



**SOUTHERN GROVE
COMMUNITY DEVELOPMENT
DISTRICT NOS. 1-10**

**PORT ST. LUCIE
REGULAR BOARD MEETING
OCTOBER 1, 2025
10:30 A.M.**

Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, FL 33410

www.southerngrovecdd1.org
www.southerngrovecdd2.org
www.southerngrovecdd3.org
www.southerngrovecdd4.org
www.southerngrovecdd5.org
www.southerngrovecdd6.org
www.southerngrovecdd7.org
www.southerngrovecdd8.org
www.southerngrovecdd9.org
www.southerngrovecdd10.org

561.630.4922 Telephone
877.SDS.4922 Toll Free
561.630.4923 Facsimile

AGENDA
SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO.'s 1-10
Tradition Town Hall
10799 SW Civic Lane
Port St. Lucie, FL 34987
OR
Join Zoom Meeting:
<https://us02web.zoom.us/j/3341025011?omn=87174870689>
Meeting ID: 334 102 5011
Dial In at: 1 929 436 2866
REGULAR BOARD MEETING
October 1st, 2025
10:30 a.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions
- E. Comments from the Public Not on the Agenda
- F. Consent Items
 - 1. Approval of September 3, 2025, Regular Board Meeting & Public Hearing Minutes.....Page 3
 - 2. Approval of WA #19-144-251; Vitas – SWM.....Page 8
 - 3. Approval of Resolution No. 2025-22; Adopting Annual Report of Goals, Objectives, and Performance Measures and Standards.....Page 11
 - 4. Approval of Direct Collections Agreement; Fiscal Year 2026.....Page 15
 - 5. Approval of Maintenance Services Agreement.....Page 21
- G. Old Business
- H. New Business
 - 1. Notice of Receipt for Annual Audit.....Page 36
 - 2. Consider RFP's for Aquatic Maintenance.....Page 64
- I. Administrative Matters
 - 1. Manager's Report
 - 2. Attorney's Report
 - 3. Engineer's Report
 - 4. Financial Report (Under Separate Cover).....Page 68
 - 5. Founder's Report
- J. Board Member Discussion Requests and Comments
- K. Adjourn

**SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10
MEETING SCHEDULE FOR FISCAL YEAR 2025/2026**

NOTICE IS HEREBY GIVEN that the Southern Grove Community Development District Nos. 1-10 ("Districts") will conduct Regular Board Meetings of the Board of Supervisors ("Board") for the purpose of conducting the business of the Districts that may properly come before the Board. The following meetings will be held at 10:30 a.m. at Tradition Town Hall located at 10799 SW Civic Lane, Port St. Lucie, Florida 34987 on the following dates:

October 1, 2025

November 5, 2025

December 3, 2025

January 7, 2026

February 4, 2026

March 4, 2026

April 1, 2026

May 6, 2026

June 3, 2026

July 1, 2026

August 5, 2026

September 2, 2026

***Irrigation Rate Committee Meeting - 9:00 a.m.**

Southern Grove CDD Meeting - 10:30 a.m.

Tradition CDD Meeting - 11:00 a.m.

An Irrigation Committee Meeting will take place at 9:00 a.m. at Tradition Town Hall located at 10799 SW Civic Lane, Port St. Lucie, Florida 34987 on the above dates, as indicated.

The meetings are open to the public and will be conducted in accordance with the provisions of Florida law for community development districts. Meetings may be continued to a date, time and place to be specified on the record. A copy of the agenda for the meetings may be obtained from the Districts' websites or at the offices of the District Manager, Special District Services, Inc., 10807 SW Tradition Square, Port St. Lucie, Florida.

There may be occasions when one or more Supervisors will participate by telephone; therefore, a speaker telephone may be present at the meeting location so that one or more Supervisors may attend the meeting and be fully informed of the discussions taking place.

Any person requiring special accommodations at these meetings because of a disability or physical impairment should contact the District Office at 772-345-5119 and/or toll free at 1-877-737-4922 at least five calendar days prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1-800-955-8770, who can aid you in contacting the District Office.

Each person who decides to appeal any action taken at a meeting is advised that they will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Meetings may be cancelled from time to time without advertised notice.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10

www.southerngrovecdd1.org

PUBLISH: ST. LUCIE NEWS TRIBUNE 09/10/25

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10

Tradition Town Hall

10799 SW Civic Lane

REGULAR BOARD MEETING & PUBLIC HEARING

September 3, 2025

10:30 a.m.

A. CALL TO ORDER

The Regular Board Meeting of the Southern Grove Community Development District Nos. 1-10 of September 3, 2025, was called to order at 10:30 a.m. in the Tradition Town Hall located at 10799 SW Civic Lane, Port St. Lucie, Florida 34987.

B. PROOF OF PUBLICATION

Proof of publication was presented that showed notice of the Regular Board Meeting and Public Hearing had been published in the *St. Lucie News Tribune* on August 14th and August 21, 2025, as part of the District's Fiscal Year 2024/2025 as legally required.

C. ESTABLISH A QUORUM

It was determined that the attendance of the following Supervisors constituted a quorum in Districts 1, 2, 3, 5, 7, 8, 9 and 10 and it was in order to proceed with the meeting.

CDD #'s 1, 2, 9 (P: present, Zm:Zoom, Abs: Absent)

Bill Pittsley - Vice Chair	Present
Eric Sexauer - Chair	Present
Jonas Read	Present
Tara Toto	Present
Karl Albertson	Present

CDD # 3

Kevin Matyjaszek	Absent
Eric Sexauer – Chair	Present
Jonas Read	Present
Karl Albertson – Vice Chair	Present
Jennifer Davis	Absent

CDD # 4

Kevin Matyjaszek	Absent
Jennifer Davis – Chair	Absent
Karl Albertson – Vice Chair	Present
(2) Vacant Seats (1 & 3)	

CDD # 5

Bill Pittsley – Vice Chair	Present
Eric Sexauer – Chair	Present
Karl Albertson	Present
(2) Vacant Seats (1 & 3)	

CDD # 6

Kevin Matyjaszek	Absent
Jennifer Davis - Chair	Absent
Karl Albertson - Vice Chair	Present
(2) Vacant Seats (1 & 3)	

CDD #'s 7, 8, 10

Kevin Matyjaszek	Absent
Jennifer Davis - Chair	Absent
Peter Crane	Present
Stephen Okiye - Vice Chair	Present
Elijah Wooten	Present

Staff members in attendance were:

District Manager	Frank Sakuma	Special District Services, Inc.
District Manager	Stephanie Brown	Special District Services, Inc.
Assistant District Manager	Jessica Wargo	Special District Services, Inc.
District Manager	Andrew Karmeris	Special District Services, Inc.
District Counsel	Jonathan Johnson	Kutak Rock
District Engineer	Stef Matthes	Culpepper and Terpening

Also present: Todd Wodraska with Special District Services, Inc.

Via Zoom: Bennett Davenport and Lindsay Whelan with Kutak Rock.

D. ADDITIONS OR DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

E. COMMENTS FROM THE PUBLIC FOR DISTRICT ITEMS NOT ON THE AGENDA

There were no comments from the public.

Note: At approximately 10:32 a.m., Mr. Sakuma recessed the Regular Board Meeting and opened the Public Hearing on the Fiscal Year 2025/2026 Final Budget.

F. PUBLIC HEARING-ADOPTING FISCAL YEAR BUDGET 2025/2026 FINAL BUDGET

1. Proof of Publication

Notice of the Public Hearing for the Fiscal Year 2025/2026 Final Budget was published on August 14, 2025, & August 21, 2025, in the *St. Lucie News Tribune*, as legally required.

2. Receive Public Comments on Adopting Fiscal Year 2025/2026 Final Budget

There were no public comments.

3. Resolution No. 2025-19; Adopting Fiscal Year 2025/2026 Final Budget

Resolution No. 2025-19 was presented, entitled:

RESOLUTION N O. 2025-19

THE ANNUAL APPROPRIATION RESOLUTION OF THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO. 1 RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10 FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026.

A **motion** was made by Mr. Albertson for Districts 1, 2, 3, 5 and 9, seconded by Mr. Read, adopting Resolution 2025-19 Fiscal Year 2025/2026 Final Budget, as presented. The **motion** passed unanimously.

A **motion** was made by Mr. Okiye, for Districts 7, 8 and 10, seconded by Mr. Wooten, adopting Resolution 2025-19 Fiscal Year 2025/2026 Final Budget, as presented. The **motion** passed unanimously.

4. Resolution No. 2024-20; Levying Non-Ad Valorem Assessments for Southern Grove CDD Nos. 1-10 for the Fiscal Year 2025/2026

Resolution No. 2025-20 was presented, entitled:

RESOLUTION NO. 2025-20

RESOLUTION OF THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO. 1 LEVYING NON-AD VALOREM ASSESSMENTS FOR THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10 FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026.

A **motion** was made by Mr. Albertson for Districts 1, 2, 3, 5 and 9, seconded by Mr. Read, adopting Resolution 2025-20 Levying Non-Ad Valorem Assessments for Southern Grove CDD Nos. 1-10 for the Fiscal Year 2025/2026, as presented. The **motion** passed unanimously.

A **motion** was made by Mr. Wooten for Districts 7, 8 and 10, seconded by Mr. Okiye, adopting Resolution 2025-20, Levying Non-Ad Valorem Assessments for Southern Grove CDD Nos. 1-10 for the Fiscal Year 2025/2026, as presented. The **motion** passed unanimously.

Note: *At approximately 10:35 a.m., Mr. Sakuma closed the Public Hearing on Fiscal Year 2025/2026 Final Budget and reconvened the Regular Board Meeting.*

G. CONSENT ITEMS

- 1. Approval of August 6, 2025, Regular Board Meeting Minutes**
- 2. Approve WA #19-144-249; Tresello-Phase 1**
- 3. Approval of OpenGov Enterprise Asset Management Application**

A **motion** was made by CDD No. 1 Mr. Albertson, seconded by Mr. Read, approving all the above Consent Items, as presented The **motion** passed unanimously.

H. OLD BUSINESS

There were no matters of Old Business to come before the Board.

I. NEW BUSINESS

There were no matters of New Business to come before the Board.

J. ADMINISTRATIVE MATTERS

1. Manager's Report

Mr. Sakuma advised that he had received estoppels outside the typical financial scope of the District and asked for authorization for District Counsel and the District Engineer to assist in responding. There would be a cost to the District if authorized.

After Board discussion, Mr. Albertson made a **motion**, seconded by Mr. Read, authorizing District Counsel and the District Engineer to respond to estoppel requests and to invoice the applicant for District incurred expenses. The **motion** passed unanimously.

Mr. Sakuma reminded the Board to complete their annual ethics training by December 31, 2025, and stated that an onsite training option would be provided by District Counsel.

2. Attorney's Report

Jonathan Johnson of Kutak Rock introduced himself as the new District Counsel. There was no Attorney's Report at this time.

3. Engineer's Report

There was no Engineer's Report at this time.

4. Financial Report

Mr. Sakuma advised that the financial report was provided, and Mr. Karmeris was present to answer any questions. There were no questions from the Board Members.

5. Founder's Report

Mr. Sexauer reported that the Heart opened to the public on August 23, 2025; the Stars and Stripes grand opening would be in late October, and the Regional Park would be completed towards the end of this year.

K. BOARD MEMBER COMMENTS

There were no further Board comments.

L. ADJORNMENT

There being no further business to come before the Board, Mr. Sexauer adjourned the meeting at 10:41a.m. and Mr. Read seconded the **motion**. The **motion** passed unanimously.

Secretary (B. Frank Sakuma, Jr.)

Chair (Eric Sexauer)

Print Signature

Print Signature

**Southern Grove Community
District Nos. 1-10**

MEMORANDUM

To: Board of Supervisors
From: Jesse Wargo, Assistant District Manager
Date: September 18, 2025

Board Meeting Date: October 1, 2025

SUBJECT

Work Authorization (WA) WA-19-144-251; Vitas - SWM

STAFF RECOMMENDATION

Approve proposed project connecting to the Southern Grove Master Stormwater System under the following conditions:

1. Responding to the outstanding Request for Additional Information to the CDD Engineer's satisfaction.

GENERAL INFORMATION

On September 3, 2025, the Southern Grove CDD Engineer received an application for a Work Authorization for the "Southern Grove - Vitas" project which was previously approved in 2021. The applicant is seeking to amend the previously approved 21,148- sf. building to a 16,100-sf hospice facility along with the removal of the previously proposed 3050 sf community center. Most of the previously approved infrastructure has not been modified as part of this requested site plan amendment / revised construction plans.

The Parcel ID for the proposed project is 4315-615-0001-000-4 and it is located at 11050 SW Tradition Parkway.

DISTRICT LEGAL COUNSEL REVIEW

Not applicable.

FUNDING REVIEW

This project is not expected to impact the CDD Stormwater System operational budget.

**Southern Grove Community Development District
BOARD AGENDA ITEM
Board Meeting Date: October 1, 2025**

Subject: **SG - Southern Grove - Vitas- SWM**
Work Authorization No. WA-19-144-251
C&T Project No. 19-144.SG5.060.0925.W

Background:

On September 3, 2025, the Southern Grove CDD Engineer received an application for a Work Authorization for the “Southern Grove - Vitas” project which was previously approved in 2021. The applicant is seeking to amend the previously approved 21,148- sf. building to a 16,100-sf hospice facility along with the removal of the previously proposed 3050 sf community center. Most of the previously approved infrastructure has not been modified as part of this requested site plan amendment / revised construction plans.

The Parcel ID for the proposed project is 4315-615-0001-000-4 and it is located at 11050 SW Tradition Parkway.

Recommended Action:

Approve proposed project connecting to the Southern Grove Master Stormwater System under the following conditions:

1. Responding to the outstanding Request for Additional Information to the CDD Engineer’s satisfaction.

Location: Southern Grove Community Development District CDD.5

Within Tradition Irrigation Service Area? No

Fiscal Information: This project is not expected to impact the CDD Stormwater System operational budget.

Grant Related? No

Additional Comments: None

Board Action:

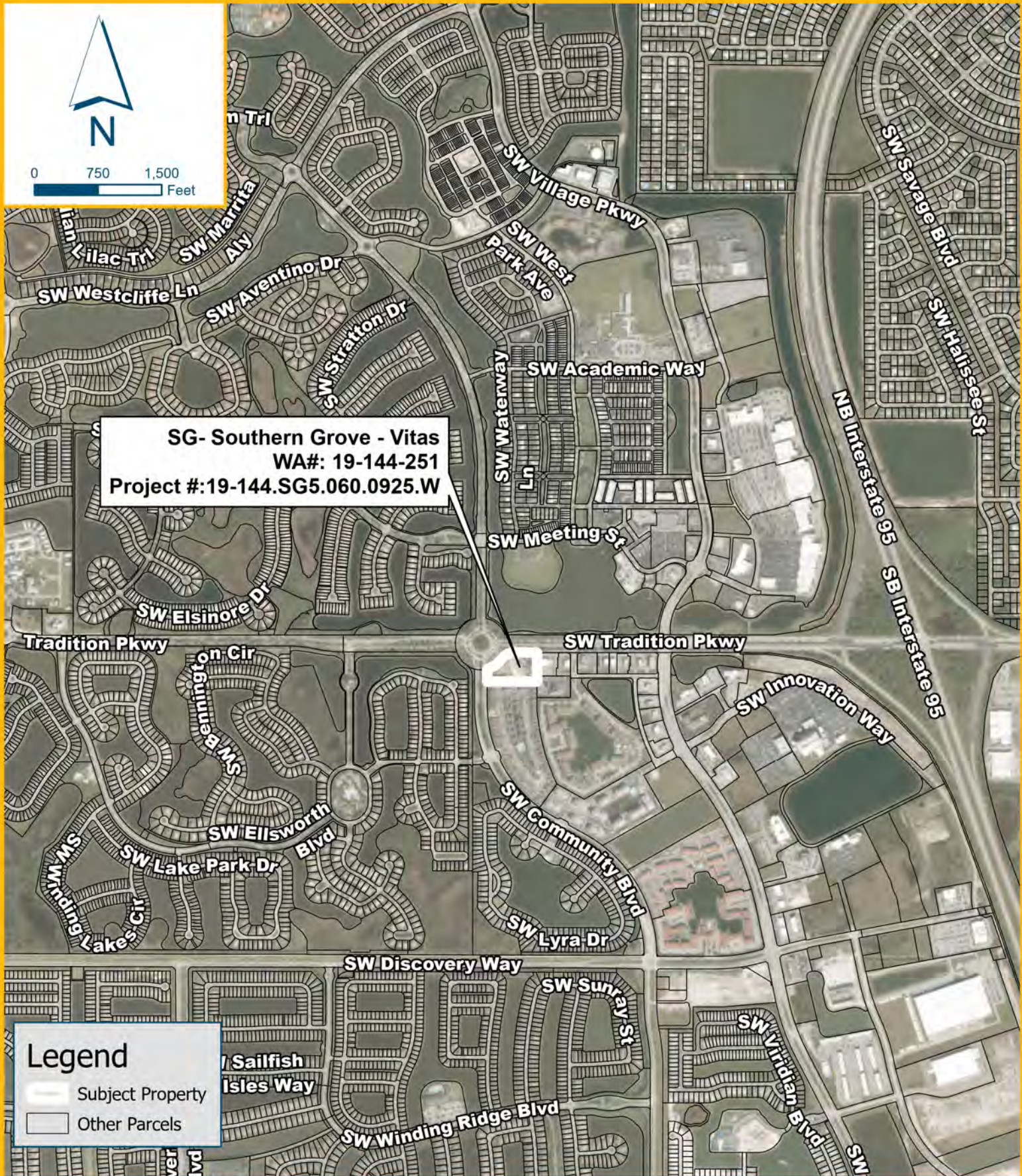
Moved by:

Seconded by:

Action Taken:

Item Prepared by: Stefan K. Matthes, PE

September 18, 2025



SG- Southern Grove - Vitas
WA#: 19-144-251
Project #:19-144.SG5.060.0925.W

Legend

- Subject Property
- Other Parcels

Work Authorization #:
19-144-251
Project #:
19-144.SG5.060.0925.W
Scale: 1" = 1,500'
Date: 9/15/2025

EXHIBIT 1
SG- SOUTHERN
GROVE - VITAS
SITE LOCATION MAP

**Southern Grove Community
District Nos. 1-10**

MEMORANDUM

To: Board of Supervisors
From: Jesse Wargo, Assistant District Manager
Date: October 1, 2025

Board Meeting Date: October 1, 2025

SUBJECT

Consider Resolution No. 2025-22; Adopting an Annual Report of Goals Objectives, and Performance Measures and Standards.

STAFF RECOMMENDATION

Staff recommend approving Resolution No. 2025-22 for District Nos. 1-10; Adopting the district's Annual Report of Goals Objectives, and Performance Measures and Standards.

GENERAL INFORMATION

A resolution of the board of supervisors of the Southern Grove Community Development District Nos. 1-10 adopting the district's Annual Report of Goals, Objectives, and Performance Measures and Standards.

DISTRICT LEGAL COUNSEL REVIEW

N/A

FUNDING REVIEW

No impact on budget or financial condition.

RESOLUTION 2025-22

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NOS. 1-10; ADOPTING AN ANNUAL REPORT OF GOALS, OBJECTIVES, AND PERFORMANCE MEASURES AND STANDARDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Southern Grove Community Development District (the “District”) is a local unit of special-purpose government organized and existing under and pursuant to Chapters 189 and 190, Florida Statutes, as amended; and

WHEREAS, effective July 1, 2024, the Florida Legislature adopted House Bill 7013, codified as Chapter 2024-136, Laws of Florida, and creating Section 189.0694, Florida Statutes; and

WHEREAS, the District adopted Resolution 2024-21 on August 7, 2024, establishing goals and objectives for the District and creating performance measures and standards to evaluate the District’s achievement of those goals and objectives; and

WHEREAS, pursuant to Section 189.0694, Florida Statutes, the District must adopt and publish on its website an annual report prior to December 1st of each year, describing the goals and objectives achieved by the district, as well as the performance measures and standards used by the district to make this determination, and any goals or objectives the district failed to achieve.

WHEREAS, the District Manager has the annual report of the District’s goals, objectives, and performance measures and standards attached hereto and made a part hereof as **Exhibit A** (the “Annual Report”) and presented the Annual Report to the Board of the District; and

WHEREAS, the District’s Board of Supervisors (“Board”) finds that it is in the best interests of the District to adopt by resolution the attached annual report of the goals, objectives and performance measures and standards.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT, THAT:

SECTION 1. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Resolution.

SECTION 2. The District Board of Supervisors hereby adopts the Annual Report regarding the District’s success or failure in achieving the adopted goals and objectives and directs the District Manager to take all necessary actions to comply with Section 189.0694, Florida Statutes.

SECTION 3. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 4. This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 1st day of October 2025.

ATTEST:

**SOUTHERN COMMUNITY DEVELOPMENT
DISTRICT NO. 1**

Print name: _____
Secretary (B. Frank Sakuma, Jr.)

Print name: _____
Chairman (Eric Sexauer)

Exhibit A: Annual Report of Performance Measures/Standards

Exhibit A

Program/Activity: District Administration

Goal: Remain compliant with Florida Law for all district meetings

Objectives:

- Notice all District regular, special, and public hearing meetings
- Conduct all post-meeting activities
- District records retained in compliance with Florida Sunshine Laws

Performance Measures:

- All Meetings publicly noticed as required (**YES**)
- Meeting minutes and post-meeting action completed (**YES**)
- District records retained as required by law (**YES**)

Program/Activity: District Finance

Goal: Remain Compliant with Florida Law for all district financing activities

Objectives:

- District adopted fiscal year budget
- District amended budget at end of fiscal year
- Process all District finance accounts receivable and payable
- Support District annual financial audit activities

Performance Measures:

- District adopted fiscal year budget (**YES**)
- District amended budget at end of fiscal year (**YES**)
- District accounts receivable/payable processed for the year (**YES**)
- “No findings” for annual financial audit (**NO**)
 - If “yes” explain

Program/Activity: District Operations

Goal: Insure, Operate and Maintain District owned Infrastructure & assets

Objectives:

- Annual renewal of District insurance policy(s)
- Contracted Services for District operations in effect
- Compliance with all required permits

Performance Measures:

- District insurance renewed and in force (**YES**)
- Contracted Services in force for all District operations (**YES**)
- Permits in compliance (**YES**)

MEMORANDUM

FROM: Kutak Rock LLP
TO: Board of Supervisors
DATE: October 1, 2025

Subject: Direct Collection Agreement for Fiscal Year 2026

Staff Recommendation

Staff recommends the Board approve the form of the Direct Collection Agreement for FY 2026.

General Information

The Southern Grove Community Development Districts (collectively, the “Districts”) have the benefit of having their assessments included on the St. Lucie County Tax Roll and collected by the St. Lucie County Tax Collector. This benefits the Districts because they do not need to incur the substantial time and expense that would ordinarily be required to collect assessments from each lot owner. This is most commonly utilized for platted lots owned by residential end users.

In some cases, however, it makes sense for the District to collect assessments from certain landowners directly. Most frequently, this will involve a landowner that owns a significant amount of property in the District. In those cases, for cost efficiencies we will collect those assessments off the tax roll and directly enter into an agreement with the property owner whereby they agree to pay the assessments levied on their property according to the amount and at the time specified in your Annual Assessment Resolution.

District Legal Counsel Review

The District’s attorneys prepared by this form of Agreement. Your District Manager shall finalize the individual agreements with all applicable entities after approval by the Board.

Funding Review

This Agreement is not expected to affect the District’s financial condition.

DIRECT COLLECT AGREEMENT FY 2026

This **AGREEMENT** (“**Agreement**”) is made and entered into effective as of October 1, 2026 (“**Effective Date**”), by and between:

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO. 1, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located St. Lucie County, Florida (“**County**”), and whose mailing address is District Manager, c/o Special District Services, Inc., 10521 SW Village Center Dr., Suite #203, Port St. Lucie, FL 34987 (hereinafter “**District No. 1**”); and

[DEVELOPER OR LANDOWNER ENTITY], a **[REDACTED]** and the owner of certain property located within the boundaries of the Districts (as defined herein), and whose mailing address is **[ADDRESS]** (hereinafter, the “**Property Owner**,” and together with District No. 1, “**Parties**”). For purposes of this Agreement, Property Owner’s property is more particularly described in **Exhibit A** attached hereto (“**Property**”).

RECITALS

WHEREAS, pursuant to Chapter 190, *Florida Statutes*, District No. 1 was established for the purpose of planning, financing, constructing, operating, and/or maintaining certain infrastructure, and is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of District No. 1’s activities and services; and

WHEREAS, District No. 1, along with Southern Grove Community Development District Nos. 2-10 (the “**Other Districts**,” and collectively with District No. 1, the “**Districts**”) are parties to that certain Second Amended and Restated District Development Interlocal Agreement dated July 9, 2013, and recorded in Official Records Book 3539, Page 672, of the public records of St. Lucie County, Florida (“**District Interlocal Agreement**”); and

WHEREAS, Pursuant to Section 6.03 of the District Interlocal Agreement, the Other Districts have delegated to District No. 1 the authority to take all actions necessary or desirable with respect to the operation and maintenance of the Districts, including the levy and collection special assessments in connection with the adoption of the Districts’ Adopted Budget (as defined herein); and

WHEREAS, in accordance with Ch. 190, *Florida Statutes*, the Board of Supervisors (“**Board**”) of District No. 1 adopted a final budget for the Districts (“**Adopted Budget**”) for the fiscal year beginning October 1, 2025, and ending September 30, 2026 (“**FY 2026**”), which appropriates out of the Districts’ revenues funds sufficient to undertake certain activities and defray operations and maintenance expenditures contemplated in the Adopted Budget; and

WHEREAS, pursuant to Resolution 2025-18 (“**Annual Assessment Resolution**”), District No. 1’s Board levied special assessments to fund the operations and maintenance of the

Adopted Budget (“**O&M Assessments**”) in the amounts set forth in Adopted Budget and the assessment roll attached to the Annual Assessment Resolution (“**Assessment Roll**”), and set forth the method by which the O&M Assessments and the FY 2026 installment of the Districts’ previously levied debt service assessments (“**Debt Assessment**,” and together with the O&M Assessments, “**Assessments**”) shall be collected and enforced; and

WHEREAS, Property Owner agrees that the O&M Assessments, which were imposed on the lands within the Districts, including the Property, have been validly imposed and constitute valid, legal, and binding liens upon the lands within the Districts; and

WHEREAS, pursuant to Florida law, District No. 1 certified the Assessment Roll for collection, which Assessment Roll includes in full or part that certain “**Direct Collect Property**” (as defined in the Annual Assessment Resolution and further identified on the Assessment Roll) for direct collection by District No. 1 in accordance with Florida law; and

WHEREAS, as the Property is identified on the Assessment Roll as Direct Collect Property, District No. 1 and Property Owner desire to arrange for the direct collection and direct payment of the Assessments levied against the Property.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the Parties, the receipt of which and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **RECITALS.** The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement.

2. **VALIDITY OF SPECIAL ASSESSMENTS.** Property Owner agrees that the Assessments have been validly imposed and constitute valid, legal, and binding liens upon the lands within the Districts, including the Property. Property Owner hereby waives and relinquishes any rights it may have to challenge, object to, or otherwise fail to pay such Assessments.

3. **COVENANT TO PAY.** Property Owner agrees to pay the Assessments attributable to the Property, regardless of whether Property Owner owns the Property at the time such payment is due or paid. Nothing herein shall prohibit Property Owner from prorating or otherwise collecting these Assessments from subsequent purchasers of the Property. District No. 1 shall send a bill to Property Owner at least thirty (30) days prior to the first Assessment due date, indicating the exact amount of the Assessment being certified for collection in FY 2026. The Assessments attributable to the Property shall be due and payable on the dates and in the amounts set forth in the Annual Assessment Resolution. District No. 1’s decision to collect Assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and District No. 1 reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

4. **ENFORCEMENT.** This Agreement shall serve as an alternative, additional method for collection of the Assessments. This Agreement shall not affect the Districts’ ability to collect and enforce its Assessments by any other method authorized by Florida law. Property

Owner acknowledges that the failure to pay the Assessments may result in the initiation of a foreclosure action, or, at District No. 1's sole discretion, delinquent Assessments may be certified for collection on a future County tax bill. In the event that an Assessment payment is not made in accordance with the schedule stated above, the whole of such Assessment – including any remaining partial, deferred payments for FY 2026, shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at District No. 1's sole discretion, collected pursuant to the Chapter 197, Florida Statutes ("**Uniform Method**") on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent Assessments shall accrue at the applicable rate of any bonds or other debt instruments secured by the Assessments, or at the statutory prejudgment interest rate, as applicable. In the event an Assessment subject to direct collection by District No. 1 shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate legal proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole Assessment, as set forth herein.

5. **NOTICE.** All notices, requests, consents and other communications under this Agreement, but excluding invoices ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, at the addresses set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth in this Agreement. Notices delivered after 5:00p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the Parties may deliver Notice on behalf of the Parties. Any Party or other person to whom Notices are to be sent or copied may notify the other Parties and addresses of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addresses set forth in this Agreement.

6. **AMENDMENT.** This instrument shall constitute the final and complete expression of the Agreement between the Parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the Parties hereto.

7. **AUTHORITY.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each Party has complied with all the requirements of law, and each Party has full power and authority to comply with the terms and provisions of this Agreement.

8. **ASSIGNMENT.** This Agreement may not be assigned, in whole or in part, by either Party except upon the written consent of the other. Any purported assignment without such consent shall be void.

9. **DEFAULT.** A default by either Party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of

damages, injunctive relief and specific performance and specifically including the ability of District No. 1 to enforce any and all payment obligations under this Agreement through the imposition and enforcement of a contractual or other lien on property owned by the Property Owner.

10. **ATTORNEYS' FEES.** In the event that either Party is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the prevailing Party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

11. **BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the Parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the Parties hereto and their respective representatives, successors and assigns.

12. **APPLICABLE LAW.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

13. **NEGOTIATION AT ARM'S LENGTH.** This Agreement has been negotiated fully between the Parties as an arm's length transaction. The Parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the Parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties execute this Agreement the day and year first written above.

Attest:

**SOUTHERN GROVE COMMUNITY
DEVELOPMENT DISTRICT NO. 1**

Secretary/Assistant Secretary

By: _____
Its: _____

[DEVELOPER OR LANDOWNER NAME],
a _____

Witness

By: _____
Name: _____
Title: _____

EXHIBIT A Description of the Property

**Southern Grove Community
District Nos. 1-10**

MEMORANDUM

To: Board of Supervisors
From: B. Frank Sakuma, Jr. CDM, District Manager
Date: September 17, 2025

Board Meeting Date: October 1, 2025

SUBJECT

Consider Approval of Services Agreement with All-Pro Home Maintenance & Repair LLC for District Asset Inspection and Maintenance Services.

STAFF RECOMMENDATION

Staff recommends Approval of Services Agreement with All-Pro Home Maintenance & Repair LLC for District Asset Inspection and Maintenance Services.

GENERAL INFORMATION

Regular inspection and maintenance of District assets are essential to ensure they remain operational, safe, and in good condition. The proposed agreement provides for monthly inspections and maintenance of the assets identified in Exhibit A of the draft agreement.

DISTRICT LEGAL COUNSEL REVIEW

The District Legal Counsel will review and approve the contract for legal form and sufficiency.

FUNDING REVIEW

The annual cost of \$5,040.00 is included in the FY 2025-2026 Operations & Maintenance Budget.

Attachments

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
THE SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICTS AND
ALL-PRO HOME MAINTENANCE & REPAIR, LLC**

THIS AGREEMENT (“**Agreement**”) is made and entered into this 1ST day of October 2025, by and between:

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO. 1, local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, whose mailing address is 10521 SW Village Center Dr., Suite #203, Port St. Lucie, Florida 34987 (the “**District No. 1**”); and

ALL-PRO HOME MAINTENANCE & REPAIR, LLC, a Florida limited liability corporation, with a mailing address of 1245 SW Aragon Avenue, Port Saint Lucie, Florida 34953 (“**Professional**,” together with District, “**Parties**”).

RECITALS

WHEREAS, District No. 1 is a local unit of special-purpose government created for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure and providing certain public services; and

WHEREAS, District No. 1, along with Southern Grove Community Development District Nos. 2-10 (the “**Other Districts**,” and collectively with District No. 1, the “**Districts**”) are parties to that certain Second Amended and Restated District Development Interlocal Agreement dated July 9, 2013, and recorded in Official Records Book 3539, Page 672, of the public records of St. Lucie County, Florida (“**District Interlocal Agreement**”); and

WHEREAS, Pursuant to Section 2.02 of the District Interlocal Agreement, the Districts have delegated to District No. 1 the authority to take all actions necessary or desirable with respect to the operation and maintenance of the Districts, including entering certain agreements on their behalf; and

WHEREAS, District No. 1 desires Professional to provide the Districts with certain services, as described in more detail the statement of work attached hereto as **Exhibit A** (the “**Services**”), which is incorporated herein by this reference.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and the acts and deeds to be performed by the Parties, the receipt and sufficiency of which are hereby acknowledged by the Parties, it is mutually covenanted and agreed as follows:

1. RECITALS. The recitals set forth above are hereby incorporated into the terms of this Agreement.

2. SCOPE OF WORK. The Professional will provide the Services as described in **Exhibit A**. If District No.1 should desire additional work or services not provided in **Exhibit A**,

the Professional agrees to negotiate in good faith to undertake such additional work or services. Upon successful negotiations, the Parties shall agree in writing to a work order, addendum, addenda, or change order to this Agreement. The Professional shall be compensated for such agreed additional work or services based upon a payment amount acceptable to the Parties and agreed to in writing. No additional services shall be provided by the Professional unless done at the direction of District No. 1.

3. COMPENSATION; TERM.

- A.** The initial term of this Agreement shall be from October 1, 2025, through September 30, 2026, unless terminated earlier by either party in accordance with the provisions of this Agreement. Thereafter, the Agreement shall be automatically renewed for up to two (2) additional one-year (1) terms. As compensation for the Services described in this Agreement, District No. 1 agrees to pay the Professional in accordance with the terms set forth in **Exhibit A**.
- B.** The Professional shall maintain records conforming to usual accounting practices. Further, the Professional shall render each invoice to District No. 1 in writing. Each invoice shall contain, at a minimum, the Professional's name, the invoice date, an invoice number, an itemized listing of all costs billed on each invoice with a sufficient description of each allowing District No. 1 to approve each cost, the time frame within which the Services were provided, and the address or bank information to which payment is to be remitted. Consistent with Florida's Prompt Payment Act, section 218.70, et al., Florida Statutes, the invoices shall be due and payable within forty-five (45) days of receipt by District No. 1. The monthly fees outlined herein may be amended annually in writing by the Parties and as will be reflected in the Districts' general fund budget. Notwithstanding the foregoing, project-related out-of-pocket expenses are not billable to the Districts without the prior written approval of District No. 1 for such expenses.

4. Termination. District No. 1 agrees that Professional may terminate this Agreement for cause by providing ninety (90) days' written notice of termination to the District No. 1; provided, however, that District No. 1 shall be provided a reasonable opportunity to cure any failure under this Agreement. The Professional agrees that District No. 1 may terminate this Agreement immediately for cause by providing written notice of termination to the Professional. The Professional agrees that District No. 1 may terminate this Agreement without cause; provided that District No. 1 shall provide thirty (30) days' written notice of termination without cause. Upon any termination of this Agreement, the Professional shall be entitled to payment for all Services rendered up until the effective termination of this Agreement, subject to whatever claims or offsets District No. 1 may have against the Professional as the sole means of recovery for termination.

5. INSURANCE.

- A.** The Professional shall maintain throughout the term of this Agreement the following insurance:

judgments against the Districts.

7. PUBLIC RECORDS. The Professional understands and agrees that all documents of any kind provided to the Districts in connection with this Agreement may be public records, and, accordingly, the Professional agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, *Florida Statutes*. The Professional acknowledges that the designated public records custodian for the Districts is **Special District Services, Inc.** (“**Public Records Custodian**”). Among other requirements and to the extent applicable by law, the Professional shall 1) keep and maintain public records required by the Districts to perform the Services; 2) upon request by the Public Records Custodian, provide the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes*; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if the Professional does not transfer the records to the Public Records Custodian of the Districts; and 4) upon completion of the contract, transfer to the Public Records Custodian, at no cost, all public records in the Professional’s possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Professional, the Professional shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Public Records Custodian in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF PROFESSIONAL HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO PROFESSIONAL’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (772) 345-5119, BSAKUMA@SDSINC.ORG, OR 10521 SW VILLAGE CENTER DR., SUITE #203, PORT ST. LUCIE, FLORIDA 34987.

8. GENERAL PROVISIONS

- A. CONFLICTS.** The terms of this Agreement and **Exhibit A** are intended to complement each other, and to the extent they conflict, the provisions of this Agreement shall control.
- B. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of District No. 1 and the Professional, both District No. 1 and the Professional have complied with all the requirements of law, and both District No. 1 and the Professional have full power and authority to comply with the terms and provisions of this Agreement.
- C. INDEPENDENT CONTRACTOR.** It is understood and agreed that at all times the relationship of the Professional and its employees, agents, successors, assigns or

anyone directly or indirectly employed by the Professional to the Districts is the relationship of an independent contractor and not that of an employee, agent, joint-venturer, or partner of the Districts. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the Districts and the Professional or any of its employees, agents, successors, assigns or anyone directly or indirectly employed by the Professional. The Parties acknowledge that the Professional is not an employee for state or federal tax purposes. The Professional shall hire and pay all of the Professional's or its employees, agents, successors, assigns or anyone directly or indirectly employed by the Professional, all of whom shall be employees of the Professional and not employees of the Districts and at all times entirely under the Professional's supervision, direction, and control.

In particular, the Districts will not: i) withhold FICA (Social Security) from the Professional's payments; ii) make state or federal unemployment insurance contributions on the Professional's behalf; iii) withhold state or federal income tax from payment to the Professional; iv) make disability insurance contributions on behalf of the Professional; or v) obtain workers' compensation insurance on behalf of the Professional.

- D. APPLICABLE LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without reference to the principles of conflict of laws. Except for actions seeking injunctive relief (which may be brought in any appropriate jurisdiction), suits under this agreement shall only be brought in a court of competent jurisdiction in St. Lucie, Florida. This choice of venue is intended by the Parties to be mandatory and not permissive in nature, and to preclude the possibility of litigation between the Parties with respect to, or arising out of, this Agreement in any jurisdiction other than that specified in this Section. District No. 1 and the Professional waive any right they may have to assert the doctrine of *forum non conveniens* or similar doctrine, or to object to venue with respect to any proceeding brought in accordance with this Section.
- E. LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the Districts beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.
- F. THIRD-PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the Districts and the Professional and no right or cause of action shall accrue upon or by reason to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the Districts and the Professional any right, remedy, or claim under or by reason of this Agreement

or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the Districts and the Professional and their respective representatives, successors, and assigns.

- G. DEFAULT AND PROTECTION AGAINST THIRD-PARTY INTERFERENCE.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance. District No. 1 shall be solely responsible for enforcing the Districts' rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair District No. 1's right to protect its rights from interference by a third-party to this Agreement.
- H. ENTIRE AGREEMENT.** This Agreement, together with **Exhibit A**, sets forth the entire agreement of the Parties, and supersedes any prior agreements or statements with respect to the subject matter hereof. No provision of this Agreement may be amended, waived or modified unless the same is set forth in writing and signed by each of the Parties to this Agreement, or their respective successors or assigns.
- I. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.
- J. ASSIGNMENT.** Neither District No. 1 nor the Professional may assign this Agreement without the prior written consent of the other. Any purported assignment without such consent shall be null and void.
- K. AMENDMENTS.** This Agreement may be amended or modified only by a written instrument duly executed by both of the Parties.
- L. SURVIVAL.** In addition to such other provisions hereof which, by their terms, survive any termination or expiration of this Agreement, Section 6 (Public Records), Section 7 (Indemnification), and Section 9 (General Provisions) shall survive any termination or expiration of this Agreement.
- M. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the Parties. The Parties have complied with all the requirements of law, and the Parties have full power and authority to comply with the terms and provisions of this Agreement.
- N. WAIVER.** No breach of any term of this Agreement shall be deemed waived unless expressly waived in writing by the party who might assert such breach. Any failure or delay by either party to exercise any right, power, or privilege under this Agreement shall not be deemed a waiver of any such right, power, or privilege under this Agreement on that or any subsequent occasion. Any waiver by either

party, whether express or implied, of any provision of this Agreement, any waiver of default, or any course of dealing hereunder, shall not affect such party's right to thereafter enforce such provision or to exercise any right or remedy in the event of any other default or breach, whether or not similar.

- O. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, including facsimile and PDF electronic copies, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.
- P. ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the Parties as an arm's length transaction. Both Parties participated fully in the preparation of this Agreement and received the advice of counsel. In case of a dispute concerning the interpretation of any provision of this Agreement, both Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either Party.
- Q. DESCRIPTIVE HEADINGS.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.
- R. COMPLIANCE WITH SECTION 20.055, FLORIDA STATUTES.** The Professional agrees to comply with Section 20.055(5), Florida Statutes, to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to such section and to incorporate in all subcontracts the obligation to comply with Section 20.055(5), *Florida Statutes*.
- S. COMPLIANCE WITH E-VERIFY.** The Professional shall comply with and perform all applicable provisions of Section 448.095, *Florida Statutes*. Accordingly, to the extent required by Florida Statute, the Professional shall register with and use the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. District No. 1 may terminate this Agreement immediately for cause if there is a good faith belief that the Professional has knowingly violated Section 448.09(1), *Florida Statutes*. By entering into this Agreement, the Professional represents that no public employer has terminated a contract with the Professional under Section 448.095(2)(c), *Florida Statutes*, within the year immediately preceding the date of this Agreement.
- T. STATEMENT REGARDING CHAPTER 287 REQUIREMENTS.** The Professional acknowledges that, in addition to all Laws and Regulations that apply to this Agreement, the following provisions of Florida law ("**Public Integrity Laws**") apply to this Agreement:

i. Section 287.133, *Florida Statutes*, titled *Public entity crime; denial or revocation*

of the right to transact business with public entities;

ii. Section 287.134, *Florida Statutes*, titled *Discrimination; denial or revocation of the right to transact business with public entities;*

iii. Section 287.135, *Florida Statutes*, titled *Prohibition against contracting with scrutinized companies;*

iv. Section 287.137, *Florida Statutes*, titled *Antitrust violations; denial or revocation of the right to transact business with public entities; denial of economic benefits;* and

v. Section 287.138, *Florida Statutes*, titled *Contracting with entities of foreign countries of concern prohibited.*

The Professional acknowledges that the Public Integrity Laws prohibit entities that meet certain criteria from bidding on or entering into or renewing a contract with governmental entities, including with the Districts (“**Prohibited Criteria**”). The Professional also acknowledges that District No. 1 may terminate this Agreement if the Professional is found to have met the Prohibited Criteria or violated the Public Integrity Laws. The Professional certifies that in entering into this Agreement, neither it nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, meets any of the Prohibited Criteria, and in the event such status changes, the Professional shall immediately notify District No. 1. By entering into this Agreement, the Professional agrees that any renewal or extension of this Agreement shall be deemed a recertification of such status.

- U. ANTI-HUMAN TRAFFICKING STATEMENT.** The Professional does not use coercion for labor or services as defined in Section 787.06, *Florida Statutes*, and the Professional has complied, and agrees to comply, with the provisions of Section 787.06, *Florida Statutes*.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above written.

Attest:

**SOUTHERN GROVE COMMUNITY
DEVELOPMENT DISTRICT NO. 1**

Secretary / Assistant Secretary

Chairman, Board of Supervisors

**ALL-PRO HOME MAINTENANCE &
REPAIR, LLC**

Witness

By: _____
Its: _____

Exhibit A: Scope of Services

DRAFT

Exhibit A

All-Pro Home Maintenance & Repair, LLC
1245 SW Aragon Avenue
Port St. Lucie, FL 34953
(772) 342-3709
mikesallpro@outlook.com

QUOTE

DATE: SEPTEMBER 9, 2025

TO Southern Grove CDD No. 1
c/o SDS, Inc.
2501-A Burns Road
Palm Beach Gardens FL 33410

JOB ADDRESS	PAYMENT TERMS
Tradition Complex - Common Area Facilities	Due Upon Receipt

QTY	DESCRIPTION	UNIT PRICE	LINE TOTAL
	Annual maintenance contract for Southern Grove CDDs common area facilities/structures		\$420.00/mo.
	Please see attached for details and list of properties/amenities		
	Annual contract will renew with 3% increase.		
SUBTOTAL			
SALES TAX			
TOTAL			\$420.00/mo.

Approved: _____ Date: _____

Print Name: _____

THANK YOU FOR YOUR BUSINESS!

Monthly Inspection of the following properties/amenities:

- The Heart (including restrooms, interior staircase, walkway, roof) (Map Location - 11)
- Talk in the Park (including fountain & pedestrian walkway) (Map Location – 12)
- TIM Stops/Bike Stations
 - Talk in the Park (Map Location – 13a)
 - Telaro (Map Location – 13e)
 - Heart in the Park (Map Location – 13f)
- Center for Innovation Sign (Map Location – 18)
- B-Lake Park (Map Location – 22)

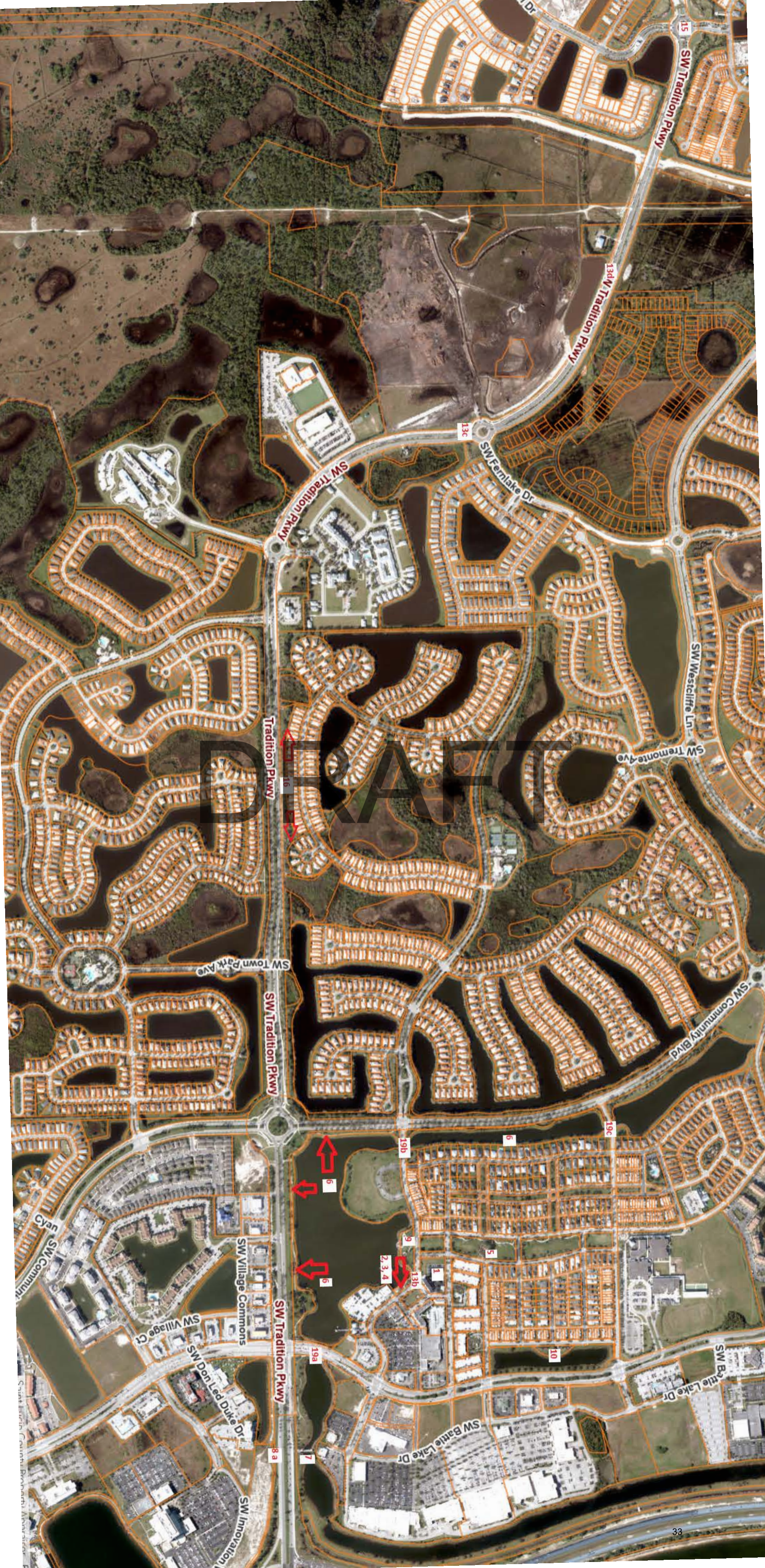
NOTE: See attached map for reference – locations of assets

Monthly Inspections would include any minor repairs and general cleaning (i.e., screws/bolts, greasing locks & hinges, re-attaching fence slats, blowing out debris, etc.)

Includes monthly report with invoice noting any items addressed during the monthly inspection.

Any larger repairs or projects that are determined as necessary would be quoted and approved and invoiced individually.

DRAFT







SW Riverland Blvd

SW Discovery Way

Tradition Pkwy

SW Tradition Pkwy

95

12, 13a

11, 13f

13e

14b

18

22

35

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1
FINANCIAL STATEMENTS
September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Southern Grove Community Development District 1
Port St. Lucie, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Southern Grove Community Development District 1, ("District") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical

context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 23, 2025, on our consideration of the Southern Grove Community Development District 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated June 23, 2025 on our consideration of the District's compliance with requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation Standards established by the American Institute of Certified Public Accountants.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 23, 2025

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1 MANAGEMENT’S DISCUSSION AND ANALYSIS

The Southern Grove Community Development District 1 (the “District”) discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District’s financial activity and financial statements, (c) identify changes in the District’s financial position, (d) identify any material deviations from the District’s budget, and (e) identify individual fund issues or concerns.

Since the Management’s Discussion and Analysis (MD&A) is designed to focus on the current year’s activities, resulting changes and currently known facts, please read it in conjunction with the Auditor’s Report (beginning on page 1) and the District’s financial statements (beginning on page 6).

FINANCIAL HIGHLIGHTS

- Net position increased \$138,734.
- Total costs of all programs were \$89,226 in 2024 compared to \$42,585 in 2023.
- At September 30, 2024, the District’s governmental funds reported combined ending fund balance of \$2,118,840.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities (pages 7 & 8) provide information about the activities of the District as a whole and present a longer-term view of the District’s finances. Fund Financial Statements begin on page 9. For governmental activities, these Statements tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the District’s operations in more detail by providing information about the District’s most significant funds.

REPORTING THE DISTRICT AS A WHOLE

Our analysis of the District as a whole begins on page 6. One of the most important questions asked about the District’s finances is, “Is the District as a whole better off or worse off as a result of the year’s activities?” The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These Statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used in most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two Statements report the District’s net position and changes in them. You can think of the District’s net position – the difference between assets and liabilities – as one way to measure the District’s financial health, or financial position. Over time, *increases* or *decreases* in the District’s net position, is one indicator of whether its *financial* health is improving or deteriorating.

Statement of Net Position

	2024	2023
Current assets	\$ 5,137,911	\$ 5,202,113
Capital assets	1,046,489	1,046,489
Total assets	<u>6,184,400</u>	<u>6,248,602</u>
Current liabilities	3,019,071	4,185,726
Deferred inflows of resources	1,782,351	818,632
Total liabilities	<u>4,801,422</u>	<u>5,004,358</u>
Net position		
Net invested in capital assets	(735,862)	227,857
Unrestricted	2,118,840	1,016,387
Total net position	<u>\$ 1,382,978</u>	<u>\$ 1,244,244</u>

The District assets are made up of primarily current assets of \$5,137,911 and liabilities are mainly current liabilities of \$3,019,071.

Governmental Activities

In the Statement of Net Position and the Statement of Activities, the District has one activity. The changes in net position of governmental activities were \$138,734.

Change in Net Position

	2024	2023
Program revenues	\$ 205,716	\$ 115,994
General revenues	22,244	220,400
Total revenues	<u>227,960</u>	<u>336,394</u>
Expenses		
General government	89,226	42,585
Total expenses	<u>89,226</u>	<u>42,585</u>
Change in net position	138,734	293,809
Net position - beginning of year	1,244,244	950,435
Net position - end of year	<u>\$ 1,382,978</u>	<u>\$ 1,244,244</u>

FUND FINANCIAL STATEMENTS

Governmental funds – all of the District’s services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs.

Governmental Type Funds

As of year-end, the governmental funds (as presented on page 9) reported a fund balance of \$2,118,840 compared to the beginning of the year \$1,016,387. The General Fund experienced a net increase of \$1,102,453.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2024, the District had \$1,046,489 invested in construction in process. Construction in process has not completed as of September 30, 2024 and therefore is not depreciated to date. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Debt

As of September 30, 2024, the District had no debt.

ECONOMIC FACTORS, NEXT YEAR'S BUDGET AND OTHER INFORMATION

For the fiscal year 2025, the District anticipates that the cost of general operations will remain fairly constant. In connection with the District's future infrastructure maintenance and replacement plan, the District Board has included in the budget, an estimate of those anticipated future costs and has assigned a portion of current available resources for that purpose.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and members with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District Finance Department at 2501A Burns Road, Palm Beach Gardens, Florida 33410.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

STATEMENT OF NET POSITION

September 30, 2024

ASSETS

Cash	\$ 5,060,959
Assessments Receivable	76,952
Capital Assets:	
Non-depreciable	<u>1,046,489</u>
TOTAL ASSETS	<u><u>\$ 6,184,400</u></u>

LIABILITIES AND NET POSITION

LIABILITIES

Accounts Payable	\$ 513,714
Due to Other Governments	2,405,822
Unearned Revenue	65,641
Deposits	<u>33,894</u>
TOTAL LIABILITIES	<u>3,019,071</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Inflow	<u>1,782,351</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>4,801,422</u>

NET POSITION

Net Invested in Capital Assets	(735,862)
Unrestricted	<u>2,118,840</u>
TOTAL NET POSITION	<u><u>\$ 1,382,978</u></u>

The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

STATEMENT OF ACTIVITIES

Year Ended September 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenues and Changes in Net Position</u>
Governmental Activities		<u>Operating Contributions</u>	<u>Governmental Activities</u>
General Government	\$ 89,226	\$ 205,716	\$ 116,490
Total Governmental Activities	<u>\$ 89,226</u>	<u>\$ 205,716</u>	<u>116,490</u>
General Revenues:			
Investment Earnings			13,432
Other Income			<u>8,812</u>
Total General Revenues			<u>22,244</u>
Change in Net Position			138,734
Net Position - October 1, 2023			<u>1,244,244</u>
Net Position - September 30, 2024			<u>\$ 1,382,978</u>

The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2024

ASSETS

Cash	\$ 5,060,959
Assessments Receivable	<u>76,952</u>
TOTAL ASSETS	<u>\$ 5,137,911</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 513,714
Due to Other Governments	2,405,822
Unearned Revenue	65,641
Deposits	<u>33,894</u>
TOTAL LIABILITIES	<u>3,019,071</u>

FUND BALANCE

Unassigned	<u>2,118,840</u>
TOTAL FUND BALANCE	<u>2,118,840</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 5,137,911</u>

The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2024

Total Governmental Fund Balances in the Balance Sheet	\$ 2,118,840
Amount reported for governmental activities in the Statement of Net Position are different because:	
Deferred inflows are not financial resources and therefore are not reported in the governmental funds.	(1,782,351)
Capital asset used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	
Governmental capital assets	1,046,489
Net Position of Governmental Activities	<u>\$ 1,382,978</u>

The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – GOVERNMENTAL FUNDS
Year Ended September 30, 2024

REVENUE

Developer Contributions	\$ 963,719
Stormwater Fees	9,523
On-Roll Assessments	189,508
Off-Roll Assessments	6,685
Other Income	8,812
Interest Income	<u>13,432</u>
TOTAL REVENUE	<u><u>1,191,679</u></u>

EXPENDITURES

General Government	<u>89,226</u>
TOTAL EXPENDITURES	<u><u>89,226</u></u>

**EXCESS (DEFICIENCY) OF REVENUES
OVER EXPENDITURES**

1,102,453

FUND BALANCE

Beginning of Year	<u>1,016,387</u>
End of Year	<u><u>\$ 2,118,840</u></u>

The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – GOVERNMENTAL FUNDS
Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 1,102,453
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Amount reported for governmental activities in the Statement of Activities
are different because:

Governmental funds do not recognize expenditures for deferred inflows from year to year. This is the change of the deferred inflows for the current period	(963,719)
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Change in Net Position of Governmental Activities	<u>\$ 138,734</u>
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The accompanying notes are an integral part of this financial statement

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Southern Grove Community Development District 1 (the “District”) conform to generally accepted accounting principles as applicable to governments. The District was formerly known as Westchester Community Development District 1 and lawfully changed its name to Southern Grove Community Development District 1 effective August 14, 2006. The following is a summary of the more significant policies:

Reporting Entity

The District is an independent unit of special-purpose local government of the State of Florida created by law and established in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended by ordinance of St. Lucie County, Florida, effective on March 11, 2003 (date of inception) as amended. The Act provides for a five member Board of Supervisors to serve as the governing body of the District. The District has no component units. Its purpose is to manage and finance basic community development systems, facilities and services, including capital infrastructure.

Basis of Presentation

Government-wide Financial Statements - Government-wide financial statements, including the statement of net assets and statement of activities, present information about the District as a whole. These statements include the nonfiduciary financial activity of the primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

The effects of interfund activity have been eliminated from the government-wide financial statements.

Fund Financial Statements - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Non-major funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

Major Governmental Fund Types

General Fund - The general fund is the general operating fund of the District. All general tax revenue and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

Assessments

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. The District's annual assessments for operations are billed and collected by the County Tax Collector. The amounts remitted to the District are net of applicable discounts or fees and include interest on monies held from the day of collection to the day of distribution.

Equity Classifications

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change. Under GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are required to be reported according to the following classifications:

Non-Spendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (continued)

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned Fund Balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Cash and Cash Equivalents

Florida Statutes require state and local governmental units to deposit monies with a financial institution classified as a “Qualified Public Depository,” which is a state insurance pool for banks and other financial institutions. The pool requires each bank to render as collateral a percentage of all state and local monies on deposit. Upon default of a particular financial institution within the pool, the pooled collateral is used to reinstate the state and local government deposits. This pool is additional insurance above the federal depository insurance. The District has cash deposits only with qualifying institutions as of September 30, 2024.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and Investments (continued)

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Credit Risk:

Florida Statutes require the money market mutual funds held by the District to have the highest credit quality rating from a nationally recognized rating agency. The District holdings are exempt from this requirement at September 30, 2024.

Interest Rate Risk:

Florida Statutes state that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. All holdings are currently liquid.

Concentration of Credit Risk:

GASB 40 requires disclosure when investments are more than 5% in any one issuer. All investments held by the District are exempt from this requirement.

Custodial Credit Risk:

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2024, the District is exempt from this requirement.

Fair Value Measurement - When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and Investments (continued)

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- Level 1: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- Level 2: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- Level 3: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations (continued)

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the District would record deferred outflows of resources related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the District reports a deferred inflow of resources until such times as the revenue becomes available.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Management Company

The District has contracted with a management company to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

NOTE B - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2024 was as follows:

	Balance 10/1/2023	Increases	Decreases	Balance 09/30/2024
Governmental activities:				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 1,046,489	\$ -	\$ -	\$ 1,046,489
Total Capital Assets, not being Depreciated	1,046,489	-	-	1,046,489
Governmental Activities Capital Assets - Net	\$ 1,046,489	\$ -	\$ -	\$ 1,046,489

NOTE C - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- Public hearings are conducted to obtain public comments.
- Prior to October 1, the budget is legally adopted by the District Board.
- All budget changes must be approved by the District Board.
- The budgets are adopted on a basis consistent with generally accepted accounting principles.
- Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE D - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and environmental remediation. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

The District is bound by an Inter-Local agreement where revenues and expenses are received and paid out of Southern Grove Community Development District 1 (SG 1), and revenues and expenses are allocated out of SG 1 to the other Districts (Southern Grove 2 through 10).

NOTE E – DEPENDENCY ON SUPPORT

The Districts activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District operations.

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL –
GENERAL FUND****Year Ended September 30, 2024**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE				
Developer Contributions	\$ -	\$ -	963,719	\$ 963,719
Stormwater Fees	7,965	9,523	9,523	-
On-Roll Assessments	70,774	69,583	189,508	119,925
Off-Roll Assessments	-	-	6,685	
Other Income	-	43,379	8,812	(34,567)
Interest Income	-	-	13,432	13,432
TOTAL REVENUE	<u>78,739</u>	<u>122,485</u>	<u>1,191,679</u>	<u>1,062,509</u>
EXPENDITURES				
Administrative	64,690	54,903	51,779	3,124
Maintenance	14,049	24,879	37,447	(12,568)
TOTAL EXPENDITURES	<u>78,739</u>	<u>79,782</u>	<u>89,226</u>	<u>(9,444)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	42,703	1,102,453	1,059,750
Surplus/(Deficit) (Notes to RSI)	<u>-</u>	<u>(42,703)</u>	<u>-</u>	<u>42,703</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,102,453</u>	<u>\$ 1,102,453</u>

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures exceeded appropriations for the fiscal year ended September 30, 2024.

The variance between budgeted and actual general fund revenues is considered significant. The actual general fund expenditures for the current fiscal year were higher than budgeted amounts due primarily to an increase in costs during the current fiscal year.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*

Board of Directors
Southern Grove Community Development District 1
Port St. Lucie, Florida

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Southern Grove Community Development District 1, as of September 30, 2024 and for the year ended, which collectively comprise the Southern Grove Community Development District 1's basic financial statements and have issued our report thereon dated June 23, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 23, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF
SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE
AUDITOR GENERAL OF THE STATE OF FLORIDA

Board of Directors
Southern Grove Community Development District 1
Port St. Lucie, Florida

We have examined Southern Grove Community Development District 1, Port St. Lucie, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2024. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Southern Grove Community Development District 1, Port St. Lucie, Florida and is not intended to be and should not be used by anyone other than these specified parties.



DiBartolomeo, McBee Hartley & Barnes, P.A.
Fort Pierce, Florida
June 23, 2025

Management Letter

Board of Directors
Southern Grove Development District 1
Port St. Lucie, Florida

Report on the Financial Statements

We have audited the financial statements of the Southern Grove Community Development District 1 as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 23, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those report, which are dated June 23, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information required is disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the District did not authorize a PACE program pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the District's geographical boundaries during the fiscal year under audit.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Southern Grove Community Development District 1 reported:

- a. The total number of district employees compensated in the last pay period of the District's fiscal year as N/A.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 6.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as N/A.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$438,231.
- e. The District does not have any construction projects with a total cost of at least \$65,000 that are scheduled to begin on or after October 1 of the fiscal year being reported
- f. The District amended its final adopted budget under Section 189.016(6), Florida Statutes, as included on page 20.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Southern Grove Community Development District 1 reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the District range from \$118 to \$872 per residential unit.
- b. The total amount of special assessments collected by or on behalf of the District as \$189,508.
- c. The total amount of outstanding bonds issued by the District as N/A.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
June 23, 2025

To: Board of Supervisors
From: B. Frank Sakuma, Jr. CDM, District Manager
Date: September 23, 2025

Board Meeting Date: October 1, 2025

SUBJECT

Consider Authorizing Aquatic Maintenance Request for Proposals.

STAFF RECOMMENDATION

Staff recommend the Board authorize an Aquatic Maintenance Request for Proposals, or bring back a renewal to the existing agreement for consideration at the November meeting.

GENERAL INFORMATION

The current aquatic maintenance contracted vendor is Solitude Lake Management LLC. The maintenance agreement will expire on November 30, 2025. The agreement may be extended by the Board by annual renewal for up to two additional years.

DISTRICT LEGAL COUNSEL REVIEW

District Legal Counsel will assist if directed to issue an RFP.

FUNDING REVIEW

Aquatic Maintenance is included in the proposed FY 2025-2026 Operations & Maintenance Budget.

Attachments

SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT NO. 1
REQUEST FOR PROPOSALS

Aquatic Maintenance Services
St. Lucie County, Florida

Notice is hereby given that the Southern Grove Community Development District No. 1 (“**District**”) will accept proposals from qualified firms (“**Proposers**”) interested in providing aquatic maintenance services for Southern Grove Community Development District Nos. 1 through 10 (the “**Districts**”), all as more specifically set forth in the Project Manual. The Project Manual, including among other materials, contract documents, project scope and any technical specifications, will be available for public inspection and may be obtained by sending an email to John Gallagher at jgallagher@sdsinc.org. In order to submit a proposal, each Proposer must (1) be authorized to do business in Florida, and hold all required state and federal licenses in good standing; and (2) have at least five (5) years of experience with aquatic maintenance projects. The District reserves the right in its sole discretion to make changes to the Project Manual up until the time of the proposal opening, and to provide notice of such changes only to those Proposers who have attended the pre-proposal meeting.

There will be a mandatory pre-bid proposal conference on October 15, 2025, at 9:30 AM. This meeting will be held at Tradition Town Hall located at 10799 SW Civic Lane, Port St. Lucie, FL 34987. Firms desiring to provide services for this project must submit one (1) written proposal AND a PDF file on a flash-drive no later than October 31, 2025 at 2:00 p.m. (EST) at 10521 SW Village Center Dr., Suite #203, Port St. Lucie, FL 34987, Attention: Frank Sakuma. Additionally, as further described in the Project Manual, each Proposer shall supply a proposal bond or cashier’s check in the amount of \$25,000 with its proposal. Proposals shall be submitted in a sealed package that shall bear “RESPONSE TO REQUEST FOR PROPOSALS (Southern Grove Community Development Districts – Aquatic Maintenance) ENCLOSED” on the face of it. Proposals received after the time and date stipulated above may be returned un-opened to the Proposer. Any proposal not completed as specified or missing the required proposal documents may be disqualified.

The District Manager will conduct a public meeting to publicly open the proposals on October 31, 2025 at 2:00 p.m. (EST) at 10521 SW Village Center Dr., Suite #203, Port St. Lucie, FL 34987. No official action of the District’s Board will be taken at this meeting, and it is held for the limited purpose of opening the RFP responses. The meeting is open to the public and will be conducted in accordance with the provisions of Florida law. This meeting may be continued to a date, time, and place to be specified on the record at the meeting. Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (772) 345-5119 at least five (5) calendar days prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8870 (Voice), for aid in contacting the District.

The submitted proposals will be reviewed by the District’s Board of Supervisors (the “**Board**”) at a public meeting to be held on November 5, 2025 at 10:30 A.M. at the Tradition Town Hall located at 10799 SW Civic Lane, Port St. Lucie, FL 34987. Proposers are required to attend the meeting of the District’s Board.

Any protest regarding the Project Manual, including but not limited to protests relating to the proposal notice, the proposal instructions, the proposal forms, the contract form, the scope of work, the maintenance map, the specifications, the evaluation criteria, the evaluation process, or any other issues or items relating to the Project Manual, must be filed in writing, within seventy-two (72) hours after issuance of the Project Manual. The formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Failure to timely file a notice of protest or failure to timely file a formal written protest shall constitute a waiver of any right to object or protest with respect to aforesaid plans, specifications or contract documents. Additional information and requirements regarding protests are set forth in the Project Manual and the District’s Rules of Procedure, which are available from the District Manager, 10521 SW Village Center Dr., Suite #203, Port St. Lucie, FL 34987, Attention: Frank Sakuma, (772) 345-5119.

Rankings will be made based on the Evaluation Criteria contained within the Project Manual. Price will be one factor used in determining the proposal that is in the best interest of the District, but the District explicitly reserves the right to make such award to other than the lowest price proposal. The District has the right to reject any and all proposals and waive any technical errors, informalities or irregularities if it determines in its discretion it is in the best interest of the District to do so. Any and all questions relative to this project shall be directed in writing by e-mail only to John Gallagher at jgallagher@sdsinc.org, with a further copy to Lindsay Whelan at Lindsay.Whelan@KutakRock.com.

Southern Grove Community Development District No. 1
Frank Sakuma, District Manager

**AQUATIC MAINTENANCE SERVICES REQUEST FOR
PROPOSALS
SOUTHERN GROVE COMMUNITY DEVELOPMENT DISTRICT
NO. 1**

St. Lucie County, Florida

EVALUATION CRITERIA

1. Personnel & Equipment (20 Points Possible)

This category addresses the following criteria: skill set and experience of key management and assigned personnel, including the project manager and other specifically trained individuals who will manage the property; present ability to manage this project; proposed staffing levels; capability of performing the work; geographic location; subcontractor listing; inventory of all equipment; etc. Skill set includes certification, technical training, and experience with similar projects. Please include resumes, certifications, etc., with proposal. Please also provide evidence of the proposer's ability to meet deadlines and be responsive to client needs.

2. Experience (25 Points Possible)

This category addresses whether a Proposer clearly distinguishes past & current record and experience of the Proposer in similar projects; volume of work previously awarded to the firm; past performance in any other contracts; etc.

3. Understanding Scope of RFP (15 Points Possible)

This category addresses the following issues: Does the proposal demonstrate an understanding of the District's needs for the services requested? Does it provide all information as requested by the District including pricing, scheduling, staffing, etc.? Does it demonstrate clearly the ability to perform these services? Were any suggestions for "best practices" included? Does the proposal as a whole appear to be feasible, in light of the scope of work? Did the contractor use the forms provided from the Project Manual in responding to the proposal?

4. Financial Capacity (5 Points Possible)

This category addresses whether the Proposer has demonstrated that it has the financial resources and stability as a business entity necessary to implement and execute the work. Proposer should include proof of ability to provide insurance coverage as required by the District as well as audited financial statements, or similar information.

5. Price (20 Points Possible)

Twenty (20) points will be awarded to the Proposer submitting the lowest bid for Parts 1 - 4 (the Contract Amount). AN AVERAGE OF ALL FIVE YEARS PRICING IS TO BE CONSIDERED WHEN AWARDING POINTS FOR PRICING - THE INITIAL TERM AND ALL FOUR ANNUAL RENEWALS. All other proposers will receive a percentage of this amount based upon a formula which divides the low bid by the proposer's bid and is then multiplied by the number of points possible in this part of the Price evaluation.

EXAMPLE: Contractor “A” turns in a bid of \$210,000 and is deemed to be low bid and will receive the full 20 points. Contractor “B” turns in a bid of \$265,000. Bid “A” is divided by Bid “B” then multiplied by the number of points possible (20). $(210,000/265,000) \times 20 = 15.85$, therefore, Contractor “B” will receive 15.85 of 20 possible points. Contractor “C” turns in a bid of \$425,000. Bid “A” is divided by Bid “C” then multiplied by the number of points possible (20). $(210,000/425,000) \times 20 = 9.88$, therefore, Contractor “C” will receive 9.88 of 20 points.

6. Reasonableness of ALL Numbers

(15 Points Possible)

Up to fifteen (15) points will be awarded as to the reasonableness of ALL numbers, quantities & costs.

Proposer’s Total Score

(100 Points Possible)

END

Financial Report: Under Separate Cover

