

# Statement of Qualifications

## Association Management Services

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



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## Introduction

Severn Trent Management Services offers a single, comprehensive and immediate solution to your property management needs. With 30 years of directly relevant experience and a long standing presence in Florida, Severn Trent has the experience and expertise to effectively serve associations across the state. Our proven capabilities and business approach will ensure your management, financial and records management needs are cost effectively achieved in a manner that reflects the community's values.

Our approach is structured to provide the highest level of service to the associations we serve and their residents. The technical foundation of our service delivery approach is our computerized property management software system, which was developed exclusively for Severn Trent and offers our clients unparalleled operational performance for all aspects of the property management business. It is a fully integrated system with complete database functionality that includes components to record, track and report the full spectrum of Association information. The system serves as a database for all Association information and can generate customized reports – customer service, violations and finance – to meet the Board's needs.

The associations we serve enjoy the support of the entire Severn Trent organization. Our organizational depth is based upon – and has grown during – our 30 years of providing responsive, reliable management services. Severn Trent's staff currently includes 25 with CAM certifications – and our resources in this area continue to grow as additional employees earn this designation. Further, 14 hold AMS (Association Management Specialist) and four hold PCAM (Professional Certified Association Manager) certifications, the second and third level of association management certifications. Our staff's hands on experience and proven capabilities set Severn Trent apart from the rest.

Severn Trent's background and experience gives credence to our approach and assurance in our ability to effectively implement our programs. There are many aspects of our qualifications that place Severn Trent on a higher level of service, expertise, reliability and quality. These include:

- Managing many homeowners associations throughout Florida (as well as more than 125 in Texas) which qualifies us and demonstrates our ability to provide all services that your Association requires with the highest degree of professionalism and expertise. Our professional staff includes six full-time licensed Community Association Managers as well as all back office functions (financial, administrative and records requirements) for the management of associations throughout Florida.
- Providing a wide variety of field and infrastructure services to communities throughout Florida and across the country. This unique experience allows us to bring the full dimension of community service management to the benefit of your community.
- 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 simple have no experience or expertise – areas such as

human resource management, utility operations, asset management and risk management.

- Our fiscal management approach recognizes and ensures regulatory compliance. 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.
- Our global network of management professionals, fiscal managers, technical specialists, engineers and highly qualified professionals who ensure our clients stay ahead of changing requirements through application of appropriate technology and business practices
- 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.

In conclusion, Severn Trent has a breadth and depth of knowledge of the community development and association management business in Florida that cannot be matched by any other firm. Our solution draws upon Severn Trent's strength and is based upon our knowledge of your community. We are excited about the opportunity to serve the Association and providing the exceptional services that you and your residents deserve and expect.

## Background & Experience

### Company Background

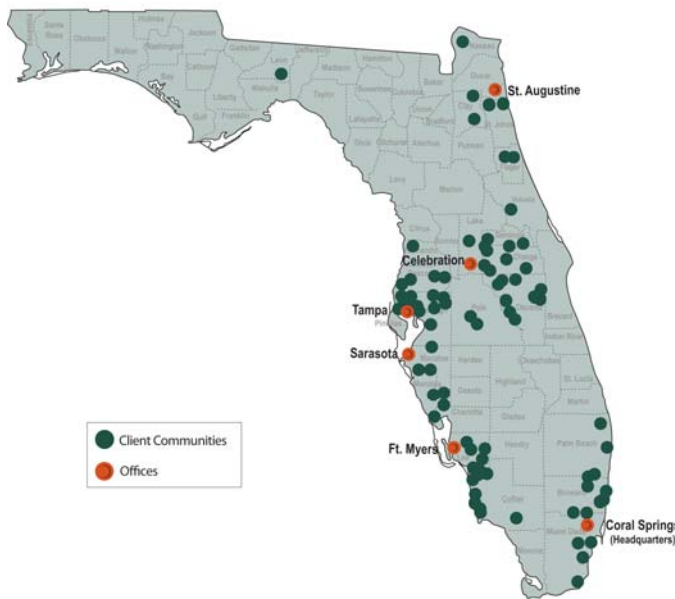
Severn Trent currently provides management and operating services – including municipal management, district management and utility operations – to 200 clients in Florida and has been providing management service to governmental entities in the state since 1982. To meet these service demands, we maintain regional offices in St. Augustine, Orlando, Tampa, Fort Myers, Sarasota and Coral Springs. With more than 250 employees in Florida, 70 of which dedicated solely to management services, Severn Trent has the depth of resources to meet

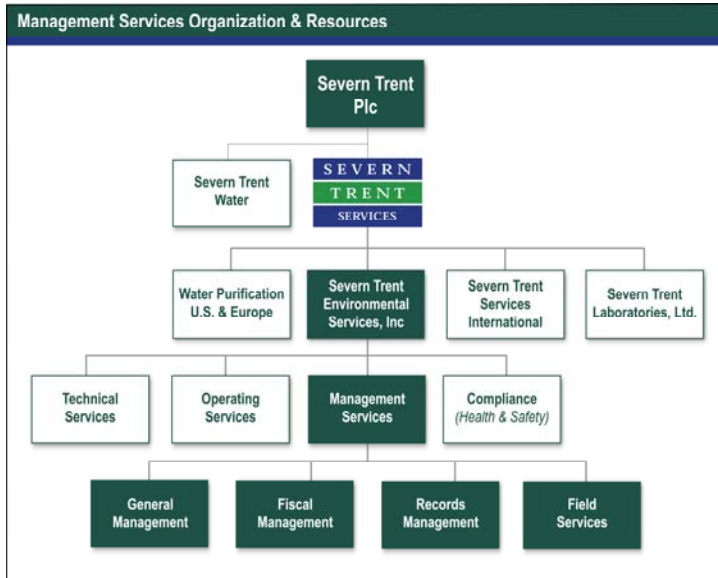
any client's need. We have the commitment and attention to detail of a small, local company through our strong regional presence. Our philosophy fosters community outreach, total quality management and dedication to maintaining the highest possible service standards, which enables each customer we serve to reap the benefits of a highly customized and reliable approach.

As part of Severn Trent's overall business plan, the company purchased Moyer and Associates in 1998. Started some 30 years ago, the firm was established to provide top quality management services to communities and homeowners associations throughout the state of Florida. Gary Moyer, the principal in the firm and now a consultant to Severn Trent, was instrumental in establishing the laws

under which community development districts operate in the state of Florida. As one of the "chief architects" of the community development district business in Florida, he has a wealth of knowledge and understanding of community development in Florida. As a natural follow on to the community development business, Moyer and Associates established many homeowner associations throughout central and northeast Florida. This experience in the establishment of CDDs and homeowners associations gives Severn Trent a unique perspective and level of experience that no other firm can provide.

Beyond the state lines, Severn Trent has extensive additional experience through Planned Community Management, Inc. (PCMI), which serves residential and commercial property owner associations across the Texas. PCMI was established more than 25 years ago and became part of the Severn Trent organization in 2002. The company was formed in response to the growing need for professional organizations to efficiently manage property owner associations and serve the professional business needs of these nonprofit entities in Texas. They maintain a single focus in the field of community association management and, as a result, the company has become a leader in its industry.





### 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.

Because of this financial strength, Severn Trent carries \$2,000,000 in professional liability insurance and \$1,000,000 in commercial crimes insurance at no additional cost to the Association. We can provide up to \$5,000,000 in umbrella excess liability – more than satisfying the normal limits requirements for public liability and property damage insurance – as well as other coverages and limits as required.

### Association Management Experience

Severn Trent manages more than 100 governmental entities in the Southeast including the following Florida homeowner and condominium associations.

Client	Size	Client Reference	Start
Autumn Glen HOA	220 units	Ann Roos, 904-887-2265	2008
Brookshire Landing HOA	40 units	Stephanie Payne, 904-619-6546	2006
Carrington Place at Fleming Island Plantation Condominium Assn.	96 units	Andy Burton, 904-296-4551	2006

Client	Size	Client Reference	Start
Fleming Island Plantation Owners Association	2,274 units	Robert Paul Machala, 904-771-7398	2007
Horizons at Stonebridge Village Condominium Association I	90 units	Retha Davis, 904-472-4506	2008
Horizons at Stonebridge Village Condominium Association II	120 units	Bill Howard, 904-509-7229	2008
Horizons at Stonebridge Village Condominium Association III	120 units	Loris Walker, 904-536-6272	2008
Lake Ridge Villas North at Fleming Island Plantation	355 units	John Herzberg, 904-594-5902	2004
Lake Rochelle Estates HOA	71 units	Afzal Bacchus, 863-299-8097	2008
Pine Ridge Town Home Association	36 units	Anjel Chapman, 904-864-2127	2006
River Hills Reserve HOA	131 units	Clark Huffman, 904-343-5763	2003
Saddlebrook HOA	192 units	Eileen Gavulic, 407-267-0614	2008
Seasons at Mill Cove	127 units	Ron Moore, 904-472-4720	2000
Stonebridge Master HOA	434 units	Chris Craver, 904-504-7803	2008
The Traditions at Villa Rosa Home Owners Association	82 units	Joanne Macadam, 727-920-9393	2008
Vistas at Stonebridge Village Condominium Association I	104 units	V. Burke, 904-641-5592	2008

Severn Trent currently provides management services to nearly 100 Florida communities and our HOA experience also includes more than 125 Texas associations that are managed by PCMI using a common approach and same computerized management system.

In addition to district and property management services, Severn Trent is a full service company that provides a full range of utility services to communities in Florida and across the country. With 30 years of experience and as one of the largest water and wastewater service firms in the U.S., we have 1,300 professionals who are responsible for approximately 400 contracts that encompass 425 water and wastewater facilities in 20 states. Our projects include varied combinations of water and wastewater utility services – treatment, collection and distribution, meter reading, billing, customer service, sludge disposal, system rehabilitation and asset management.

Severn Trent offers a full range of services to the Association that no other single firm can match. Because we currently provide all of these services to Florida communities, we have the experience and knowledge to address any challenge your community may experience.

## Serving the Association

### Management Team

Severn Trent recognizes that each client 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 communities. Our team of managers alone brings more than 230 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 contract operations projects across the country.

Holly Donahue, *Operations Manager*, is responsible for coordinating support services and contract administration for property associations and community development districts in Florida. She has 17 years of experience that includes District, community association and municipal administration, operations and project management and expertise in contract administration, land development, maintenance operations and records management. Ms. Donahue holds Licensed Community Association Manager and Certified Manager of Community Associations designations.

Alba Sanchez, *Community Association Manager*, is responsible for managing the day-to-day operations of homeowners and condominium associations in the Tampa area. She is a Licensed Community Association Manager and has a background that includes project management and support, human resources, recruiting and customer service.

Valerie Golden, *Community Association Manager*, is responsible for managing the day-to-day operations of homeowners and condominium associations in the Orlando area. She has four years of community and association management support experience and is a Licensed Community Association Manager and Certified Public Manager.

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.

Sheli Moran, *Senior Accountant*, serves as the chief accountant for all of our HOA operations in the state of Florida and will provide management and oversight for all of the Association’s financial operations.

Dana Scheiner, *Association Data Management Specialist*, serves as the chief consultant for our computerized property management system. Her knowledge of the system will be invaluable in transitioning the Association’s financial system and its continued operation.

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

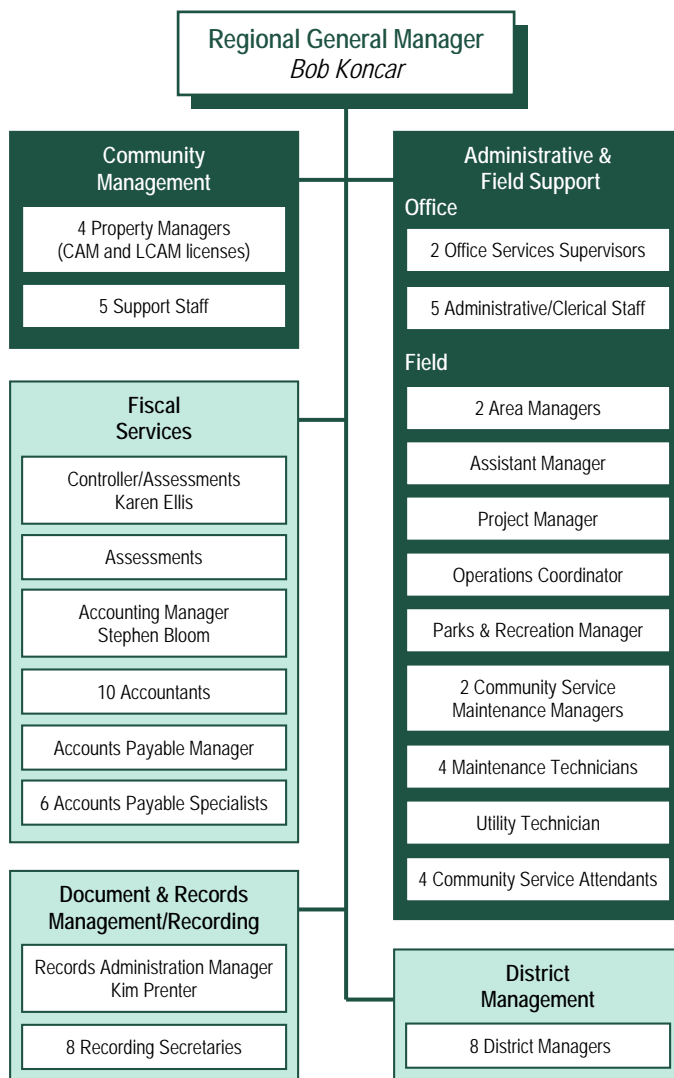
experience has given Mr. Smith the knowledge and ability to operate districts effectively and efficiently.

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.

**Professional Staffing**

Experience, we believe, is the most critical factor governing the success of contract performance. Severn Trent’s combination of government and private sector management expertise and proven operational staff will ensure that the Association’s needs are clearly understood and met without fail. Further, our matrix management approach ensures that all of our clients benefit from the collective knowledge of our entire organization and are never dependent on a single individual for continued success.

The team that serves the Association will be supported by our staff of professionals who



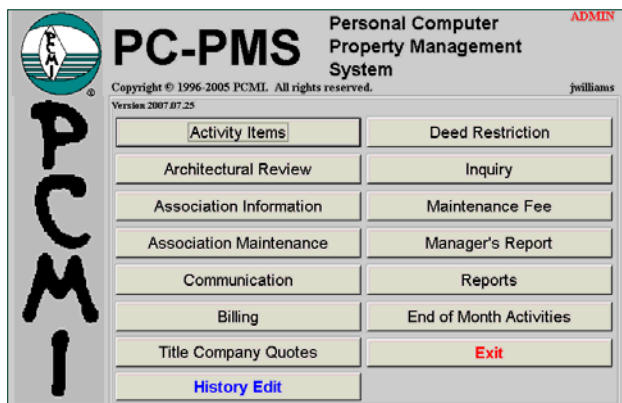
are trained in particular specialties and focus on management services. We have approximately 70 full-time employees focusing on management services from a variety of backgrounds that include:

- 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

When and where needed, various team members will be activated to bring the necessary expertise to bear on a given situation, facilitated by the fact that all of our management services resources in Florida are under the control of Regional General Manager Bob Koncar. He will be able to respond to any situation that may arise with the appropriate personnel.

### Data Management & Security

Severn Trent uses a proprietary computerized property management system that was developed specifically to provide a comprehensive, integrated platform for community management activities. A database that stores and manages all information related to association management, the system is dynamic and



continues to evolve in response to changing needs in the industry. The system will be used internally by our staff to provide information to the Boards and to respond to questions from residents. It is sophisticated enough to provide specific types of reports to the boards we serve.

Our computerized property management system serves as a database for all information related – information about the association itself, the property owners and the services we are contracted to provide. Much of the information in the system is stored by address, which allows a

historical record of all activities related to a given address from the time our management begins to be maintained, including any changes in ownership. There are also areas to record information about the Association itself.

One of the most important features of our system is the fact that data is saved on our main frame system, backed up nightly and stored off-site at a remote location. Located in Colmar, Pennsylvania, the facility is equipped with backup power and augmented by redundant equipment at our IT center in Houston. We

also have equipment co-located at other sites that are certified to be able to survive the equivalent of a Category 5 hurricane. All of this ensures the security of the Association's data and provides backup files so that operations can continue in the event of an emergency.

Disaster recovery is particularly important due to the fact that many of the communities we manage are located in areas prone to hurricanes. We have identified critical client services and taken steps to ensure that these services can still be performed in the event of an office closure. Our hurricane preparedness procedure includes provisions for the compilation and storage of files and data required to perform critical client services, securing the physical office space with the protection of client files as a top priority, Internet and phone-based communication chains to update personnel and the ability to shift client-critical tasks and impacted personnel to alternate office locations.

Because of the critical nature of the electronic information we manage on behalf of our clients, Severn Trent emphasizes system security and has disaster recovery procedures in place to minimize the impact of storms, power outages and other similar events on the districts we serve. Our disaster recovery plans continue to be updated in response to the changing needs of our business and the clients we serve.

Our procedures and IT structure have been tested and proved beneficial to communities that were affected by recent hurricanes. In addition to benefiting from the security provided by remote backups, affected communities experienced minimal downtime and all payments were made on time.