

**MINUTES OF MEETING
LEXINGTON OAKS
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lexington Oaks Community Development District was held on Thursday, July 26, 2007 at 8:30 a.m. at the Lexington Oaks Clubhouse, 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida.

Present and constituting a quorum were:

Don Peters	Chairman
Peter Hanzel	Assistant Secretary
Ray Dolente	Assistant Secretary
Terry Bechtel	Assistant Secretary

Also present were:

Andy Mendenhall	Manager - Severn Trent Services
John Browne	Severn Trent Services
Tracy Robin	Attorney
Josh Adams	Site Manager
Bob Hendricks	Lexington Oaks Clubhouse Staff
Approximately 14 Residents	

The following is a summary of the minutes and actions taken at the July 26, 2007 Lexington Oaks Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Peters called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the June 21, 2007 Meeting

Mr. Peters stated each Board member received a copy of the minutes of the June 21, 2007 meeting and requested any additions, corrections or deletions.

Mr. Hanzel presented the following correction:

Page 7 – In the motion box, “Mr. Josh Adams” should be “Mr. John Adams”.

On MOTION by Mr. Bechtel seconded by Mr. Dolente with all in favor the minutes of the June 21, 2007 meeting were approved as amended.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2007-9 Amending the General Fund Budget for Fiscal Year 2007

- Mr. Peters verified the change to the budget was to the 4% early payment discount from an expense item to a reduction in income.

On MOTION by Mr. Peters seconded by Mr. Dolente with all in favor Resolution 2007-9 Amending the General Fund Budget for Fiscal Year 2007 was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Consider the Adoption of the Budget for Fiscal Year 2008 (Resolution 2007-10) and Levy of Non Ad Valorem Assessments (Resolution 2007-11)

On MOTION by Mr. Hanzel seconded by Mr. Peters with all in favor the public hearing to consider the adoption of the budget for fiscal year 2008 was opened.

- Mr. Peters verified the proposed budget for 2008 was \$968,815, which was \$14,000 more than the prior year or an increase of 1.7%. The increase was due to the following:
 - Additional electrical costs of \$40,000 (\$10,000 for pool heating and \$30,000 for an additional 557 residents from the dissolved Street Lighting District)
 - Additional \$60,000 for pool re-marcing

Mr. Mendenhall opened the floor to resident with questions or comments.

- Ms. Marianne Phegley from Maywood addressed the following:
 - *Inquired what the extra \$40,000 for additional electrical was allocated for.* Mr. Peters reiterated \$10,000 was for the pool heating and \$30,000 for street lights.
 - *Indicated the county maintains the roads if they are not gated, especially the roads in Maywood.* Mr. Peters reported the District Engineer informed him this was not true but felt Pulte could be made responsible for the repairs. Mr. Hanzel verified the roads in Maywood were dedicated to the county

when the plat was filed, however, the county will not accept them for maintenance.

- *Mr. Bob Rayback from Hawthorne Village inquired why the \$103 assessment was more than Preakness.* Mr. Peters verified the CDD owns the roads in Hawthorne and this was a reserve for road repairs as well as operation and maintenance of the gates. The residents in Hawthorne pay more due to the length of the roads.
- Mr. Lynn Barr from Hawthorne addressed the following
 - *Inquired how much money was currently in the reserve.* Mr. Peters reported the reserve could not be determined until the end of the fiscal year in September. However, in 2005 the residents of Preakness and Hawthorne were assessed \$170 per home for the reserves and no other money was collected to date.
 - *Noted the assessment amount in the letter from the CDD differed from the budget.* Mr. Mendenhall verified the number submitted to Pasco County was 7% higher than the budget amount due to TRIM requirements. Mr. Peters noted TRIM stands for Truth In Millage.
- Mr. Russell Hobbs from Preakness addressed the following
 - *Inquired whether the residents will pay another assessment if the roads were repaved in five years.* Mr. Peters felt not if the Reserve Study was correct about the road not having to be repaved for 10 years. A portion of the \$103 designated for road reserves will cover the cost of repaving.
 - *Inquired how the roads in other subdivisions were repaired.* Mr. Peters confirmed he has a meeting tomorrow with the County Engineer regarding responsibility for the maintenance of roads past the circle. The county will inspect Lexington Oaks Blvd. and the roads in Saratoga, Pocono and North Hampton. Mr. Peters hopes the county does the inspections; makes Pulte responsible for the necessary repairs and the county accepts the roads.
 - *Inquired whether Mr. Adams can check the output electrical cost to operate the pool heater.* Mr. Hanzel confirmed the pool will be heated with a heat pump. Mr. Adams offered to check.

Mr. Peters closed the public comment section.

On MOTION by Mr. Hanzel seconded by Mr. Dolente with all in favor Resolution 2007-10 Relating to the Annual Appropriations of the District and Adopting the Budget for Fiscal Year Beginning October 1, 2007 and Ending September 30, 2008 and Referencing the Maintenance and Benefit Special Assessments to be Levied by the District for Said Fiscal Year and Resolution 2007-11 Levying and Imposing a Non Ad Valorem Maintenance Special Assessment for Fiscal Year 2008 were adopted.

SIXTH ORDER OF BUSINESS

Consideration of Engagement Letter with Keefe, McCullough & Co., LLP to Perform the Audit for Fiscal Year 2007

- Mr. Mendenhall reported Keefe, McCullough & Company submitted their engagement letter to perform the audit in the amount of \$12,500.
- Mr. Peters inquired whether the amount was the same as the prior year. Mr. Mendenhall confirmed the audit for the prior year was \$11,500.
- Mr. Peters requested the audit be completed in a timely manner.
- Mr. Bechtel inquired whether this cost was in line with other districts. Mr. Mendelson confirmed it was in line with districts of this size and complexity.

On MOTION by Mr. Hanzel seconded by Mr. Bechtel with all in favor the Engagement Letter with Keefe, McCullough & Co., LLC. to Perform the Audit for Fiscal Year 2007 in the amount of \$12,500 was approved.

SEVENTH ORDER OF BUSINESS

Attorney's Report

- Mr. Robin addressed the following:
 - Reported the study authorized at a prior meeting for the pump station was still outstanding.
 - Reviewed the contract from Garcia Seufert, the Architect hired for the design of the Fitness Center and made the following changes:
 - Changed the way the District was bound to the terms.
 - Changed the provisions for travel expenses to millage.
 - Changed the assumptions of the project from 10% of the project cost (approximately \$850,000) to a lump sum cost of \$52,500.

- Added a provision for each phase to be signed off by the Chairman prior to commencing the next phase.
- Mr. Mendenhall and Mr. Robin were unclear as to whether this was the final contract or the Architect intended to have a contract in addition to the letter. Mr. Robin felt the letter sufficed as a contract but added provisions to protect the District. Mr. Mendenhall felt the Architect intended to use the letter as the contract and wished to use “net 30 days”.
- Mr. Peters inquired what \$1,500 was to be used for. Mr. Robin verified \$1,500 was for the reimbursement of copies of plans and other miscellaneous items.

Mr. Bechtel moved to approve the contract with Garcia Seufert for Architect Services for the Fitness Center and Mr. Peters seconded the motion.

- Mr. Hanzel inquired whether the Architect was aware the threshold for building the facility would go out for bids due to a relationship between the Architect and the builder. Mr. Robin acknowledged he knew of no such relationship.

On VOICE VOTE with all in favor the prior motion approving the contract with Garcia Seufert for Architect Services for the Fitness Center was approved.

- Mr. Bechtel inquired whether the members of the Board could contact the Architect to ask questions. Mr. Mendenhall will contact the Architect tomorrow as well as Mr. Valentine to proceed with the project.
- Mr. Peters reported he received an email from Mr. Valentine inquiring how many bathrooms and showers the Board wanted in the facility. Mr. Peters suggested discussing this issue further at the workshop.
- Mr. Hanzel requested the public provide input on what they wanted to see in the Fitness Center at the August workshop meeting. Mr. Peters suggested publishing a notice in the newsletter.
- Mr. Robin noted the contract will progress in the following stages:

- Stage 1: Provide a rough set of drawings for refinement.
- Stage 2: Refine into scaled drawings.

EIGHTH ORDER OF BUSINESS **Engineer's Report**

B. Update on Capital Projects

- Mr. Peters addressed the following:
 - The PVC fence was installed in back of North Hampton and Saratoga and the wooden fence was removed.
 - The fountain was installed at the entrance.
 - The electrical for the pool heater was currently being installed.
 - The equipment was installed on the playground. Mr. Hendricks verified it will take five days to pour the rubber and the playground will be completed next Saturday.
 - Mr. Valentine received a proposal for Pond 27 and felt Ponds 1A and 5B should be included.
 - Proposals were obtained for pond aeration and plantings along the littoral shelf.
 - The 17 hose bibs will be installed through a program.
 - The Kubota Tractor purchased after the last meeting has been a benefit to Mr. Valentine and Mr. Adams for driving around the ponds and transporting the pressure washing equipment.
- Mr. Mendenhall confirmed the security company contract was under review.
- Mr. Hanzel reported there was an issue at the last meeting with a difference of \$100,000 between two proposals and wanted to make sure the contractor with the lowest bid was unqualified. Mr. Mendenhall verified the low bidder was disqualified for not providing proper licensing. Mr. Hanzel requested a letter from Mr. Robin. Mr. Robin confirmed he had no way of knowing whether the bid was defective but if the Board determined the bid was not responsive due to the vendor not providing the proper qualifications, they had the authority to reject the bid. Mr. Peters directed Mr. Mendenhall to address the missing items in a letter to Mr. Robin with a copy to the Board.

- A resident inquired who was responsible for lawn maintenance around the ponds in Maywood. Mr. Peters confirmed there was a contract with OneSource.

A. Reserve Study Update

- Mr. Peters reported \$103 was for Hawthorne and \$96 for Preakness. Plus \$12.22 per homeowner for the CDD Master Reserve.
- Mr. Hanzel inquired about the status of the Law Enforcement Study authorized last month for \$2,800 allowing for law enforcement in Hawthorne and Preakness. Mr. Peters reported Mr. Valentine informed him the signage estimate will be obtained by the end of the week. Mr. Hanzel directed Mr. Valentine to expedite the signage.
- Mr. Bechtel offered to provide an updated spreadsheet on the capital projects to the Board on a monthly basis.

On MOTION by Mr. Peters seconded by Mr. Dolente with all in favor Mr. Bechtel was tasked to provide an updated spreadsheet on the capital projects to the Board on a monthly basis.

NINTH ORDER OF BUSINESS

Discussion Items – Ratification of Items Discussed at July 12, 2007 Workshop

A. Approval of Estimates:

- **Hawkins Environmental for Pond Plantings – NTE Amount of \$11,000**
- Mr. Mendenhall reported a series of plants would be planted around select ponds as a littoral shelf to control runoff.
- Mr. Bechtel inquired which ponds were selected. Mr. Hanzel verified eight to eleven ponds were selected.
- Mr. Fritz Nystrom inquired about adding the ponds in Maywood. Mr. Peters reported concern was expressed about the ponds but nothing was done. Mr. Hanzel offered to follow up with Mr. Adams.
- Ms. Esther Larkin expressed concern about whether the plants will survive from kids fishing in the ponds. Mr. Peters felt the plants could survive.

On MOTION by Mr. Hanzel seconded by Mr. Dolente with all in favor the proposal from Hawkins Environmental for pond plantings in an amount not to exceed \$11,000 was approved.

- Mr. Peters verified there were no additional maintenance costs to maintain the plantings.
- Mr. Hanzel felt there could be a savings in chemical costs.
- Mr. Peters directed Mr. Mendenhall to provide him with a copy of the contract for execution.
 - **Vertex Water Features for Lake Aeration System – NTE Amount of \$37,000**
- Mr. Peters inquired why there were two estimates; one for \$38,000 and another for \$41,000. Mr. Mendenhall verified prior to August 31st, the cost will be \$38,000 and \$41,000 after August 31st.
- Mr. Peters inquired about the purpose of aerating the ponds. Mr. Mendenhall reported on the following benefits of aeration:
 - Provides oxygen to the ponds.
 - Decreases the amount of algae blooms.
 - Decreases the amount of insects.
- Mr. Dolente addressed the following:
 - Inquired whether the maintenance of the ponds will decrease. Mr. Peters felt this could be negotiated with the Pond Maintenance Company.
 - Inquired whether other districts received a benefit by using aeration. Mr. Mendenhall noted one District had an insect problem, which was improved by aeration. He suggested the District have a pond with the worst algae problems tested.
- Mr. Mendenhall noted there will be additional electric costs associated with the aeration.
- Mr. Hanzel verified a study was performed on the amount of oxygen in the District ponds and the ones listed in the proposal were the worst ones. He felt this

benefited the District as a cost savings in the future and keeping the ponds from looking aesthetically unattractive.

- Mr. Bechtel inquired how the aeration would be funded. Mr. Hanzel verified the funds would come from the bonds.
- Mr. Peters requested a report from Mr. Adams at the workshop on the amount of electricity and maintenance needed to operate and service the pumps and whether trenching was needed. Mr. Mendenhall offered to work with Mr. Adams.

After further discussion, this item was tabled until the next meeting.

Sign Issue

- Mr. Hanzel provided the sign proposal to the Board and reported the county does not permit LED signs in the chosen location and recommended an illuminated sign with four lines.
- Mr. Peters inquired whether the lettering for the signs were magnetic. Mr. Hanzel verified the letters will have to be manually placed into the sign and depending on the size; the cost was \$6,300 for three rows and changeable letters and \$6,500 for four rows.
- Mr. Bechtel inquired about the size of the letters. Mr. Hanzel confirmed the letters were four inches for the four row sign and six inches for the three row sign.
- Mr. Dolente inquired about having an LED sign in a different location. There was discussion about placing the sign in the median where the current meeting sign was installed. Mr. Hanzel will speak with the county.

B. Architect Fee for Garcia Seufert to Design Fitness Center

This item was discussed earlier in the meeting.

TENTH ORDER OF BUSINESS

Manager’s Report – Meeting Schedule for Fiscal Year 2008

- Mr. Mendenhall reported the meeting schedule for next fiscal year was modeled after this fiscal year. The regular meetings were scheduled on the fourth Thursday of each month and the workshops on the second Thursday of each month.

On MOTION by Mr. Peters seconded by Mr. Hanzel with all in favor the meeting schedule for fiscal year 2008 was approved.

- Mr. Mendenhall reported the following:
 - Two candidates submitted resumes for the open supervisor seat. Mr. Tom Collins resume was emailed to the Board and Mr. Fritz Nystrom's resume was provided to the Board at this meeting. Mr. Peters confirmed the closing date was August 1st and requested this matter be discussed at the August workshop. Mr. Mendenhall will invite the candidates to the workshop.
 - The electrical gate telephone bills were split by Verizon into separate accounts. Mr. Peters inquired whether the Board should pursue reimbursement for Churchhill. Mr. Mendenhall offered to contact the Churchhill HOA. Mr. Peters felt the Preakness bills were unusually high at \$98 as they should total \$40 to \$50 per month. Mr. Hendricks confirmed Verizon had the capability of going back to the past 12 months and breaking out each item. Mr. Mendenhall offered to follow up.
- Mr. Peters reported Mr. Mendenhall verified for this year, Preakness or Hawthorne had not been billed anything against their reserves. He thanked Mr. Ron Trenerman for discovering two phones were billed to one number.

ELEVENTH ORDER OF BUSINESS Staff Report

- **Site/Clubhouse Manager – Update on Projects**
- Mr. Peters introduced Mr. John Adams, the new Site Manager.
- Mr. Dolente inquired about the status of the monument repainting. Mr. Adams verified the contractor will be completed by Monday or Tuesday.
- Mr. Peters inquired whether any monuments received a second coat of paint. Mr. Adams confirmed the contractor will add a second coat of paint to the monuments by tomorrow afternoon and work through the weekend.
- Mr. Peters complimented the contractor on the paint job and Mr. Adams for doing a great job so far as Site Manager.
- Mr. Hanzel addressed the following:
 - Inquired whether the grass was mowed on Algeris Court. Mr. Adams confirmed he did not have a chance to check the area but the contractor informed him if he did not get to the area this afternoon, he will get to it tomorrow morning.

- Requested financials on the amount of revenue collected for the facility. Mr. Adams provided a report to the Board reflecting the total amount collected was \$8,042 year to date. Mr. Peters verified \$1,579 was received for May and \$1,927 for June.
- Mr. Peters felt OneSource does a good job but they tended to skip back sections of the property. Mr. Adams verified he spoke to OneSource last week to coordinate a two week schedule for these areas. Mr. Peters requested OneSource check both sides of the golf cart crossing on Risen Star.
- Mr. Hanzel requested OneSource treat the anthills between Remington and North Hampton along the sidewalk.
- Mr. Bechtel inquired whether the sprinkler heads were relocated in the area of the golf cart path area off of Risen Star Road. Mr. Adams verified the sprinkler heads were moved back only 5' from the cart path instead of 13'.

TWELFTH ORDER OF BUSINESS Supervisor Requests

- Mr. Dolente addressed the following:
 - Provided a proposal from OneSource for mulch to be removed and sod added on the islands and along the columns. Mr. Peters inquired whether he was talking about the center islands. Mr. Dolente verified only the ones in the gated communities. Mr. Peters reported at the workshop, the Board decided to leave the plants alone and add mulch. Mr. Dolente acknowledged he misunderstood the direction and offered to re-adjust the proposal.
 - Provided a proposal from OneSource for the installation of Liriope from the sidewalk to the islands in Delmar, North Hampton, Saratoga, Pimlico and Arlington in the amount of \$1,573.
- Mr. Peters suggested removing the Liriope and mulch excluding the Crepe Myrtle and Holly's and installing sod on both sides of the gate.
- Mr. Hanzel reported at the last workshop, the Board concurred spending \$1,300 to install sod on the islands. Mr. Dolente will obtain a bid from OneSource for the removal of mulch and installation of sod in the islands only.
- Mr. Peters inquired about the cost for OneSource installing sod in the small strips. Mr. Dolente confirmed the cost was \$1,573.

- Mr. Lynn Barr suggested the residents of the affected communities make the decisions on the landscaping rather than the Board. Mr. Peters confirmed the Board was trying to keep all of the communities' uniform.
- Mr. Dolente will have OneSource separate each village and provide the square footage for each one.
- Mr. Hanzel requested the Board members draft a list of expectations/guidelines and present to Mr. Adams. Mr. Mendenhall will meet with Mr. Adams rather than the Chairman due to the Sunshine Law.
- Mr. Hanzel directed the supervisors to provide their comments to Mr. Mendenhall no later than August 9th.
- Mr. Peters addressed the following:
 - Expected the Street Light District matter to be resolved by September and felt assured by the Pasco County staff attorneys and Pasco County Commissioners Mulieri and Hildebrand it would get resolved.
 - Provided a receipt received from Brown & Brown for \$635.84.
 - Reported Bay Area Environmental will come out on the next dry day to evaluate the Belmont sink hole.
 - Reported the Crime Watch Patrol will attend the next workshop to express concerns about crime at the facility at night. Mr. Hanzel reported he observed the facility for two hours last night but did not see any unwarranted activity.
 - Announced he was meeting tomorrow at 10:00 A.M. with Mr. Jim Whitman regarding the Lexington Oaks Boulevard maintenance.
 - Reported there was an alleged case of someone exposing himself or herself at the swimming pool on or about June 26th.

THIRTEENTH ORDER OF BUSINESS Audience Comments

- Mr. Lynn Barr requested an update on the capital improvements. Mr. Peters reported on the following:
 - The PVC fence behind North Hampton and Saratoga was completed.
 - The pond fountain was installed.
 - The pool heater will be completed as soon as the electrical work was completed.

- The playground will be completed within a week. Mr. Adams confirmed the playground will be open a week from tomorrow.
- The Architect was selected for the new Fitness Center. Mr. Dolente reported hopefully it will be completed by this time next year.
- The vendors for the security system will be clarified.
- The aeration of ponds was in the process of being finalized.
- Mr. Valentine was in the process of obtaining prices for the repair of the Pimlico Pond (27). The negotiation with the golf course was currently underway for Ponds 1A and 5B (right of the 13th green) through the golf cart path. The work may be performed by golf course maintenance staff.
- Mr. Bechtel will provide an updated spreadsheet.
- Ms. Carol Nicol reported the sprayings kill the plantings in the pond. Mr. Peters directed Mr. Adams to speak to Aquatic Systems.
- Mr. Antonio Carvalho complained about sludge in his pond. Mr. Hanzel felt the aerification may help with the sludge or algae growth and directed the resident to talk to Mr. Adams about his pond so he could have someone address it.
- Ms. Sheila Matejka inquired when work on S.R. 54 will be completed. Mr. Peters verified the work will be completed in October or November.

FOURTEENTH ORDER OF BUSINESS Approval of the Financial Statements, Check Registers and Invoices

- Mr. Peters reported the District was nine months through the year and the year to date actual was 79%. Anything under 75% was good but anything above was a problem.
- Mr. Bechtel addressed the following:
 - Inquired what PROFSERV-TRUSTEE was for. Mr. Mendenhall verified US Bank was the Trustee for the bond funds and when there were requisitions; they had the authority to release the funds to pay for certain invoices.
 - Inquired why the General Liability Insurance was more than what was budgeted. Mr. Peters felt this was a timing issue and if bills were not issued for the rest of the year, the budget will be close to the actual. Mr. Mendenhall

offered to check with Ms. Paula Davis to see why there was a \$2,000 difference between what was budgeted and spent.

- Inquired why \$10,000 was spent to remove plantings. Mr. Hendricks verified \$10,000 was spent to install the sod and remove the plantings by the monuments.
- Mr. Peters reported CONTRACTS-LANDSCAPE was over budget by \$31,000 and felt \$10,000 should be allocated out of R&M-PLANT REPLACEMENT and annual plantings included under R&M-PLANT REPLACEMENT, should be part of CONTRACTS-LANDSCAPE. Mr. Mendenhall will have the accountant make these changes.
- Mr. Dolente addressed the following:
 - Inquired why there were several invoices for tens of thousands of dollars for irrigation repairs. Mr. Peters verified when the contract with OneSource was issued, there were two options. One was for the CDD to pay for repairs for the irrigation system in the amount of \$320,000. If the CDD took responsibility, the amount was \$360,000. He felt this was a good decision.
 - Inquired why PAYROLL-SALARIES under PARKS AND RECREATIONAL-GENERAL came in at \$11,000 per month but was budgeted at \$7,000 per month. Mr. Peters verified \$7,083 times 12 months equaled the budgeted amount of \$85,000 and had to do with the salaries for the lifeguards for the summer months. Mr. Hanzel requested Mr. Hendricks use the lifeguards as much as possible to control the pool. Mr. Dolente agreed.
- Mr. Peters reported the expenditures year to date were 73% and expressed concern with the \$3,676 reserve for Preakness and \$1,887 reserve for Hawthorne. He inquired what was left over from the \$170 each homeowner paid. Mr. Mendenhall suggested looking at the invoices for 2006 (before the split occurred) to determine whether they were for Preakness or Hawthorne. He agreed approaching Accurate Electronics was the best route and offered to prepare a spreadsheet with a breakdown.

- Mr. Hanzel addressed the following:
 - Directed Mr. Mendenhall to inform the Pasco County Tax Collector Office about the assessment for Hawthorne and Preakness.
 - Reported at the last meeting. OneSource requested a special dispensation because OLM failed them. Mr. Peters verified the issue had to do with the trenching. There were watering invoices because the irrigation system could not be operated while they were repairing it. At some point, he expected to receive reimbursement.
 - Felt OLM was doing a good job on documenting the different areas.
 - Inquired whether there was a maintenance contract with Air Care.

On MOTION by Mr. Bechtel seconded by Mr. Hanzel with all in favor the financial statements, check registers and invoices in the amount of \$125,464.45 for the period ending June 30, 2007 were approved.


FIFTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Dolente seconded by Mr. Peters with all in favor the meeting was adjourned.



Andrew P. Mendenhall
Assistant Secretary



Don Peters
Chairman