

**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, February 28, 2008 at 6:30 p.m. at the Lexington Oaks Clubhouse, 26304 Lexington Oaks Boulevard, Wesley Chapel, Florida.

Present and constituting a quorum were:

Don Peters	Chairman
Terry Bechtel	Vice Chairman
Peter Hanzel	Assistant Secretary
Raymond Dolente	Assistant Secretary
Fritz Nystrom	Assistant Secretary

Also present were:

Andy Mendenhall	District Manager
John Browne	Manager - Severn Trent Services
Tracy Robin	District Counsel
Pamela Rower	Severn Trent Services
Bob Valentine	Engineer
John Adams	Site Manager
James Widman	Pasco County
Several Residents	

The following is a summary of the minutes and actions taken at the February 28, 2008 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.

FOURTH ORDER OF BUSINESS

Guest Speaker – Mr. James Widman from Pasco County

Mr. James Widman, an engineer with Pasco County addressed the following regarding the roads:

- He has been working on the inventory status of all subdivision sections in Lexington Oaks.
- He discovered a large number of files for the subdivisions had not been processed to completion.
- Many roads dedicated for public use were never processed for acceptance by the County Board of Commissioners for maintenance which put them in limbo on the question of who maintained them.
- Inspectors were sent to every subdivision section to determine what was wrong with each of them.
- Cosmetic deficiencies were separated from structural deficiencies and a priority list was compiled and sent to Pulte Homes.
- He previously met with Pulte Homes when they were still in business locally and they verbally agreed to fix these items. Now they do not even respond to letters.
- He is sending the list of deficiencies to the Public Works Department and requesting they put a dollar value on these items.
- He feels the magnitude of the deficiencies is estimated between \$15,000 and \$50,000.
- After the cost estimate is determined he will prepare a memorandum to the Board of County Commissioners for each one of the plat units with a recommendation to accept these for maintenance knowing there are deficiencies.

The Board and staff continued to discuss the road deficiencies in the subdivisions and the issue of ownership.

- Mr. Robin gave Mr. Widman a copy of a proposed Quit Claim Deed he prepared and noted a section of the plat has a notation on it that vehicular access is dedicated to the county just on the part that relates to Lexington Oaks Boulevard.
- The HOA attorney contacted the District and said the county would like the District to give a Quit Claim Deed on its interest to a piece of Lexington Oaks Boulevard.

- Who in the County Attorney's office should he contact about this and is the engineer working with anyone in the Real Estate Department in conjunction with this.
- The best he can tell by looking at the plat is that it was a mistake. He thinks the engineer just muffed the dedication on the plat. The part behind the gate was intended to be private, Lexington Oaks Boulevard was not intended to be made private and no conveyances were found. The title is in Pulte Home's name and he is having the same problem as the engineer, no returned telephone calls from Pulte Homes.

The Board and staff continued to discuss the Quit Claim Deed with the outcome being Mr. Robin has no problem with the District giving a Quit Claim Deed but the District never received title to the entire area. He does not believe the HOA has title to this either.

- Regarding the monument Mr. Widman noted there were three words on the plan for the road project when it was designed, "to be relocated". It did not state to be relocated by whom. It has to be disassembled and reconstructed and we have to go back to Nelson to renegotiate and see what we can get them to do. It is 99% certain we will move it and not come back to this Board to move it.

The Board and staff discussed the issue of the pavers and the requirement of an Interlocal Agreement if the CDD is to use bond funds to replace the pavers.

- Mr. Widman noted Pulte Homes probably has a License Agreement for the landscaping of the right-of-way and the erection of the sign. The District probably has an annual insurance policy as part of licensing.
- Mr. Mendenhall will follow up with the Pasco County office of Cindy Jolly on whether there is a License Agreement for front end landscaping and the pavers. If so, the Interlocal Agreement will not be necessary.
- The goal of Mr. Widman is to get a memorandum to the Board of County Commissioners a month from now which means it will be two months before the road issue is resolved.

- Mr. Hanzel questioned if the Board of County Commissioners denies the request to repair the deficiencies, can we as a CDD pay for the deficiencies and then deed it over to the county for maintenance in the future.
- Mr. Widman noted yes, if the deficiencies are taken care of that is clear cut.
- Regarding the monument, Mr. Hanzel noted the CDD was told it needed to expedite immediately the removal of landscaping and the light fixture about 18 months ago. A crew was sent out immediately and then we were told we did not have to do that.

The Board and staff continued to discuss the removal of the monument and how they were misinformed.

- Mr. Widman will keep Mr. Peters updated on these issues.

The record will reflect Mr. Widman left the meeting.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 24, 2008 Meeting

Mr. Peters stated each Board member received a copy of the minutes of the January 24, 2008 meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Bechtel seconded by Mr. Nystrom with all in favor the minutes of the January 24, 2008 meeting were approved.

FIFTH ORDER OF BUSINESS

Attorney's Report

Mr. Robin addressed the following:

- Mr. Robin distributed copies of the proposed Quit Claim Deed, a copy of which is attached for the record.
- Mr. Robin distributed and discussed a memorandum prepared by his office regarding the qualifying period for the 2008 general election, a copy of which is attached for the record.

- Not noted in the memorandum is that the fee has been reduced from \$200 to \$25 or 25 signatures on a petition. Any questions should be addressed to the County Supervisor of Elections.
- An advertisement notifying of the general election is required and the District Manager will make sure this is done in a timely manner.
- He wanted the Board to be aware of a case in Naples where a City Councilman had deleted over 1,000 emails and was fined \$500 for a civil violation for destroying and not maintaining public records.
- He advised the Board that all of the written and electronic records they come in contact with are public records and if they come to them directly before they pass through Mr. Mendenhall's hands they have a duty and responsibility to protect those records and get them into the hands of their record custodian which is their manager.
- He instructed the Board if they send or receive an email at home to copy Mr. Mendenhall because Severn Trent keeps permanent records of all these emails on their server. They will make sure it becomes part of the District's permanent record and will preserve it. They have to copy them on all of their outgoing and incoming email in order for them to do this.

The Board and staff continued to discuss the issue of maintaining emails and a copy of the article referenced is attached for the record.

SIXTH ORDER OF BUSINESS

Engineer's Report

Mr. Valentine addressed the following:

- Regarding the pavers Mr. Hanzel noted Pulte Homes owned the property out front and sold the right-of-way to the county four years ago for \$26,000 and questioned if this would impact the Interlocal License Agreement.
- Mr. Robin noted the key here is that from the travelers circle to the highway it has all been dedicated to the county and accepted. We are talking about improvements the District has either installed and/or maintained out there and we

need to find out what the District's rights are with respect to maintaining the landscaping, irrigation and the signs.

- The county may request as part of the process of replacing the pavers to incorporate all of this in one agreement.

The Board and staff reviewed the different paver repair options.

Mr. Hanzel moved to authorize the installation of a stamped concrete base in the area now occupied by the pavers in an area of 110' x 80' for an amount not to exceed \$130,000 and Mr. Bechtel seconded the motion.

- For clarification, the location is at the intersection of Lexington Boulevard and Wesley Chapel Boulevard also known as County Road 54 in a color comparable to what presently exists and stamped to look like pavers.

On Voice Vote pending an agreement with Pasco County the prior motion with all in favor for the installation of a stamped concrete base to look like pavers in an 110' x 80' area at the intersection of Lexington Boulevard and Wesley Chapel Boulevard also known as County Road 54 in a color comparable to what presently exists in an amount not to exceed \$130,000 subject to Mr. Mendenhall checking the rules of procedure for bidding threshold requirements was approved.

- Mr. Valentine reviewed the status of repairs on pond 5A.
- Stormwater is running underneath the structure causing a differential in pressure.
- We are waiting for the county to re-inspect the replaced signage.
- We are awaiting permits for this building.
- Mr. Robin is putting his focus on the summary notice to bidders and the requirements. The engineer and architect will handle the technical items.
- He envisions the bid package will contain the summary with plans and specifications included as an attachment.
- The electrical and plumbing specifications are part of the document.

- The architectural and site plans will be submitted separately.

The Board and staff discussed the fitness center bid specification process with the outcome being the specifications will be reviewed by staff and presented at the March meeting for Board review and approval to proceed with the bidding process.

- Mr. Robin questioned whether a pool of interested contractors has been identified to reasonably assure that sufficient responses to the bidding process are received.
- Mr. Mendenhall noted the due diligence on this is being done and he has been contacted by interested parties.

Mr. Hanzel moved to accept the proposal from American Consulting Engineers of Florida, LLC in an amount not to exceed \$24,000 to create and develop a landscape architectural plan for the front entrance of Lexington Oaks as provided in the document presented at the February 14, 2008 workshop and Mr. Bechtel seconded the motion.

- Mr. Hanzel stressed the need to have a professional architect who has no financial interest in the landscape business prepare a design that we can then go out and bid on with other companies.
- Mr. Mendenhall located two other architectural companies who were interested in providing bids for this but as of today he has not received them.

The Board and staff continued to discuss seeking architectural landscape proposals for the front entrance with the outcome being Mr. Hanzel withdrew his prior motion and staff will seek additional bids to be presented at the next meeting.

Mr. Hanzel moved to authorize staff to obtain bids from landscape architects licensed in the State of Florida to be presented to the Board with a fee base for developing landscape architectural designs including lighting, irrigation, etc. and Mr. Peters seconded the motion.

- This should be provided by the next workshop.

On Voice Vote with all the favor the prior motion was approved.

ELEVENTH ORDER OF BUSINESS Audience Comments

- Mr. Mendenhall introduced Ms. Pamela Rower, Director of Fiscal Services from Severn Trent.
- A resident questioned the fitness center bid process and how contractor qualifications were verified.
- Mr. Mendenhall noted their financial standing and references are checked and Severn Trent and/or District Counsel may also have had previous experience with some of the companies bidding on the project.
- Mr. Robin noted we will be asking for projects they have done in the last couple of years and from a legal/administrative aspect we will ask them for copies of their business and general contract licenses, etc.
- We will also rely on the architect to review the proposals and the information received at the pre-bid meeting. He will make inquiries on the experience of the companies bidding on the work.

SEVENTH ORDER OF BUSINESS Discussion Items

A. Mitigation and Ponds

- Mr. Mendenhall distributed a color aerial exhibit of the Lexington Oaks property showing respective ownership areas of the CDD and the golf course as provided by Mr. Brian Skidmore of King Engineering Associates, a copy of which is attached for the record.
- Mr. Mendenhall spoke to Dr. Richardson, the biologist monitoring the mitigation areas for Lexington Oaks, who stated the areas he was monitoring have been released from mitigation monitoring.
- We have not received invoices from Florida Native Nursery since October of 2006.

The Board and staff continued to discuss and review the ownership exhibit, the services of Florida Native Nursery and the monitoring mitigation process with the outcome being Mr.

Mendenhall and Mr. Bechtel will contact the golf course to discuss how they want to proceed on the ownership and mitigation area issues.

- It was noted for the record two Board members work part time for the golf course.
- B. Sign Discussion**
- Mr. Hanzel distributed a letter from Ms. Elizabeth Blair relating to signage options.
- If the District wants to place a sign in the middle there are certain items required, one of which is to obtain a License Maintenance Agreement, a Right-Of-Way Easement with the county.
- If we wish to place it on CDD property we do not need to go through this lengthy process.
- Mr. Mendenhall will follow up with Ms. Cindy Jolly regarding the signage License Agreement option.

Mr. Hanzel moved to authorize staff to enter into an agreement to purchase a double sided sign to be placed on the right hand side of CDD property with three lines, lit on both sides in an amount not to exceed \$8,500 placed in or near the location near the cart path crossing from hole 12 or 13 of CDD property and Mr. Peters seconded the motion.

The Board and staff continued to discuss the sign options including the location of the sign.

On Voice Vote with Mr. Hanzel, Mr. Peters, Mr. Bechtel and Mr. Nystrom voting aye and Mr. Dolente voting nay the prior motion was approved.

C. Interlocal Agreement with Pasco County for the Front Entrance Pavers
This item was previously discussed.

D. Disposal of Equipment

- A notice was placed in the newsletter and two sealed bids were received.

- This item will be placed on the next workshop agenda for discussion.
- E. Update on Security System Installation**
- They are in the process of hooking the system up and installing the cameras in the clubhouse area today. It still needs to be programmed.
 - The existing printer has not been tested.
 - Mr. Bellissimo received the engineer's plans for the camera pole set up and is in the process of submitting them as 13 separate requests for applications to the County.
- F. Administration of Card Access System**
- The existing printer requires testing and then training will begin. How the cards will be distributed needs to be decided.
 - An address database can be created from the tax roll.
 - Mr. Bechtel will follow up on the privacy issue regarding the distribution of cards.

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

Mr. Mendenhall addressed the following:

- A. Consideration of Engagement Letter with Deloitte Tax LLP to Perform Arbitrage Rebate Services**
- Mr. Mendenhall distributed an engagement letter from Deloitte Tax LLP to perform arbitrage rebate services in the amount of \$1,575, a copy of which is attached for the record.
 - The financials indicate we recently paid Deloitte \$1,575.
 - Ms. Rower noted this payment was for the prior year. When they finish the prior year part of that is they give us the engagement letter for the following year. It was something which was not needed to be acted on immediately and is why the date of the letter is October 11, 2007.

The Board and staff continued to discuss the engagement letter with the outcome being Mr. Mendenhall will check on the status of arbitrage rebate services for the 2000 and 2002 Series Bonds.

B. Discussion of Letter from the Pasco County Supervisor of Elections Regarding the Upcoming 2008 General Election

- This item was previously discussed.

C. Fitness Center Scope of Services and Timelines

- This item was previously discussed.
- Mr. Mendenhall reviewed the budget process and noted the date the preliminary budget is due to the county has changed to June 15 from July 15.
- Discussion of the proposed budget will begin at the March workshop.

The record will reflect Mr. Robin and Mr. Valentine left the meeting.

- Mr. Mendenhall requested clarification on payment of the Churchill pavers.
- Mr. Peters noted we asked Mr. Valentine to get a quote for the cost of both. We did not agree to pay for Churchill and they have already repaired it.

NINTH ORDER OF BUSINESS

Staff Report – Site/Clubhouse Manager

- The meter for the fountain is ready for inspection but Pasco County is behind on their inspections.
- The installation of the heat pump for the pool is complete and the pool has been refilled.
- A capital improvement project update list is attached for the record.
- It was requested the Board re-evaluate contracting the pool services out. Doing this in-house can save money.

The Board and staff continued to discuss pool services with the outcome being Mr. Adams will research the cost of performing this in house.

TENTH ORDER OF BUSINESS

Supervisor Requests

- The checks for the fitness center are in the process of being cut by the Trustees and should be received shortly.
- There will be funds remaining after completion of the capital improvements.

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

- Mr. Mendenhall distributed the unaudited financial statements for the period ending September 30, 2007, a copy of which is attached for the record.
- These numbers will become more tangible once the fiscal year 2007 audit is complete.
- This gives you a bridge between the accrual invoices the Board received a few months ago and the next step of preparing the budget.

The Board and staff continued to discuss the option of placing funds in reserve during the upcoming budget process for maintenance items and obtaining a pond reserve study report from Mr. Valentine. Ms. Rower reviewed the accounting process used for the reserve fund and assessments.

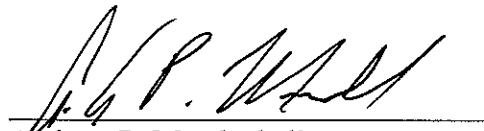
- The Board requested the spreadsheet include the interest earned for each reserve account.
- Ms. Rower gave the Board an overview of the Severn Trent Accounting Department structure.
 - There are eight staff Accountants who work on district financial statements which are then reviewed by two Senior Accountants.
 - There is an Accounting Department Manager who sets policy and procedure and establishes budget timelines according to statute in conjunction with our Recording Department.
 - Ms. Rower is the Director of Fiscal Services and there is also an Accounts Payable section headed by Ms. Paula Davis.
 - There is back-up support for each district and a multitude of accountants who can step in and handle your financials in the event of an emergency.
 - We receive an in-house audit yearly to make sure we are fulfilling our accounting function as necessary for internal control.
 - Our system has back ups in Pennsylvania and Texas.
- Surplus construction bond funds are indicated in the Construction Reports.

On MOTION by Mr. Hanzel seconded by Mr. Nystrom with all in favor the financial statements, check registers and invoices for the period ending January 31, 2008 were approved.

THIRTEENTH ORDER OF BUSINESS Adjournment

There not being any further business,

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



Andrew P. Mendenhall
Secretary



Don Peters
Chairman