

**MINUTES OF MEETING
OAKSTEAD COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Oakstead Community Development District was held on Tuesday, September 12, 2006 at 6:30 p.m. at the Oakstead Clubhouse, 3038 Oakstead Boulevard, Land O'Lakes, Florida.

Present and constituting a quorum were:

John Witmer	Vice Chairman
Ken Jones	Assistant Secretary
Mark Sifford	Assistant Secretary
Joe Cascio	Assistant Secretary

Also present were:

Bob Fernandez	District Manager
Mario Grasso	Field Manager
Nancy Intini	Park Director
Mark Straley	Attorney
David Lapidés	Bond Counsel
Tanya Stewart	Engineer
Several Residents	

The following is a summary of the discussions and actions taken at the September 12, 2006 Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

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

SECOND ORDER OF BUSINESS

Consent Agenda

- A. Approval of the Minutes of the August 8, 2006 Meeting**
- B. Approval of the July 2006 Financials and Check Register**

Mr. Fernandez stated each Board member received a copy of the minutes of the August 8, 2006 meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Jones seconded by Mr. Sifford with all in favor the consent agenda was approved.

THIRD ORDER OF BUSINESS

Manager's Report

Mr. Fernandez introduced Mr. Tommy Medlock, president of OLM, Inc., who made a presentation on the landscaping process.

Mr. Medlock stated his company specializes in preparing specifications and standards to help communities manage their landscaping. They do not do the landscape maintenance work. They help take the specifications to market and assist in the bid process. His company will work with Mr. Grasso and Mr. Fernandez to develop the right set of operation standards i.e. how many times to mow around the lakes, etc. OLM has performance payment based contracts consisting of a 75% monthly pay guarantee but 25% is determined by a monthly inspection. If the evaluation grade is 87% or higher, full payment for the month is recommended. If it is 86% or lower, 25% of the monthly pay is lost. OLM does not guarantee landscape perfection but helps make sure the community is protected. Under the monthly management service, OLM is an objective third party who can say the landscaper has to meet the standards or suffer immediate consequences. Mr. Medlock hopes residents will see a better looking community and the property values will go up while the plants and assets are protected. The next step in the process is for the Board to approve the specifications so Severn Trent can advertise. A pre-bid meeting would then be held with prospective bidders and CDD representatives to take the contractors through the site in order to get the most comprehensive bids possible. On average, four to six bids will be submitted. When they come in they will be collected by Severn Trent and OLM will prepare a summary spreadsheet for distribution to the Board.

Mr. Cascio asked about the consequences if a contractor consistently falls below the 87% minimum.

Mr. Medlock responded there would be a 30 to 60 day termination clause in the contract so the District would not be tied into a yearly contract. However, it rarely happens because they go in properly prepared and are aware from the very beginning.

Mr. Fernandez distributed a request from the Clubhouse and Landscape Committees to remove the two Evergreen trees at the entrance to the clubhouse for aesthetic and security reasons.

Ms. Intini noted the tree blocking the office window is growing improperly. She felt a strong wind could blow it down and cause damage.

Mr. Cascio asked if relocation was considered.

Mr. Heath indicated it would be very hard because there are few, if any, companies who would move them and guarantee their survival. In most instances there would be a 50/50 chance. It would also be risky to try to relocate them due to their proximity to the building. If removed, they would be replaced with plants to complete the present bed.

Mr. Cascio recommended they be removed in support of the clubhouse manager's desires and his personal view of the building's appearance. He reminded everyone there is a landscape architect who will be looking at the design for the entrance, including the clubhouse. Part of their requirements will be how they can make the area more presentable with an appropriate type of tree.

Mr. Jones added if there were an opportunity to get a tree spade in and remove them, he would like to see them used elsewhere because they are nice assets. He understands the other concern but would like to save the trees if at all possible.

Mr. Witmer agreed he would like to see them preserved if at all possible but at what cost, he did not know.

On MOTION by Mr. Cascio seconded by Mr. Jones with all in favor the removal of the two Evergreen trees at the clubhouse entrance will be considered after an estimate to relocate them is reviewed.

Mr. Heath stated three location options where the trees could possibly benefit the community will be presented with the estimate at the October meeting. He added if the decision is made to move them, it would be more prudent to do so during the dormant season.

Mr. Fernandez reported a petition was filed for a reduction in the required minimum rear setback so a swimming pool and screened enclosure could be installed at the northwest intersection of Ellendale Drive and Bergenfeld Drive. The Board received a notice because the property is adjacent to the CDD. Any comments will be taken at the public hearing on September 28, 2006 at 1:30 p.m. in the Pasco County Courthouse.

FOURTH ORDER OF BUSINESS

Attorney's Report

Mr. Straley distributed Resolution 2006-15 pertaining to the refunding of the District's bonds and the issuance of new ones. The assessments were formally adopted and levied at the public hearing in August. The underwriter subsequently sold the bonds which will close on

September 14th. Since the bonds are now priced, the assessments are slightly less than what was indicated at the public hearing. The resolution adjusts the assessment levels to comport with the actual interest rate of the bond issue. He viewed it as a housekeeping resolution and recommended adoption.

On MOTION by Mr. Witmer seconded by Mr. Sifford with all in favor Resolution 2006-15 setting forth the specific terms of the District's \$6,520,000 capital improvement and refunding revenue bonds, Series 2006A-1, and \$5,780,000 capital improvement and refunding revenue bonds, Series 2006A-2; providing for severability, conflicts and an effective date was adopted.

Mr. Lapides stated the bond sale was successful and the interest rates are 3.6% for the short term bond and 4.5% for the long term. It is a significant reduction from the current interest rates. This was what generated the savings which are now being plowed back into the District. The bonds are insured by MBIA Insurance Corporation so they will be AAA rated making them very safe investments for the investors in the District.

Mr. Straley reported a request was received from a resident who wanted permission from the District to maintain the area behind their home. The piece of property runs from the individual's rear property line to the bank of a retention pond. In the covenants, conditions and restrictions for Oakstead, the District not only permits residents to maintain the area but the deed restrictions actually require the property owner do it.

Mr. Fernandez stated the resident originally requested the property be deed transferred to them. Through the research of Mr. Straley and his associates, it became clear the reason they needed the property is fulfilled by the restrictions and covenants which are already in place. The whole reason they wanted ownership was to plant grass and do things to improve the appearance.

Mr. Straley stated the deed restrictions contemplate cutting the grass. Anything beyond is putting improvements on District property. Nothing of a permanent nature should be done but mowing the grass and plantings are fine. However, if a situation arose where maintenance activity was needed on the pond, the plantings could be in jeopardy.

FIFTH ORDER OF BUSINESS

Engineer's Report

Ms. Stewart reported the following:

- She reviewed each of the operations and maintenance cost for the items approved as part of the budget for the bonds; all 29 are not excessive. As the project items are finalized and to stay within the budget, the actual O & M cost will be established as part of the technical specifications when they go to bid.
- She and Mr. Grasso visited several areas with pond erosion. Because the material is submerged and under water, a contractor should be contacted in the dry season to dredge it out, put it back on the slope and try to stabilize it. It may become an ongoing maintenance issue with all the ponds and storm sewer sections. It may need to be done every two or three years and should be considered in next year's budget process.
- She and Mr. Grasso looked at the infiltration off of Tanglewylde. Walden Green will forward information within the week as to whether or not it is a warranty item and if it is not, what it will take to fix it.
- The Weymouth drainage issue may require some additional observation over time. It is a common issue when back yards butt up to backyards and the grading plan has the rear of the yard draining to a conveyance system. When residents put up fences, it is an immediate blockage of the conveyance system and creates an immediate problem because the fence blocks downward all the way from the inlet of the swale. It is questionable whether one of the installed pipes is connected and will require more research. The philosophy of installing the pipe in the yard inlets is it gives the water a place to go. The design of the pipe work was based on a certain condition and mother nature does not always comply. She is not sure there is a 100% way of resolving the problem. As long as there is a place for the water to go and the system is maintained on a regular basis, it will accomplish the majority of the trouble. One of the causes of the saturated conditions of the yard is over-irrigating. She felt there is really no reason for any irrigation system to be operating at all, including the common areas, with all the rainfall this season. Investigation continues as to whether or not some of the drainage pipes were ever installed in Weymouth.

SIXTH ORDER OF BUSINESS**Staff Reports****A. Field Manager – Termination of Landscape Services**

Mr. Fernandez stated he asked Mr. Grasso to bring the letter to the Board for ratification of the action.

Mr. Grasso stated he wrote the letter with a member of the landscape committee. He had Counsel review it before it was presented to OneSource. An estimate was received from OneSource for the October gap. He and the Landscape Committee interviewed Bachman Environmental who also provided a proposal for the same period. The OneSource proposal for the month was \$17,937.75 and the Bachman was \$15,848. Mr. Grasso recommended giving Bachman Environmental the opportunity to show what he can do.

On MOTION by Mr. Cascio seconded by Mr. Jones with all in favor the letter sent by Mr. Grasso terminating the OneSource contract was ratified.

Mr. Grasso advised the opportunity for OneSource to quote for the month was granted based on the language of the original contract.

Mr. Straley stated it does not have to be a competitive or public bid because the dollar amount is below the threshold. He advised the Bachman Environmental proposal, from a financial standpoint, was reasonable.

A discussion ensued regarding the need for a possible contract extension and the OLM timeline.

On MOTION by Mr. Sifford seconded by Mr. Jones with all in favor the temporary contract with Bachman Environmental to perform landscaping services in October 2006.

Mr. Grasso also reported:

- The new gate openers were installed in Brenford. He obtained prices for signs for all gates in Oakstead because people are pushing them open. They would be installed on the inside and outside of each entrance and exit to the gate. The price for 36, 18 inch, one-sided signs was \$1,223.44.

Mr. Cascio and Mr. Fernandez suggested adding liability verbiage. Mr. Straley had no objection because the gates are a recurrent problem. Mr. Witmer was concerned with the appearance of the gates because of the size of the proposed signs. He would rather 18 signs be

purchased and placed on one side of the gate. The floor was opened to audience comments on the issue.

Mr. Hickson stated he agreed with the sign situation but felt too many of them would take away from the community aesthetically. If they are going to be installed, they should be as small as practical and uniform with the same color combination as the community. He added all signs in Oakstead should have the logo if possible and an indication at the bottom of what entity posted the sign i.e. Oakstead CDD.

Mr. Paradisio asked if a fine could be levied in addition to requiring repair to the gate.

Mr. Straley responded he did not know if fines could be charged but an attempt to recover the damages could certainly be done.

A resident stated pedestrians also push the gates open. She has seen school children as well as adults do it even though every home has a key for the sidewalk gates.

Mr. Witmer stated a keypunch system or combination lock will be installed on the pedestrian gates once the bond refinancing money is available.

A resident suggested assessing residents in each village for their own gate maintenance and repairs.

A resident stated for people who are not intelligent enough to know not to push through a gate, a sign is not going to make a difference. She asked if the cameras which are supposed to be installed would accommodate some of the problems.

Mr. Cascio stated he would like to see a rendering of the sign with the proper colors, logo and wording, including the liability statement, before he makes a decision on the matter.

Mr. Grasso indicated he will bring a drawing to the October meeting.

Mr. Grasso reported additional items including:

- The boardwalk is not structurally sound. He has witnessed people driving motorcycles, mopeds, ATVs and golf carts on it. The bridge is also not really safe. He felt any motorized vehicle should not be on it.

Mr. Cascio suggested proper behavior at the gates and linear path bridge should be articles for the next newsletter to help educate and inform the public as to what the associated liability and costs are.

- There is an illegal access to old Lake Patience Road near the school and many vehicles and bikes have been using it which is causing damage to the land and tree

saplings. The land is on District property but is owned by DEVCO, according to the relief map.

Mr. Sifford indicated if it is indeed DEVCO property, it will be easy enough to install a fence with no liability to the CDD.

B. Park Director

Ms. Intini reported the following:

- There was a fire at the clubhouse caused by burnt microwave popcorn and no alarm sounded. After the smoke cleared, it was noted there are no sprinklers or alarms in the building. The plans indicated in words there should be a fire detection system but there is no indication of it on the drawings. The county's approved permit plans state a fire alarm system needed to be put in. The fire inspector stated under the county code it was not required unless maximum occupancy of the rooms was 300 people.

Mr. Straley stated when the building received its Certificate of Occupancy and the final inspections were made, it is the type of thing which should have passed inspection or the county would not have allowed the building to be occupied. He will research the issue and make a report at the October meeting.

Mr. Sifford commented a fire alarm and fluid suppression system would have been a requirement had a commercial kitchen been installed.

Mr. Jones suggested investigating the possibility of adding the capability to check for smoke to the monitored security system which already exists.

The record will reflect Mr. Straley and Ms. Stewart left the meeting.

- A contract renewal was received from M & A Snacks for the vending machine and it was not changed from the prior year. The company pays a lot to repair damage caused by vandalism and also pays the District approximately \$400 per quarter to have the machine inside the clubhouse.

On MOTION by Mr. Witmer seconded by Mr. Cascio with all in favor the M & A contract was approved.

- Two checks have been returned for insufficient funds on payment of room rentals and a recourse policy is needed. A draft recommendation will be presented at the October meeting.

- The work on the front doors of the clubhouse is not complete. The bottom plate was unsatisfactory and replaced. They should be finished, molding included, by the end of the current week.

- An inventory list for the insurance assessor is in process for the replacement costs of all clubhouse fixtures.

C. Finance Committee

Ms. Gobeli asked whether or not the committee is subject to the Sunshine Law. Her research indicated it would be if it acted in a manner that would influence a vote instead of in an advisory capacity. She felt budget season was the only time the committee may get close to the law. During the last two years, budget meetings have been appropriately noticed and an open session with all Board members was conducted.

Mr. Fernandez stated the committee is very loosely structured and informal. It was never formally designated by the Board; a finance committee was never appointed. It was referred to as such but has not been formally constituted. After discussion with Mr. Straley, the committee is okay with the way it has been operating. It is a good idea to continue posting the meetings somewhere residents can see in case they want to attend and participate.

D. Clubhouse Committee

Ms. White reported the following:

- A pancake breakfast will be held September 17th.
- A crime expo by the Sheriff's Department will be held the week of September 23rd.
- Tickets for Caribbean Night will go on sale September 17th. The event will be held October 14th from 8:00 p.m. to 11:00 p.m.
- A bloodmobile will be present at the crime expo.
- Any suggestions or ideas for activities can be sent to mariew@oakstead.org.

G. Newsletter Committee

Ms. Bilello reported the following:

- The St. Petersburg Times will begin publishing the newsletter starting with the October issue.
- Funds are now available to open the bulk mail account with the post office and will be handled by Ms. Intini.
- The articles referred to earlier in the meeting on the gates, boardwalk and irrigation will be included in the November issue.

Mr. Jones requested an email or hard copy of the newsletter be sent to all Board members so they could be apprised of the information.

- Calendars were hand delivered to every Oakstead home.

E. Resident Council

There not being any, the next item followed.

F. Landscape Committee

Mr. Heath requested the relocation of trees and arborist's assessment of options be placed on the October agenda. He reported the following:

- A new member of the committee was added from Ballstone so the goal is almost reached of having at least one person from each village represented.
- Landscape companies interested in bidding on the contract have been interviewed.
- Several landscape architects have been interviewed to produce drawings. A selection should be recommended by the committee at the October meeting.

Mr. Witmer asked for clarification on the architect selection process.

Mr. Heath responded the committee contacted landscape architects interested in doing the design services for the common grounds once the bond refinancing was complete. They received proposals and interviewed all but one to date. The committee will weed through those who are qualified and present that person to the Board as their choice to do the work.

Mr. Fernandez was concerned the Consultants Competitive Negotiations Act process needs to be followed because of the broad scope of the committee's involvement. If they are looking at bringing the Board recommendations for a landscape architect to cover all the responsibilities, state law prescribes a more structured process be followed.

Mr. Heath noted the average proposal is \$7,000 and not even close to the \$25,000 threshold. Also, more than one design concept will be available from the recommended architect.

Mr. Fernandez stated part of the formal process requires each of the proposers be given the same opportunity and the same amount of information must be provided to each of them so none is given any unfair advantage in the committee's consideration.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Witmer stated the residents who were erroneously not billed for the operations and maintenance portion of last year's \$996 assessment have been given notice several different times by Rizzetta and Severn Trent. They were asked to pay the lenient amount of \$937. A

number of them have not paid any of it and some have paid a portion. After discussion with Mr. Fernandez, the CDD will add to the assessment for this year on their November real estate tax bill the original \$996 plus 1% monthly interest for a four month period totaling \$1,036. It is too late for them to pay last year's assessment so it will be added to the roll being served on September 15th. For the residents who made a partial payment, the remaining portion will be added plus the 1% per month on the balance of the \$937 they were billed. The CDD cannot go against a former owner; it can only go against the current property owner. Residents will be responsible for the full \$937 and have to take their own steps to try to collect from the previous property owner. The CDD does not have the option of handling it any other way.

Mr. Fernandez stated as it will now be on the tax roll, the CDD has the capability to place a lien and sell the tax certificates on the courthouse steps if they do not pay. The prior year will be part of the total tax bill and cannot be separated. Either they pay their tax bill or they do not. There is no opportunity to pay a portion of a tax bill. The notification of lien is on the tax bill sent by the tax collector.

Mr. Witmer asked about the status of the 2005 audit.

Mr. Fernandez responded it will be complete by September 30, 2006 and a copy will be available for the October 17th meeting.

EIGHTH ORDER OF BUSINESS

Audience Comments

A resident asked how many delinquent owners did not pay their assessments.

Mr. Fernandez responded approximately 60.

A resident asked how he could become a candidate for the open seat on the Board in the landowners election.

Mr. Fernandez responded the nominations are made in the room the day of the election so he should come to the meeting and submit his name in nomination.

Mr. Witmer added proxies can also be obtained from neighbors.

Mr. Fernandez will send the formal proxies to Ms. Intini and they will be available in the clubhouse.

A resident asked if any further meetings were scheduled regarding the bond refinancing.

Mr. Witmer responded not that he was aware of.

Mr. Paradisio asked if the HOA could be told the fences in Weymouth have to be at least an inch off the ground to assist with the drainage.

Mr. Fernandez responded changing the standards is an HOA issue for consideration.

Mr. Witmer added the CDD's involvement is only whether or not there is drainage.

Mr. Heath asked about the status of the bond process and when the budgets would be established for the different projects.

Mr. Fernandez responded the documents were signed so it should only be a matter of days before the funding will be available. At that time, project selection will begin. He will add the item to the October agenda.

Mr. Witmer added there are preliminary numbers already in the capital improvement list and landscaping is the number one priority.

Ms. Bilello asked if a small article about the landowners election should be run in the November newsletter.

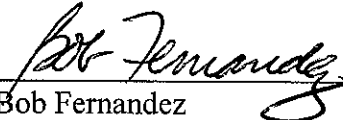
Mr. Witmer responded there was an article in the September newsletter about both the landowners and general election. The only new information is there is a formal proxy which must be used. A notice could be added to the October issue so owners will know the proxies can be obtained at the clubhouse.

NINTH ORDER OF BUSINESS


Adjournment

There being no further business,

On MOTION by Mr. Cascio seconded by Mr. Witmer with all in favor the meeting was adjourned.



Bob Fernandez
Secretary



John Witmer
Vice Chairman