

**AGREEMENT BETWEEN
HERITAGE OAK PARK COMMUNITY DEVELOPMENT DISTRICT
AND
SEVERN TRENT ENVIRONMENTAL SERVICES, INC.
FOR MANAGEMENT ASSISTANCE SERVICES**

THIS AGREEMENT made and entered into on this 1st day of October, 2016 by and between the Heritage Oak Park Community Development District, hereinafter referred to as "**DISTRICT**", and the firm of Severn Trent Environmental Services, Inc., hereinafter referred to as "**MANAGER**", whose address is 210 North University Drive, Suite 702, Coral Springs, Florida 33071.

WITNESSETH:

WHEREAS, the **DISTRICT** desires to employ the services of the **MANAGER** for the purpose of providing the **DISTRICT** with certain district management services as more fully set forth in Exhibit A hereunder; and

WHEREAS, the **MANAGER** desires to provide such services to the **DISTRICT** subject to the terms hereof,

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein the parties agree as follows:

ARTICLE 1. SCOPE OF SERVICES AND MANAGER RESPONSIBILITIES

- 1.1 The **DISTRICT** hereby engages the **MANAGER** for the services described and set forth in Exhibit A and for the fees described in Exhibit B, attached hereto and incorporated by reference herein.
- 1.2 **MANAGER** may offer and/or the **DISTRICT** may request that additional services be provided under this Agreement. In the event that the **MANAGER** and the **DISTRICT** agree upon a change in the scope of services to be provided under this Agreement, the change in Compensation, if any, shall be agreed between the **DISTRICT** and **MANAGER** and will be invoiced in accordance with this Agreement
- 1.3 The **MANAGER** shall devote such time as is necessary to complete the duties and responsibilities assigned to the **MANAGER** under this Agreement.
- 1.4 All services will be rendered by and under the supervision of qualified staff in accordance with the terms and conditions set forth in this Agreement. Even though **MANAGER'S** staff may include licensed attorneys and engineers, the **DISTRICT** acknowledges that **MANAGER** is not performing in the capacity of a law firm or an engineering firm when providing services under this Agreement. Other than the requirement to render the services by and under the supervision of qualified staff, **MANAGER** makes no specific representation or warranty regarding the services or any deliverables to be provided

hereunder and any and all warranties arising by custom or usage in the profession, or arising by operation of law are hereby expressly disclaimed.

- 1.5 If the scope of services hereunder requires the **MANAGER** to administer or supervise the **District's** personnel, the **MANAGER** shall not be responsible for any damages, losses, settlement payments, deficiencies, liabilities, costs, and expenses resulting from the failure of the **District's** employees to follow the instructions of the **MANAGER**. Similarly, if in the course of providing the services required by this Agreement, the **MANAGER** follows the instructions of the **DISTRICT**, the **MANAGER** shall not be responsible for any damages, losses, settlement payments, deficiencies, liabilities, costs, and expenses resulting therefrom.
- 1.6 In performing the services hereunder, **MANAGER** may rely on information supplied by the **DISTRICT** and **MANAGER** shall not be required to independently verify the accuracy and completeness of such information. In addition, although the **MANAGER** may participate in the accumulation of information developed by others necessary for use in documents required by the **DISTRICT**, **MANAGER** is not responsible for verifying the accuracy of such information. Provided however, the Manager shall be responsible for the accuracy and completeness of any information collected by the Manager or under the Manager's direction.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE MANAGER

- 2.1 The signature on this Agreement by the **MANAGER** shall act as **MANAGER's** representation that the wage rates and costs used to determine the compensation provided for in the Agreement are accurate, complete and current as of the date of this Agreement.
- 2.2 The **MANAGER** acknowledges and agrees that it owes a duty of loyalty, fidelity and allegiance to act at all times during the term of this Agreement in the known interests of the **DISTRICT** and to knowingly do no act which would injure the **DISTRICT's** business, its interests, or its reputation. Further, the **MANAGER** shall not, during the term of this Agreement, engage in any activity which constitutes a Conflict of Interest (as defined below). For purposes of this Agreement, "Conflict of Interest" means any act or activity, or any interest in connection with, or any benefit from any act or activity, which knowingly is adverse to the interests of or would in any material way injure the **DISTRICT**. Notwithstanding any provision to the contrary contained herein, this Section 2.2 shall not prohibit the **MANAGER** from (a) performing water and wastewater utility management, customer services, utility billing, operation and maintenance services to the **DISTRICT** under a separate agreement; and (b) providing for the benefit of any other district services similar to the services provided **DISTRICT** hereunder. **DISTRICT** hereby waives any and all conflicts of interests or potential conflicts of interest in connection therewith, it being specifically agreed to and understood that **MANAGER'S** provision of any such services to the **DISTRICT** or to any other district shall not constitute a conflict of interest under this Agreement. The **MANAGER** warrants that it has not employed or retained any company or person, other than a bona fide employee or previously retained sales consultant, to solicit or secure this Agreement and that it has not

paid or agreed to pay any person, company, corporation, individual, or firm other than a bona fide employee working solely for the **MANAGER** or a previously retained sales consultant any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.

- 2.3 The **MANAGER** warrants and represents that it shall refrain from unlawful discrimination in performing its obligations under this Agreement.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE DISTRICT

DISTRICT represents and warrants that this Agreement, **DISTRICT'S** execution and delivery of this Agreement and **DISTRICT'S** performance of its obligations hereunder, have been duly and validly authorized by **DISTRICT** by all necessary action. This Agreement has been validly executed and delivered by **DISTRICT** and constitutes a legal, valid, and binding obligation of **DISTRICT**, enforceable in accordance with its terms.

ARTICLE 4. COMPENSATION

- 4.1 The **DISTRICT** agrees to compensate the **MANAGER** in accordance with the fee schedule set forth in Exhibit B.
- 4.2 For each fiscal year of the **DISTRICT**, the compensation payable to the **MANAGER** under the terms and conditions of this Agreement shall be in an amount approved by the **DISTRICT** in its fiscal year budget. Each fiscal year the **DISTRICT** will consider price adjustments to compensate for market conditions and the anticipated type and amount of work to be performed by the **MANAGER** during the upcoming fiscal year of the **DISTRICT**.
- 4.3 In the event that the fiscal year budget is not approved prior to the first day of the fiscal year, the **MANAGER'S** compensation under this Agreement will continue at the rate currently in effect at the time of renewal. The subsequent approval of the budget will result in a retroactive fee adjustment, which will be invoiced in the first month following approval of the budget.
- 4.4 Payment to the **MANAGER** for all services rendered shall be made on a monthly basis within thirty (30) days of the **MANAGER's** issuance of an invoice.
- 4.5 Payment of ancillary service costs such as copies, overnight express and other charges will be included in the monthly billing statement.

ARTICLE 5. TERM

- 5.1 This Agreement shall commence on the date written above and shall continue for a period of twenty-four months (24 months) until terminated earlier under the provisions of Section 5.2.

5.2 The Agreement may be terminated as follows:

- (a) The failure of either party to comply with the terms of this Agreement shall constitute a default. Upon default by one party, the other party shall send written Notice of Termination. Such notice shall clearly specify the nature of the default and provide the defaulting party forty-five (45) days to cure the default. If the default is capable of being cured within forty-five (45) days but is not cured within forty-five (45) days, the Agreement shall terminate at midnight of the forty-fifth (45th) day following receipt of the Notice. In the case of default that cannot be cured within forty-five (45) days, this Agreement shall not terminate so long as the defaulting party has given written notice of the extension to the other party and the defaulting party has commenced and is diligently pursuing a cure. upon the dissolution or court-declared invalidity of the **DISTRICT**; or
- (b) By either party, for any reason, upon ninety (90) days written notice.

5.3 Upon the termination of this Agreement, **MANAGER** will take all reasonable and necessary actions to transfer in an orderly fashion to the **DISTRICT** or its designee all the **DISTRICT**'s books and records in **MANAGER**'s possession. In addition, within thirty (30) days of termination of this Agreement, **MANAGER** shall be paid in full for all services rendered through the date of termination.

ARTICLE 6. RISK MANAGEMENT

6.1 The **MANAGER** shall provide and maintain the following levels of insurance coverage at all times subsequent to the execution of this Agreement:

- (a) Professional Liability insurance with an aggregate limit of two million dollars (\$2,000,000) ; and
- (b) Commercial Crime insurance with a per loss limit of one million dollars (\$1,000,000).

6.2 To the extent allowable under applicable law and except and to the extent caused by the negligence or willful misconduct of the **MANAGER**, the **DISTRICT** agrees to indemnify and hold the **MANAGER** and its respective officers, directors, employees, agents, successors and assigns (**MANAGER** and each such person being an "Indemnified Party") harmless from and against any and all damages, losses, settlement payments, deficiencies, liabilities, costs, and expenses, including without limitation, attorney's fees suffered, sustained, incurred or required to be paid by any Indemnified Party related to or arising out of the subject services and/or the engagement of **MANAGER** pursuant to this Agreement. In the event that the **DISTRICT** receives notice of or undertakes the defense or the prosecution of any action, claim, suit, administrative or arbitration proceeding or investigation consistent with **DISTRICT**'s indemnity obligations hereunder, the **DISTRICT** shall give the **MANAGER** prompt notice of such proceedings and shall inform the **MANAGER** in advance of all hearings regarding such action, claim, suit, proceeding, or investigation. Except and to the extent caused by the negligence or willful

misconduct of the **DISTRICT**, the **MANAGER** agrees to indemnify and hold the **DISTRICT**, and its respective officers, directors, supervisors, employees, agents, successors and assigns harmless from and against any and all damages, losses, settlement payments deficiencies, liabilities, costs and expenses, including without limitation, attorney's fees suffered, sustained, incurred or required to be paid any Indemnified Party related to the **DISTRICT** pursuant to this Agreement.

- 6.3 Notwithstanding any provision to the contrary contained in this Agreement, in no event shall the **MANAGER** be liable, either directly or as an indemnitor of the **DISTRICT**, for any special, punitive, indirect and/or consequential damages, including damages attributable to loss of use, loss of income or loss of profit even if the **MANAGER** has been advised of the possibility of such damages.
- 6.4 In the event that claims(s) raised against the **MANAGER** on account of this Agreement, or on account of the services performed hereunder, is/are covered under **MANAGER**'s insurance policies required hereunder, the **MANAGER** shall not be responsible for any loss, damage or liability beyond the policy amounts contractually required hereunder and the limits and conditions of such insurance policies. With respect to any other cause of action and/or claim arising under this Agreement, or otherwise arising as a result of, or on account of, the services provided hereunder, **MANAGER**'s liability shall not exceed an amount equal to the amount of the annual compensation for such services during the Agreement year in which such cause of action and/or claim is raised against the **MANAGER**.

MISCELLANEOUS

7.1 Entire Agreement

The foregoing terms and conditions constitute the entire Agreement between the parties hereto and any representation not contained herein shall be null and void and no force and effect. Further this Agreement may be amended only in writing upon mutual consent of the parties hereto.

7.2 Amendments

No amendments and/or modifications of this Agreement shall be valid unless in writing and signed by each of the parties.

7.3 Construction

In construing this Agreement, the following principles shall be followed: (i) no consideration shall be given to the captions of the articles, sections, subsections or clauses, which are inserted for convenience in locating the provisions of this Agreement and not as an aid in construction; (ii) no consideration shall be given to the fact or presumption that any of the Parties had a greater or lesser hand in drafting this Agreement; (iii) examples shall not be construed to limit, expressly or by implication, the matter they illustrate; (iv) the word "includes" and its syntactic variants mean "includes, but is not limited to" and corresponding syntactic variant expressions; (v) the plural shall be deemed to include the singular, and vice versa; (vi) each gender shall be deemed

to include the other genders; (vii) each exhibit, appendix, attachment and schedule to this Agreement is a part of this Agreement; and (viii) any reference herein or in any schedule hereto to any agreements entered into prior to the date hereof shall include any amendments or supplements made thereto.

7.4 No Solicitation

The parties agree, during the term of this Agreement and for a period of two (2) years hereafter to respect each other's interests regarding their respective employees and neither party shall solicit, recruit or hire current employees of the other party. In the event of termination of the Agreement under the provisions of Section V and for a period for two (2) years from the date of termination, not to engage or attempt to engage the services of anyone who is employed by the Service Company (or was employed by Service Company at any time within one year prior to the date of termination) for the performance of services identical to or substantially similar to those described hereinabove in the Scope of Services. In the event of a breach of the foregoing covenant, both parties agree that Association shall pay to Service Company, as liquidated damages, an amount equal to one half (1/2) of the annual fee as described in the fee schedule, attached hereto and by reference made a part hereof.

7.5 Force Majeure

A party's performance of any obligation under this Agreement shall be excused if, and to the extent that, the party is unable to perform because of any event of "Force Majeure". In any such event, the party unable to perform shall be required to resume performance of its obligations under this Agreement as soon as reasonably practicable following the termination of the event or cause that excused performance hereunder. Force Majeure is defined as any act, event, or condition to the extent that it adversely impacts the cost of performance of, or adversely affects the ability, of either party to perform any obligation under this Agreement (except for payment obligations) if such act, event or condition, in light of any circumstances that should have been known or reasonably believed to have existed at the time, is beyond the reasonable control and is not a result of the willful or negligent act, error, omission or failure to exercise reasonable diligence on the part of the party relying thereon.

7.6 Notices

All notices will be in writing and shall be sent by certified mail, return receipt requested. Notices required to be given to the **MANAGER** will be addressed to:

Severn Trent Environmental Services, Inc.
210 North University Drive Suite 702
Coral Springs, Florida 33071

Attn: Chris Tarase – Vice President Management Services

Notices required to be given to the **DISTRICT** will be addressed to:

Warren R. Ross
Wotitzky, Wotitzky, Ross & McKinley

**223 Taylor Street
Punta Gorda, Florida 33950**

7.7 Governing Law

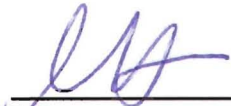
This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Charlotte County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

(Signatures Appear on the Next Page)

IN WITNESS WHEREOF, the parties hereto have caused their respective agents to execute this instrument on their behalf, at the times set forth below.

**Signed and Sealed
in the presence of:**

**HERITAGE OAK PARK
COMMUNITY DEVELOPMENT
DISTRICT**

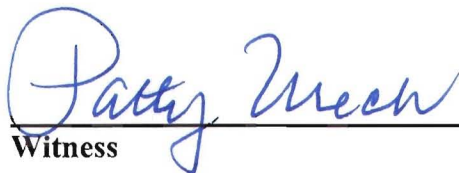


Witness
Michelle Egan



By: Earl Bell, Chairman

**SEVERN TRENT ENVIRONMENTAL
SERVICES, INC.**




Witness



By: Chris Tarase – Vice President
Management Services

Wolitzky, Wolitzky, Ross & McKeon PA

Witness



District Counsel

Exhibit A
HERITAGE OAK PARK SCOPE OF SERVICES

A. Management Services

- Attend up to twelve Meetings of the Board of Supervisors and provide meaningful dialogue on the issues before the Board for action.
- Identification of significant policies, including analysis of policy implementation with administrative and financial impact statement and effect on the District.
- Preparation of District's budget as more fully outlined in this proposal.
- Implementation of budget directives.
- Preparation of Specifications and coordination for the following services:
 - Insurance, General Liability along with Director's and Officer's Liability.
 - Independent Auditor Services.
 - Such other services as may be identified from time to time.
- Provide all required annual disclosure information to the local government in the County in which the District resides:
 - Public Facilities Report
 - Designation of Registered Office and Registered Agent
 - Public Meeting Schedule
 - Audited Financial Statement
- Insure compliance with the following Florida Statutes:
 - Annual Financial Audit
 - Annual Financial Report
 - Public Depositor Report
 - Proposed Budget
 - District Map and Amendments
 - Public Facilities Report
 - Registered Agent and Registered Office
 - Regular Public Meeting Schedule (The reporting requirements of CDD periodically change and Severn Trent Services will insure that we update reporting requirements of the District as the legislature updates the reporting requirements)
- Record all meetings of the District.
- Provide Oath of Office and Notary Public for all newly elected members of the Board of Supervisors.
- Coordinate and provide contract administration for any services provided to the District by outside vendors.
- If required, provide day-to-day management of in-house operations by performing the following:
 - Hire and maintain a highly qualified staff.
 - Coordinate all personnel applications, benefits, and payroll and submit in an accurate and timely manner.
 - Prepare and implement operating schedules.
 - Prepare and implement operating policies.
 - Interface with Residents to insure anticipated levels of service are being met.
 - Implement internal purchasing policies.
 - Prepare and bid services and commodities as necessary.

- Coordinate with the Residents to determine the services and levels of service to be provided as part of the District's budget preparations.

B. Recording Services

- Prepare of all Board agendas and coordination of receipt of sufficient material for Board of Supervisors to make informed policy decisions.
- Prepare and advertise all notices of meetings in an authorized newspaper of circulation in the County in which the District is located.
- Record and transcribe meeting minutes for all meetings of the Board of Supervisors including regular meetings, special meetings, workshops and public hearing(s).
- Maintain Minutes for the District and send to the appropriate governmental agencies in accordance with Florida Law.
- Maintain District Seal.

C. Financial Accounting Services

- Prepare a budget that achieves maximum cost-to-benefit equity for approval.
- Submit a preliminary budget to the Board of Supervisors in accordance with Chapter 190, Florida Statutes.
- Modify preliminary budget for consideration by the Board of Supervisors at the District's advertised Public Hearing.
- Prepare budget and assessment resolutions as required by Chapter 190, Florida Statutes.
- Establish budget public hearing(s) and dates.
- Establish Board of Supervisors workshop dates (if required).
- Coordinate budget preparation with District Board, Engineer and Attorney.
- Prepare budget resolution approving the District Manager's budget and authorization to set public hearing.
- Prepare budget resolution adopting the District Managers budget, as modified by the Board of Supervisors.
- Prepare agendas for budget hearings.
- Attend workshop(s) and public hearing(s) and be available to answer questions by the Board and the public.
- Prepare and coordinate applications for:
 - Federal ID Number.
 - Tax Exemption Certificate
- Establish Government Fund Accounting System in accordance with the Uniform Accounting System prescribed by Department of Banking and Finance for Government Accounting, Generally Accepted Accounting Principles (GAAP) and Government Accounting Standards Board (GASB).
- Prepare required investment policies and procedures pursuant to Chapter 218, Florida Statutes.
- Preparation of annual financial report for units of local government and distribution to the State Comptroller.
- Preparation of Public Depositor's Report and distribution to State Treasurer.
- Coordination and distribution of Annual Public Facilities Report and distribute to appropriate agencies.

- Administer purchase order system, periodic payment of invoices.
- Coordination of tax collection and miscellaneous receivables.
- Preparation of bid specifications for the purchase of services and commodities pursuant to Florida Statutes.
- Preparation of all required schedules for year-end audit.

D. Special Assessment Services

- Prepare assessment resolution levying the assessments on the property in the District and prepare assessment rolls.
- Prepare and maintain a property database by using information obtained by local Property Appraiser's secured roll.
- Review and compare information received from the Property Appraiser to prior years' rolls, to ensure that the District rolls are in compliance with the law and that Severn Trent Services has obtained all the pertinent information to prepare accurate assessments.
- Periodically updated the database for all activity such as transfer of title, payment of annual assessment, prepayment of principal.
- Act as the primary contact to answer property owner questions regarding special assessments, tax bills, etc. Provide pay off information upon request to property owner.
- Upon adoption of the budget and assessments, coordinate with the office of the Property Appraiser and Tax Collector to ensure correct application of assessments and receipt of District funds.
- Act as primary contact to answer property owners' questions regarding the Capital Assessment.

E. Management Services (Added October 1, 2010 – 1st Amendment)

- Provision of an Administrative Assistant to work onsite for a maximum of 24 hours per week. This individual will be an employee of the Manager and supervised by the Manager.
- Provision of maintenance technician for up to 40 hours a week onsite to provide maintenance duties as directed by the Manager. For all services requiring a licensed or certified professional, the Manager will contract out the needed services, with Board approval. The maintenance technician will be an employee of the Manager.
- Provision of an activities director, onsite for a maximum 40 hours per week. This individual will be an employee of the Manager and supervised by the manager.
- Provide security services to lock and unlock facilities at a not to exceed price of \$125 per week.

F. Field Management Services (Added October 1, 2010 – 1st Amendment)

- Contract administration.
- Review and testing (for water quality) of ponds located on the District property.
- Customer relations, responding to any community complaints or requests for service from residents and Supervisors.
- Onsite inspections and vendor meetings at least twice per month.
- Preconstruction meetings with contractors when required, either in the Severn Trent office or on site.
- After monthly inspections a report is given to the Board of Supervisors and issues identified will be addressed immediately.

- All specifications and blue print preparations for construction needs within the Heritage Oak Park community will be overseen by Severn Trent Management Team and reviewed by the District Manager before submittal.
- All bid invitations will be sent out by Severn Trent Management Team, to pre-qualified contractors, and quotes will be compared, reviewed and awarded by the Board of Supervisors.
- Other needs not specifically mentioned in field services will be addressed as identified.

Additional Field/Management Services Added November 1, 2015 – 2nd Amendment

Provision of an onsite Project Manager for a maximum of 40 hours per week. This individual will be an employee of the Manager and supervised by the District Manager.

Exhibit B
Fee Schedule

<u>Administrative:</u>	<u>FY 2017</u>	<u>FY 2018</u>
Prof Serv- Mgt Consulting fee -	\$58,969	\$ 65,964
Prof Serv – Assessments -	\$ 9,873	\$ 9,873
<u>Other Public safety:</u>		
Contracts Management Services	\$ 7,500	\$ 7,500
<u>Field:</u>		
Contracts – Mgmt. Services	\$107,514	\$107,514
<u>Parks and Recreation:</u>		
Contracts-Mgmt Services	\$ 49,326	\$ 49,326
Total Fees -	\$233,182	\$ 240,177

Special Meetings for all meetings not within the normal 40 hour week, with the exception of those required by Act of God or Force Majeure, where charges will be set by mutual agreement of both parties.	\$125.00 per hour
Mail Distribution	
General Distribution	
Includes labels, standard envelope, folding, insertion of up to two items, and delivery to Post Office	At Cost
Labor of inserts over two	At Cost
Labels	At Cost
Certified Mail	Current rate charged by Postmaster plus handling charge of \$3.00 per piece
Postage	Current rate charged by postmaster; no add on.
Photocopying	\$0.15 per copy \$0.21 per duplex copy (both sides) \$.20 per page for color copies
Faxes	
Outgoing	No charge
Incoming	No charge
Record Storage	\$100
Web Portal Services:	
Basic Level	\$50 per month
Mid Level	\$100.00 per month
Full Web Service	\$200.00 per month