located in Coral Springs?

Mr. Moyer stated that is where most of the accounting work is done. It is a similar type taxing District to this CDD and in order to utilize those facilities, we actually make a contribution to that District. It is basically part of the overall management package. We go ahead and break it out because we want to identify that is where that money is going, to Coral Springs and not to Severn Trent. A lot of times we just roll it all up under management.

Mr. Wetzel asked why are we paying for office management for somebody else?

Ms. Hart stated it is not that, it is to cover that person to do our work.

Mr. Mantzaris stated that is something that should be under Supervisor Reports.

Mr. Wetzel stated it definitely needs to be addressed.

Ms. Hart asked we expect it to be in excess of \$10,000.

Mr. Moyer stated it is all up for discussion. Ultimately, the Board members will make that decision. Nothing happens this evening except to set the public hearing.

Ms. Hopper stated they are coming up with an excess of revenues over expenses in excess of \$9,884, so I am asking if there is an excess, why are we raising the resident's fees 7.6%.

Mr. Moyer stated the vast majority of it is under common area maintenance. We projected at \$130,000 and we are projecting \$167,000 next year.

Ms. Hart stated you are projecting the FY2008 budget to be \$481,174, which is about \$40,000 over the last budget.

Ms. Hopper stated did they add the pond maintenance in also?

Ms. Johnson stated I submitted a bid for all eleven ponds, but when I called them to find out why they were not maintaining them, they said the way the contract was defined there were only three ponds they were maintaining. They were supposed to submit the contract for all eleven to me so I could get with the CDD and I am still waiting for it.

Ms. Hopper stated one of us could get it for you.

Mr. Mantzaris stated we have to look at the contract. The pond maintenance issue is a bigger issue than just the contract. You have to look at each individual pond or if it is something the homeowners that live on those ponds are responsible for.

Mr. Rainey stated when you say pond maintenance it includes the mowing of the banks and the aquatic weed control.

Ms. Johnson stated the spraying is being done; it is just the mowing of the easement that is not being done. I have to get with the builders also because there is a lot of construction material in the ponds.

B. Consideration of Resolution 2007-01 Approving the FY2008 Proposed Budget and Setting a Public Hearing

Mr. Moyer stated the 60-day timeframe would be the second Thursday of the month, which would be August 9, 2007.

<p>On Motion by Ms. Hopper, seconded by Mr. McCorkle, with a vote of 5/0 in favor, approval was given to Resolution 2007-01 approving the proposed FY2008 budget and setting a public hearing for August 9, 2006 at 6:00 p.m.</p>

FIFTH ORDER OF BUSINESS

District Manager's Report

A. Financials

B. Check Register

Mr. Moyer stated the financial statements through April 30, 2007 are included in your agenda packet, which reflects basically what we just talked about in the budget. The check register through April 30, 2007 is also included for your review.

Ms. Hart stated we are over on the utilities and on maintenance areas. Did we underestimate what these contracts were going to be?

Mr. Moyer stated we will get an analysis of that for you.

Ms. Hart stated with the old maintenance contract did we sign that in the middle of doing a budget.

Mr. Mantzaris stated it is the way the Embarq contract is put in place and the Residential Home Owners Association were not receiving their payments from the residents to pass on to Embarq and the CDD is actually funding some for the Embarq expense. Theoretically, that is money that is going to come from the Residential Home Owners Association, so that is why you are seeing the Embarq payment where the CDD is paying the cost of that.

On Motion by Mr. Wetzel, seconded by Ms. Hopper, with a vote of 5/0 in favor, approval was given to the financials and check register.

C. Report on Number of Registered Voters within the District - 179

Ms. Hart asked how many voters do we have to have?

Mr. Moyer stated 250 and the District also has to be in existence for six years, which was set up in 2003, to go through transition.

Mr. Mantzaris stated we would have to go through changes to the current makeup of the rule, but given the development and the project it is not my recommendation to do that at this point. It has been the intention of Counsel not to be in this position for an extended period of time, but it was anticipated that they would be at least for the six-year period, like any other CDD Board of Supervisors.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney – Discussion Regarding Auditing Services Related to Infrastructure Engineering and Construction Services

Mr. Mantzaris stated a couple of meetings ago we talked about finding a special entity to come in and look at the contracts related to the infrastructure, specifically the Jr. Davis Contract that was involved and the engineering company, bring it back and decide whether or not the Board wanted to bring in a professional to do a review of everything that happened in the past and make a summation as to whether it is all consistent with the contract and the approvals. The contract and the provisions that were set up allowed for the contract or to basically request a payment and they were initially approved by the District Engineer, then approved by the District Project Manager and then they were paid from the bond funding that is administered by Trustee, which was SunTrust at the time. I tried to find some entities that would be willing to come in and do this, I have talked to a few engineering firms and auditing firms and the consensus from the individuals that I talked to was that if the Board was going to do something like this, the course of action to take would be to do what has been referred to as a Pier Review by an engineering firm. Essentially, the Board would hire an engineering firm to come in and go over all the contracts and the steps that were taken during the term of the contract with Jr. Davis, look at the pay approvals, pay submittals, invoices, the sign offs, review the plans to make sure everything was consistent with the plan and then give a report to the Board regarding whether or not they found any discrepancies or problems with the process. Based on the discussions we have had in the past that seems to be what this Board wanted to investigate to see if they wanted to do it. When Mr. Neron was here we talked about the auditing company for the CDD coming in and doing a full fledged financial audit of the contract and the payments; it would not be a technical audit of the services. There is a couple of companies that I spoke with that gave me the indication that this was something that could be done and is typically done in more of a forensic type of review by an engineering company. When you see something like this in a situation where the owners have problems with their projects and it is a battle between the engineer and the architect or the builder and contractor that is typically the type of review they do. I tried to get some idea of the cost and the best I can tell is, one entity told me they could do it and could get started, but they would have to at least spend \$5,000 before they figured out how much work they would have to do. You have to remember that the Jr. Davis contract was \$16 million so it is

a large contract with a large amount of time and the entity would have to go through all of the plans and so forth. I can get some additional information if you want.

Mr. Wetzel stated I can honestly tell you I work for an engineering firm and there was a definite problem with the design of Stevens Plantation and they did not require under drains on the roads.

Mr. Rainey stated there is no need for under drains. We installed under drains in the Corporate Campus at the intersection of the roads inside there because that was the area that needed it, but all of the soil reports were done according to the geotechnical standards and there was no design need for under drains.

Mr. Wetzel asked why then, when they are doing the other part of New Nolte Road, are they installing them. The design they gave us for east New Nolte Road is different than the design that went through the Stevens Plantation in the west New Nolte section.

Mr. Rainey stated the only thing I can think of is that the New Nolte and Stevens Plantation was done as part of an overall development where the entire ground was brought up. The decision to use under drain on the other section of New Nolte was to keep from adding another foot or two of fill where the road was going through existing neighborhoods and it would stick up out of the ground.

Mr. Wetzel stated I do not see why you would put under drains in certain sections and not in other sections.

Mr. Rainey stated the road was raised.

Ms. Hart stated back to the Mr. Mantzaris' discussion, do we want to do this or not and do we even know we want to get the one firm that Mr. Mantzaris mentioned.

Mr. McCorkle asked what do you hope to gain by doing it?

Ms. Hart stated I said a long time ago that I was concerned that the project manager did not understand the project, did not have the expertise and I want to know if there was money pulled out that should not have been and if we will be able to retrieve some of that cost.

Mr. Wetzel asked you are talking about MRI?

Ms. Hart stated yes.

Mr. Mantzaris asked are you talking about the money for the project manager or the money related to Jr. Davis.

Ms. Hart stated I am not necessarily talking about the money for the project manager, but if the project manager is paying the bills that are not supposed to be paid out, we are probably going to have to go back to the project manager.

Mr. Mantzaris stated the payments to Jr. Davis that were approved by the project manager and paid by the Trustee for the bonding, were all pursuant to the contract, based on the bid that was originally submitted and approved. There were change orders to that contract, so everything would have been paid at the level of the last change order. I would agree with you if there were some unexplained cost overrun on the project and everybody tried to figure why they were paying money that was not supposed to be paid. The engineering contract was basically a phase contract based on a flat fee and performance is based on the completion of certain parts of the project; in other words there is the pre-construction phase, the planning phase, construction phase and the contract administration, but they will be paid in a lump sum based on the contract.

Mr. Rainey asked they were all within the contract items that were approved?

Ms. Hart stated yes.

Mr. Wetzel stated it was a severe problem with MRI in that they were selling dirt off the Stevens Plantation and did not inform us of that. I had to find out through friends of mine that worked out there and until we brought it forward to this Board it was not addressed. They were not allowed to sell dirt off the Stevens Plantation, so they were doing something that was not right, so do I believe they were doing other things illegally, absolutely. I do not trust MRI, Mr. Reynolds was brought in with them and I have a problem with it.

Mr. McCorkle asked are we going to spend \$100,000 to get back \$50? It does not make sense for the CDD Board or the residents.

Mr. Hart stated that does not make sense to me either, but I would like to proceed a little further. When I talked to Mr. Woodville and he was going towards the financial audit because he wanted to see what was done, tracking all the bills, etc. I would like to hear what the person that does the forensic reviews has to say. Mr. Woodville also said if we as a group could look it over and narrow the scope of it to a certain degree, it would be a lot cheaper than someone doing the entire review.

Mr. Mantzaris stated we have not been presented with any information to show that there was something that was inappropriately paid or something that was paid for work that was

not performed or there is some failure of any part of the project that would result from either faulty construction or design.

Ms. Hart stated Mr. Woodville said that MRI and the project manager approved the bills and those two companies have a very close relationship. I do not want to pay a lot of money to find nothing, but on the other hand I do not know whether or not the situation was such that it calls for that. Perhaps those two parties should never have been in those positions.

Mr. Fertic asked why can we not just put it out for bid?

Mr. Mantzaris stated for example, if you were going to look at every pay request by your contractor, you would have to be familiar with the plan as a whole for the entire project so you can track the pay request for the plan and figure what the contractor was supposed to be doing, tie it to the plan to see if the engineer and the project manager signed off on it appropriately. I think Mayor Hart is right in that if you are at a point where you can figure out how to narrow down the scope it might be a better way to do it. As far as putting it out for bid, I would be happy to try to do that, but I am not sure what scope of services direction we would give to perspective bidders. The infrastructure portion of it had a contract that was approved by the Board and the engineering contract have specific flat fees based on the performance of their work. The project manager contract had a flat fee contract approved based on the payment, so the only real area for either inappropriate or unauthorized payment is possibly on the infrastructure contract because that was the only one that was not a flat fee. In contract terms it was tied to milestones and to the construction plans and that is how the contractor got paid, based on those milestones. As far as the engineer and the project manager, they had flat fee contracts that were approved by the Board. They could not pay themselves anymore money than what was in the flat fee whether they agreed to it or not, so if there is a problem area the only one you are going to find is in the infrastructure contract because that was the only one. There was an initial price and then there were change orders and then it came back to the Board.

Mr. Wetzel stated I think we are just throwing good money away.

Mr. Fertic asked does Mr. Turner have any of the finances on the CDD. I think we should talk to him and see what he thinks before we make a decision.

Mr. Mantzaris stated we have talked to Mr. Turner about the issue and the payment made of the Stevens Plantation bonding dollars to pay for the infrastructure construction, the

engineering and the project manager were all paid in accordance with the approved contract. There is a bonding disclosure report that has to be done annually to deal with all of that to make sure the money is being used appropriately.

Ms. Hopper stated the wrong paper trail was used and I do not think you are going to find anything in our records.

Ms. Hart stated most of you have been sitting here much longer than I have and I will agree to whatever you want to do.

Mr. Mantzaris stated I want to update the Board because this is related to Stevens Plantation. On Wednesday night we met with the Residential Homeowners Association representative, Mr. Hurt was there along with others and we listened to a lot of the things that you have heard from residents at the CDD meetings about a lot of their issues. It was a very productive meeting and we got a lot of questions answered. I spent a lot of time trying to explain to the residents the makeup of the different Boards, how and why they were set up. We talked about the Embarq contract and the issue with the Residential Owners Association and the CDD. We talked about the issues that were raised at this meeting that Mr. Turner referred to, which was a meeting that involved a lot of the developers and builders, mostly the village and estate portion and about failures to comply with deeds, covenants and restrictions. We are working on all of those issues and Ms. Johnson has been very active with the residents and individuals, including one of the builders out there who has contacted her about problems. The Residential Home Owners Association is moving forward with trying to address some of the issues. That being said, we are recommending that the Board of Directors of the Residential Home Owners Association get together, talk and meet with the residents, so we are asking and hoping that you will be available on July 5th to meet, so please check your calendars and get back to me.

Mr. Wetzel asked what about the Architectural Review Committee?

Mr. Mantzaris stated it is in place and we are working to make sure they get all the information they need.

Ms. Hart asked what is going on with Embarq?

Mr. Mantzaris stated there are certain residents who are not interested in having an additional land line. They basically told them that if they wanted the high speed internet access that all houses in Stevens Plantation have to have, they have to get a landline, which

will push up the monthly cost, \$35 for the regular high speed internet access and Embarq has told a lot of residents they do not care if they want a land line or not that they have to get one. For certain residents, Embarq has allowed them not to pay it and about a month ago they sent a letter saying they were no longer going to be doing that and they would have to start paying for their land lines. We had a telephone conference with Embarq about a month ago and basically suggested to them that their contract with the Stevens Plantation does not allow them to do what they were doing and they needed to come back with a more appropriate solution to the problem. They have not come back with any sort of a resolution for us, so on Friday of last week I sent a letter to them saying that I felt it was outside the contract for them to charge people who did not want the land line and that it was a breach of the contract and if they tried to take any action against the residents that we would hold them responsible. At this meeting we have on July 5th I was going to report to the Board and then talk about how we wanted to proceed with it.

Ms. Johnson stated I got a call today from one of the homeowners who did not want their land lines, so they called and told Embarq not to hook it up and Embarq cancelled their internet.

B. Engineer

➤ West New Nolte Rehab Project

Mr. Rainey stated we received a request from Jr. Davis for a Change Order for increased costs due to the fuel.

Mr. Wetzel asked did we not already approve a Change Order for fuel?

Mr. Rainey stated that was at the first of the year. There was a rather large Change Order that we went through because of the extended period of time. There is an issue with the County coming back in and tearing up what we just finished.

Mr. Mantzaris stated this is for the past due item that is on the contract with the CDD, but the City is paying for it. The City has an agreement with the CDD to pay that item. This is a cost to be born by the City and passed through the CDD.

Mr. Hurt stated we have not agreed to pay this.

Mr. Mantzaris stated since this entire process was put in place where the CDD is essentially helping the City out to get the work done and have a mobilized contractor, anything the CDD does on this is subject to final approval by the City because the City is funding it. We could approve this subject to a funding confirmation with the City.

Mr. Turner stated when I say we know about it, we have not agreed to pay this. I do not like this.

Mr. Mantzaris stated the CDD is not paying this and we cannot commit the City's money in this quorum today. You can approve it to be included in the contract, subject to the City's agreeing to fund it. You still have to deal with this at the City Council.

On Motion by Mr. Wetzel, seconded by Mr. Fertic, with a vote of 4/1 in favor, Mr. McCorkle voting no, approval was given to include the Change Order in the contract, subject to the City's agreement to pay it.

➤ **Quotes for Easement Fence**

Mr. Rainey stated there are three fence company bids for the issue along Canoe Creek Lake where the kids were cutting through the neighborhood.

Ms. Hart asked is that the black fence?

Mr. Rainey stated yes, with a six-foot gate for access.

Mr. Mantzaris stated we are still having an issue with the one neighbor and I believe that house is vacant. We got in contact with the other neighbor.

On Motion by Mr. Wetzel, seconded by Ms. Hopper, with a vote of 5/0 in favor, approval was given to the bid from Chapco Fence for the fencing on the easement.

➤ **Wetlands**

Mr. Rainey stated we received our third annual Monitoring Report for the wetland systems. The wetlands are all in excellent condition and none of them require maintenance. The preserve area along Canoe Creek woods is growing up and regenerating very well. The other wetlands are functioning properly.

C. Community Manager

Ms. Johnson stated I want to review the contract with the landscaper because they pulled the annuals out three to four weeks ago and have not replaced them. There are weeds everywhere.

I received a call last night from the after hour service from a homeowner in Cedar Hemp Trail saying that the pumps were not working and that the water was almost up to her front door. I told here there were no pumps in Stevens Plantation and that we had gotten a lot of rain in a short period of time and it should be receding. There are pumps on the construction site.

Mr. Mantzaris stated it is an active construction area and the construction debris could be blocking the drains.

Ms. Johnson asked do the contractors have to flush the drains before they pull out?

Mr. Rainey stated they have a maintenance bond.

Mr. Wetzel asked what about the retail area down on Canoe Road on the right hand side, it looks horrendous?

Ms. Johnson stated I do not manage that area.

SEVENTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

There being no other business, the next item followed.

NINTH ORDER OF BUSINESS

Audience Comments

There being no comments, the next item followed.

TENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 7:15 p.m.



Bob Nanni, Secretary



Donna Hart Chairman