

# Statement of Qualifications

## District Management Services

**SEVERN TRENT MANAGEMENT SERVICES**  
*A division of Severn Trent Services*



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## Introduction

Severn Trent Management Services is pleased to submit this statement of qualifications demonstrating our ability to provide district management services.

We understand that you are looking for a firm that can provide you with a single, comprehensive and immediate solution to your management and financial advisory needs. Our proven capabilities and business approach will ensure the District's management, operational, financial and records management needs are cost effectively achieved in a manner that reflects the community's values.

Severn Trent's expertise and experience run the gamut – from forming new Districts, managing existing ones, assisting with assessment and bond needs and providing HOA management as a supplemental service. This full spectrum of services is unique to Severn Trent and allows our clients to have consistent management services from the beginning of the project to completion of the development. We offer the full scope of management services including all District formation work (SERC reports, assessment methodology reports and bond validation work in conjunction with bond counsel and expert witness testimony). We offer a full range of tax assessment roll services – from the establishment of the roll to the annual maintenance of the roll. Severn Trent can directly oversee and coordinate the planning, financing, purchasing, staffing and reporting and act as governmental liaison for our clients.

Severn Trent's local management teams are closer to our clients and, with more local offices in the state than any other district management services firm, we are responsive to the particular needs of each client. Our offices in St. Augustine, Tampa, Sarasota, Fort Myers, Orlando and Coral Springs are staffed with highly experienced professionals with the knowledge and resources to meet the needs of any District in the state.

Through our local management teams and organizational depth of our regional support capabilities, Severn Trent offers innovative approaches – such as multi-year budgeting, cash flow analysis, development of goals and objectives and other valuable tools – to help the Board and residents better understand their District and how it operates. We bring strength in staff and financial resources that directly benefit our clients.

Severn Trent is the largest consulting firm in Florida that specializes in providing the complete range of management services required by the District. As such, we bring a unique set of qualifications to effectively and efficiently meet the District's needs.

- Our local management teams are closer to our clients. With more local offices in the state than anyone else, we are responsive to the particular needs of each client. Our local teams are backed by a regional support structure that brings our clients the benefits of a large organization with the responsiveness of a local firm.
- We bring unparalleled expertise and experience in local government and fiscal management. Our management team has more than 200 years of

combined experience in establishment and management of CDDs and other local governments.

- With more than 30 years of experience in managing special districts, we offer the stability of a business partner that continues to grow and bring innovative solutions to our clients.
- We are the only company that can provide the full range of district management services:
  - Development and review of assessment methodologies and the maintenance of district assessment rolls
  - Accounting and fiscal analysis, fiscal management and financial advisory services
  - Capital planning and financing
  - Document management and records administration
  - General management and effective implementation of board policy directives
  - Field operations and community services management
- With a depth of resources in all areas of district management and financial services, we anticipate and resolve issues for our clients in areas that other management firms simply have no experience or expertise – areas such as human resource management, utility operations, asset management and risk management.
- Our support services and contingency operations have been tested by tropical storms, which are so common to Florida, and proved to be reliable. We invested more than a half million dollars in fiscal management system and also upgraded our document management system, all to improve service to our clients and assure the District's compliance with all applicable regulations.
- Our fiscal management approach – backed by our global network of management professionals, fiscal managers, technical specialists, engineers and highly qualified professionals – recognizes and ensures regulatory compliance through application of appropriate technology and business practices. We stay ahead of the continually changing requirements in fiscal management, reporting and records administration to keep our clients in compliance with their fiduciary responsibilities.
- With the financial strength of a \$2.8 billion company, we confidently provide our clients with \$2,000,000 of professional liability insurance and \$1,000,000 in theft insurance.

During Severn Trent's 30-year history in Florida, serving special districts has always been one of our primary businesses. Our expertise is second to none as we provide our clients with the specialized skills that are necessary to effectively navigate the challenging waters of a governmental agency. As the regulatory and economic environment changes, Severn Trent continues to evolve and provide our clients with an ever-evolving and adaptable scope of services.

Our size, experience and networked operations ensure the long-term reliability of our services and, while we bring the best talent in the industry to our clients, our clients are never captive to a single individual to meet their needs. This size, established presence and experience in the state allow us to provide the stability



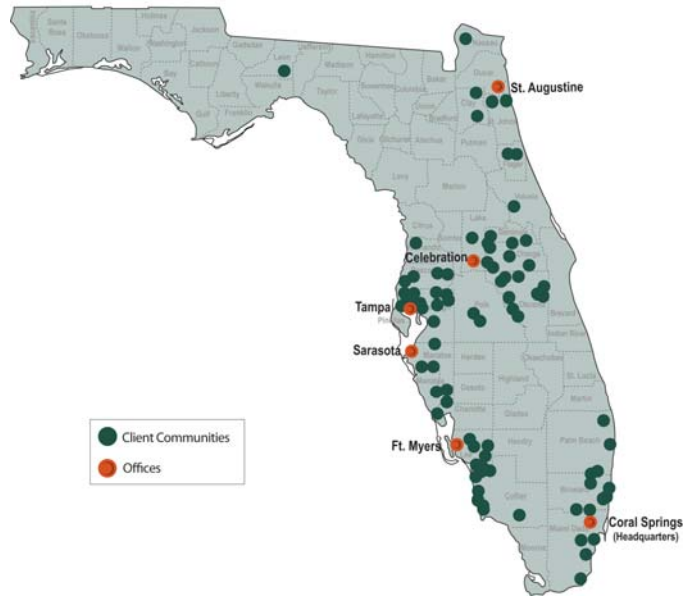
and the expertise of a large organization at a significant savings. The collective expertise and financial strength of Severn Trent – coupled with our commitment and attention to detail typical of a small, local company – ensures our clients receive the highest quality of management and service.

Through the years, the Severn Trent name has continued to be synonymous with the delivery of highest-quality products and services to utilities, local governments and the industry. We have earned the respect, confidence and loyalty of our customers by offering products and services that are dependable and economically sound. We have a stellar record of customer satisfaction and regulatory compliance as a result of our attention to community concerns, quality assurance and fiscal responsibility.

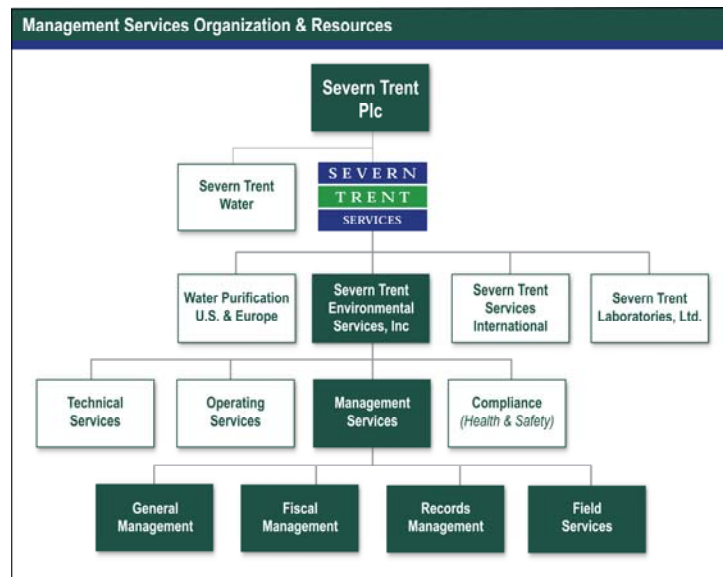
# Severn Trent Background & Experience

## About the Company

Severn Trent provides management and operating services – including municipal management, district management and utility operations – to approximately 300 clients in Florida and have been providing management service to governmental entities in the state since 1982. We have the commitment and attention to detail of a small, local company through our strong regional presence. Our philosophy fosters community outreach, total quality management and dedication to maintaining the highest possible service standards, which enables each customer we serve to reap the benefits of a highly customized and reliable approach.



To meet these service demands, we maintain regional offices in St. Augustine, Orlando, Tampa, Fort Myers, Sarasota and Coral Springs. With approximately 70 employees in Florida dedicated solely to management services, augmented by nearly 200 Operating Services staff in the state and another 75 Management Services personnel in Texas, Severn Trent has the depth of resources to meet any client need.



## Financial Strength

The Severn Trent Services organization features a number of companies across several divisions and operations worldwide. In the U.S., Severn Trent revenues totaled \$342 million as of March 2009.

We are also part of the Severn Trent Plc group of companies. Severn Trent Plc is a \$2.8 billion publicly traded company on

the London Stock Exchange. In Forbes Magazine's ranking of the world's top 2000 companies, Severn Trent was listed as 1,161 based upon a composite score of sales, profits, assets and market value (Forbes Magazine 2009 Special Report, April 8, 2009 edition).

Severn Trent Plc is recognized as an industry leader in the global marketplace and has received the following recognition:

- Listed on the FTSE 100 Index, a share index of the 100 most highly capitalized companies listed on the London Stock Exchange
- Listed on the Dow Jones STOXX Sustainability Index, which tracks European sustainability leaders and is comprised of the leading 20% of the Dow Jones STOXX 600 Index
- A B1 rating in the Morley Fund Management Sustainability Matrix, which ranks FTSE 100 companies according to social and environmental criteria and provides a new measure of business sustainability. Companies are measured according to business sustainability and the vision and practices of management.

## Management Services Experience

As previously noted, Severn Trent manages governmental entities across Florida. On the following pages, we have provided information about selected Severn Trent projects. In addition, a list of Severn Trent management services clients is provided in Appendix A.

### Celebration CDD

Severn Trent has provided management services for Celebration CDD (population: 8,500) since the District was established in 1994. We have been involved with the District from its inception through the years as it has grown and evolved to its current state.

Our history with the District began in 1993 when we participated with The Celebration Company in the formulation of the District. The next year, we participated in the process to establish the District. We participated in all work related to the issuance of District bonds and the implementation of the infrastructure program.



Severn Trent oversees the day-to-day management of the District with responsibilities that include field management, financial reporting and accounting. We are also responsible for general fund accounting, administrative, budgetary and clerking activities. We routinely participate in community activities including funding, labor and materials for such things as the Celebration K-8 ball field construction, annual holiday lighting at Market Square Park and other field-related enhancements outside the scope of our management contract.

As the primary manager during the 2004 hurricanes, Severn Trent was responsible for following up with contractors for site cleanup and restoration and for seeking reimbursement from FEMA. Our efforts in Celebration have also included assisting the Board with the transition of consultants and with the transition from landowner-elected Supervisors to the General Election and the education process that accompanies new resident Board members being seated and serving on the Board.

Celebration is an innovative, real town that successfully combines architecture, education, health and technology in ways that promote a strong sense of community. Celebration, conceived as a small central Florida town with pre-1940s architecture, was developed by The Celebration Company (a subsidiary of The Walt Disney Company) in northwest Osceola County, Florida.

The District's infrastructure includes primary and village-specific roadways and bridges, street lighting, domestic water distribution system, wastewater/sanitary sewer collection system, reuse (reclaimed) water distribution system, storm water management facilities, drainage collection systems, off-site roadways and intersection improvements, wetland compliance and common area development.

### Port of the Islands CID

Severn Trent has provided management services to Port of the Islands Community Improvement District since it was established in 1986.



Port of the Islands is a resort and real estate development project situated on approximately 500 acres in southeast Collier County just outside of Naples, Florida. Primary facilities include two hotel buildings with approximately 200 rooms, an RV park, a skeet range, a marina and several low- and medium-density real estate development projects that, when completed, will include between 1,000 and 2,000 residential units.

The development is substantially self-contained with its own on-site water, wastewater and cable television system. Facilities include two wastewater treatment and disposal facilities, a well field and water treatment and distribution system.

Existing facilities also include a large hotel complex consisting of a main lodge with 13 guest rooms, five patio buildings with 48 guest rooms and a marina apartment building consisting of 26 apartments, located in the southern portion of the development. A second hotel is located in the northern portion of the development contains 100 rooms and meeting facilities for up to 400. Recreational facilities include a river front recreational vehicle park with 100 spaces, a boat ramp, a recreational center and support facilities, a hunt club with six fields of trap and skeet and a moving target range and a marina.

The development is located within the boundaries of the Big Cypress National Park "area of environmental concern" and is further surrounded by vast areas of state and national parks.

## Enterprise CDD

Enterprise Community Development District (population: 12,500) comprises approximately 6,548 acres within Osceola County adjacent to the Walt Disney



World Resort. Severn Trent has provided management services to the District since it was established in 1994. The District was designed to include office, medical, retail, theme park, recreational, commercial and other facilities.

District improvements include primary and Village-specific roads and bridges, street lighting, domestic water distribution system, wastewater/sanitary sewer collection system, reuse (reclaimed) water distribution system, stormwater management facilities, drainage collection systems, off-site roadways and intersection improvements, wetland compliance and common area development.

Severn Trent assumed responsibility for operation and maintenance of the District's distribution and collection systems in 1995. We also provide meter reading, billing and customer service.

## Riverwood CDD

Riverwood is a 1,265-acre master planned mixed-use community located in northwest Charlotte County. Severn Trent has provided management services to the District since it was established in 1991.

In addition to providing management services, Severn Trent also provides operation and maintenance of the wastewater treatment plant and collection and distributions system. When we assumed these responsibilities in 2003, the wastewater plant was significantly out of compliance, and major system components were inoperable. Within 30 days, Severn Trent had repaired or replaced critical mechanical and instrumentation components and brought the facility back to meeting stringent effluent reuse requirements.



## Country Club of Mount Dora CDD

The Country Club of Mount Dora Community Development District is a 214-acre master planned golf course community located in Mount Dora (Lake County), Florida. Severn Trent has provided management services to the District since it was established in 1993.

The land use within the District consists of single family residential dwelling units and associated recreation facilities that include an 18-hole golf course and clubhouse. The overall development has been approved for 787 residential units.

### Overoaks CDD

Overoaks Community Development District is a 913-acre planned unit development located in northern Osceola County. Severn Trent has provided management services to the District since it was established in 1990.

Plans called for the development of a residential golf course community that includes an 18-hole golf course. Approved land uses within the District consist of a maximum of 991 single- and multi-family residential units, open space and conservation.



### Westchase & Westchase East CDDs

Severn Trent has provided management services to Westchase CDD, a 746-acre community, since it was established in 1990; and to Westchase East CDD, a 946-acre community, since it was established in 1995.



Both are part of the Westchase Development, which is located on approximately 2,100 acres of land in northwest Hillsborough County. Development plans called for a total of more than 5,700 single- and multi-family residential units, 320,000 square feet of commercial space and 300,000 square feet of office space. The residential development is situated within individual pods located around an 18-hole golf course designed by Lloyd Clifton.

Plans for the District included 983 single-family and 1,620 multi-family units, community parks and the protection of over 250 acres of wetland areas.

### Tampa Palms Open Space and Transportation CDD

Severn Trent has provided management services to the Tampa Palms Open Space and Transportation Community Development District since it was established in 1990.

Land within the District is owned by several different developers. The District has designated certain portions of the land by area generally corresponding to the development plan and ownership of a specific developer. To date, the District has prepared improvement plans and validated bonds for two areas within the District.



## Service Delivery Approach

### Management Philosophy

By contracting with Severn Trent, the District will enjoy the benefit of working with a partner that brings management experience, financial and technological expertise and the proven systems and resources to provide the level of service your customers should expect. We manage costs efficiently while providing a high level of service for your community and its residents. We manage for tomorrow – as well as today – with stringent performance standards, technology upgrades and established protocols to plan for future needs.

Most recently, we invested more than a half million dollars to upgrade our fiscal management systems and procedures that provide our clients with customized financial reporting that responds to each community's particular needs. This system also provides security and redundancy that has been tested – and proven reliable – during and after recent hurricanes. From timely bond payments to production of agenda packages, our systems and service did not falter.

Severn Trent takes a proactive approach to the District operations and management. As part of our approach, we provide a fully empowered local manager who is supported by a regional management team and structured business systems, bringing the strength, experience and expertise of a large national organization to each project we undertake. Decisions are made locally, respectful of the community's values and goals, with the input of a comprehensive technical and managerial support system.

Severn Trent's quality management approach commences with a business planning workshop conducted with key stakeholders and decision makers from the District and the community at large to identify issues currently facing the District and to establish projects goals. The outcome will be a clear understanding of the community's vision and values, which sets the direction around which we will align the District's business processes and systems. We will establish both formal and informal reporting systems to keep you informed of our progress toward meeting these goals.

We will also conduct periodic internal audits of key operational components as part of our support services program to further analyze our performance. These reviews – performed by regional management and corporate support staff – help our local managers analyze their current performance, identify areas for improvement and provide opportunities to recognize and reward successes.

### Management Team

Severn Trent recognizes that each District is unique in the level of services required for management of its assets and services. We take a team approach to the management of all districts. Our team of District Managers alone brings more

than 200 years of collective experience to our clients and, because we operate as a single business, all of our clients benefit from this collective knowledge.

*Bob Koncar, Regional General Manager*, will have ultimate responsibility for the project's performance and customer satisfaction. He brings more than 25 years of senior management experience from both the private and public sectors. He has been recognized by the International City County Management Association as a Credentialed Manager, has served as a County Administrator and City Administrator in Florida and has a Masters Degree in Public Administration. Mr. Koncar holds a general oversight and management role with responsibility for ensuring contract compliance and appropriate customer service levels.

*Dana Kaas, Vice President*, has more than 25 years of general management experience. He joined the Severn Trent organization to provide a hands-on, focused effort to managing the operations and, in this capacity, he is directly responsible for the activities and operations at Severn Trent's nearly 700 contract operations projects across the country.

*Karen Ellis, Manager of Treasury Services*, will be responsible for coordinating District revenue management including assessment methodology, assessment roll preparation and direct billing of developer assessments. Her background and 10 years in the industry provide an invaluable insight into the negotiations for funding agreements and banking relationships. In addition, Karen works closely with the respective local, county and municipal governments through implementing necessary requirements identified in inter-local agreements. Karen's Treasury Services team assists with the communication between the county property appraisers and tax collectors in meeting the statutory due dates and publication notices, along with providing specific details to the various property owners once the assessment billings have been distributed. The Treasury Services team is dedicated to maximizing revenue potential while focusing their efforts on the most efficient process for effectively using the statutory uniform collection method.

*Stephen Bloom, Accounting Manager*, leads the Management Services accounting staff and is responsible for preparation of annual District audited financial statements and assisting auditors in issue resolution. He holds bachelors degrees in finance and management and has more than 10 years of accounting and finance experience with a background that includes managing financial services provided to multiple municipal organizations.

*Kim Prenter, Records Administration Manager*, leads our recording administration divisions that are responsible for transcription and documentation related to all Board meetings and related administrative, records management and governmental compliances for District accounts across the state. She has more than 13 years of operational management, business development and team leadership experience including six years in a leadership role with a leading records management firm.

## Professional Staffing

One of the unique advantages Severn Trent brings to our clients is the depth and breadth of our experience and expertise. Our matrix management approach ensures that our clients benefit from the collective knowledge of our entire organization and are never dependent on a single individual for your continued success.

Our local offices are further supported by the systems and expertise of our Coral Springs office. With a staff of fiscal analysts and accountants, our team is well versed in management services and the financial operation requirements of the

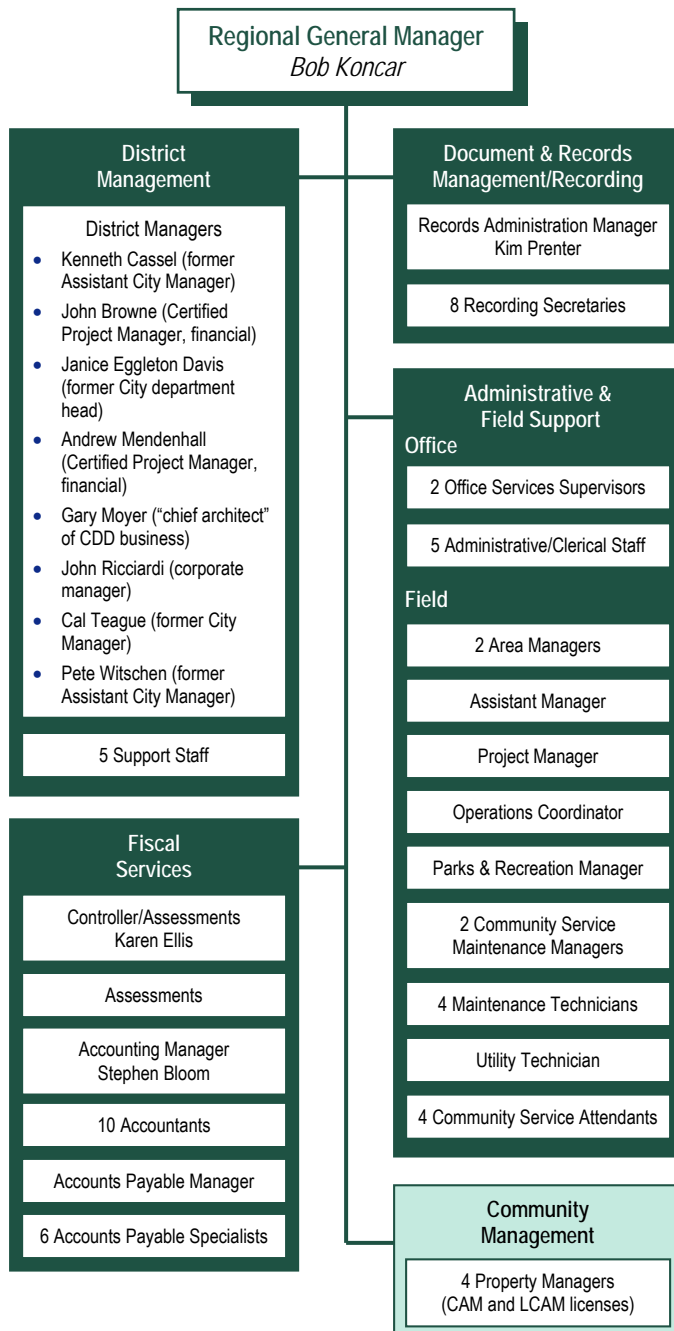
District. Experience, we believe, is the most critical factor governing the success of contract performance. Our combination of government and private sector management expertise and proven operational staff will ensure that the District's needs are understood and met.

Severn Trent's management services are performed by people trained in a particular specialty. We have approximately 70 full-time employees focusing on management services. Our professionals come from a variety of backgrounds that include:

- Certified Public Accountants
- Certified Project Management Professionals
- Engineers
- Attorneys
- Software developers
- Financial and investment advisors
- Public administrators
- Real estate developers
- Construction managers
- Government managers and leaders

The depth of our organization is best illustrated by introducing some additional members of our senior staff.

Brian Smith, *Field Services Manager*, has more than 14 years of field management experience and a background that includes managing all aspects of community development districts. His success in providing high quality service comes from his extensive experience in the operation and maintenance of all District assets, construction management and contract



management. This multitude of experience has given Mr. Smith the knowledge and ability to operate districts effectively and efficiently.

*Robert Dick, Area Manager*, is currently responsible for managing the operations, maintenance and customer service in the Southwest Florida region. He has more than 30 years of experience in water and wastewater operations, maintenance and management. In addition to his many certifications and licenses, Mr. Dick's extensive career has included valuable courses in water and wastewater treatment facility operations and maintenance. He has earned several operational and safety awards at various facilities and a personal award, the Leroy Scott award for professionalism and management excellence in wastewater treatment.

*John Wachter, Community Association Manager/Director of Recreation*, has 13 years of recreation and community management experience. His background includes managing a 2,500+ golf course community that included the design and incorporation of a collection of activities and educational programs and engineering and maintenance of a 1,700-acre community with parks, recreation centers and equipment.

## Comprehensive District Management Services

Severn Trent is the best qualified firm to handle your District's business for the following reasons:

- **Local Office Representation** – Severn Trent's many offices throughout the state are able to provide all of the services necessary to manage the affairs of your District. This provides the District and your residents with maximum accessibility to critical management services.
- **Value for Services Provided** – When you consider the services we provide and our vast district management experience, Severn Trent offers a great value for the fees outlined in the cost proposal. The quantity and quality of Severn Trent's services represent a significant value that cannot be matched by any other firm.
- **Support Services** – Due to the company's size and organizational depth, we bring additional expertise to the table that far exceeds what other firms can readily provide.

We offer a broad range of services to governmental entities that include:

- **Management Services** – Planning, budgeting, overseeing District operations and maintenance, utility billing, payroll, collections, staffing, establishing and implementing policies
- **Fiscal Advisory Services** – Capital financial planning and cash management through coordinating with the various independent financial team members
- **Financial Accounting Services** – Budget management, general ledger, reporting, cash management and revenue reporting
- **Special Assessment/Treasury Services** – Assisting with development and implementation of financial strategies and long-term debt issuance (bonds), levying and collecting non-ad valorem assessments on and off the county tax roll
- **Records Administration Services** – Maintaining and managing District records, minutes, resolutions, contracts and agreements
- **Facility Operations and Maintenance Services** – Managing utility and public works operations and contract administration of outsourced activities

Our success is founded upon a corporate philosophy that emphasizes personalized service. We provide support services throughout the year so our clients are ensured of constant attention focused on their needs.