



CULPEPPER & TERPENING, INC.
CONSULTING ENGINEERS | LAND SURVEYORS

April 27, 2015

Project Number: 14-075

Contract File

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VIA: Email (PPimentel@sdsinc.org)
Original via U.S. Mail

Attn: Mr. Pete Pimentel
Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, Florida 33410

RE: Veranda CDD – Engineer's Report (Final)

Dear Mr. Pimentel:

On behalf of the firm of Culpepper & Terpening, Inc., I am pleased to enclose a copy of the final *Engineer's Report* as it pertains to proposed Veranda CDD for your reference.

Should you have any questions or require any additional information, please feel free to contact me directly at (772) 464-3537.

Sincerely,

CULPEPPER & TERPENING, INC.

James P. "Butch" Terpening, Jr., P.E.
President

JPT:mc

Enclosure: As referenced above

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VERANDA

COMMUNITY DEVELOPMENT DISTRICT

ENGINEER'S REPORT

April 23, 2015

Prepared by



CULPEPPER & TERPENING, INC

CONSULTING ENGINEERS | LAND SURVEYORS

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Table of Contents

SECTIONS:

Section 1.0	Introduction	3
Section 2.0	Status Of Project Approavals	7
Section 3.0	General Description Of Bond Issues	9
Section 4.0	Infrastructure Improvements	12
Section 4.1	Stormwater Management System	12
Section 4.2	Water Distribution System	13
Section 4.3	Wastewater Collection System	14
Section 4.3	Pedestrian And Landscaping Improvements	17
Section 5.0	Cost Estimates For The Development Improvements	19
Section 6.0	Conclusion	20

FIGURES:

Figure No. 1	– State View Location Map	4
Figure No. 2	– General Location Map	5
Figure No. 3	– Development Plan	6
Figure No. 4	– Stormwater Management	10
Figure No. 5	– Water Distribution	11
Figure No. 6	– Wastewater Collection	16
Figure No. 7	– Pedestrian and Landscaping Improvements	18

TABLES:

Table No. 1	– Design Storms	13
Table No. 2	– Stormwater ERU by Land Use	13
Table No. 3	– Water and Wastewater ERC by Land Use	15
Table No. 4	– Pedestrian and Irrigation ERU by Land Use	17
Table No. 4	– 2015 CIP Projects	19



SECTION 1.0

1.1 INTRODUCTION

Veranda Gardens West (the “Development”) is a 131.25 acre tract of land located on the south side of Becker Road, east of the Florida Turnpike, in the City of Port St. Lucie, Florida (the “City”). The Development site is located within the overall boundaries of both the Veranda Planned Unit Development (the “Veranda PUD”) and the Veranda Community Development District (the “District”). As depicted in Figure 1 “State View Location Map”, the Development is located on the Florida Treasure Coast. Figure 2 “General Location Map” depicts a general location of the District within St. Lucie County and the Figure 3 “Development Plan” depicts the layout of the Development as approved by the City.

In 2007 the City granted zoning and Conceptual Site Plan approval to the Veranda PUD, a 3,230 unit residential community. Since its initial approval in 2007, there have been 4 PUD Amendments (through January 2015) to the base PUD documents for the Veranda PUD, the most significant amendment being the inclusion of the Floridian National Golf Club in 2009 into the overall PUD. The Veranda PUD is abutting the St. Lucie Land PUD (also referred to as the Veranda Falls) a primarily non-residential development, approved for 457,057 square feet of non-residential floor area, a 120 room hotel and 581 multi-family residential units.

In addition to the above described land use regulating districts, the Development also lies within the City of Port St. Lucie’s Special Assessment District known as the St. Lucie Land SAD (the “SAD”), a 1,023 acre mixed use special assessment district. The SAD issued in 2005, \$18,725,000 dollars of City backed Bonds for the funding of specific public infrastructure improvements. The infrastructure included the construction of a new interchange at Becker Road and the Florida Turnpike (Exit 138) and for providing contributions towards the extension of the City’s water and wastewater main to the lands within the District.

Veranda Gardens West development area contains approximately 358 single-family residential units along with a community Amenity Center. Buildout of all homesites within the Development is anticipated to occur over the next five (5) year period (2015-2020). Construction of the Development area will be in three phases, generally as follows:

- Phase 1 (2015/2016) - Is nearing completion of all infrastructure and contains 146 platted lots, the Amenity Center and 9.8 acres of lakes;
- Phase 2 (2017/2018) - Anticipates the construction of approximately 104 lots with 6.3 acres of lake; and
- Phase 3 (2019/2020) - Anticipates ‘Project Build-Out’ will include the construction of approximately 108 lots with 4.3 acres of lake.

Figure 3 “Development Plan” depicts the overall plan of development of the Veranda Gardens West project site, as approved by the City of Port St. Lucie.



Figure No. 1 – State View Location Map

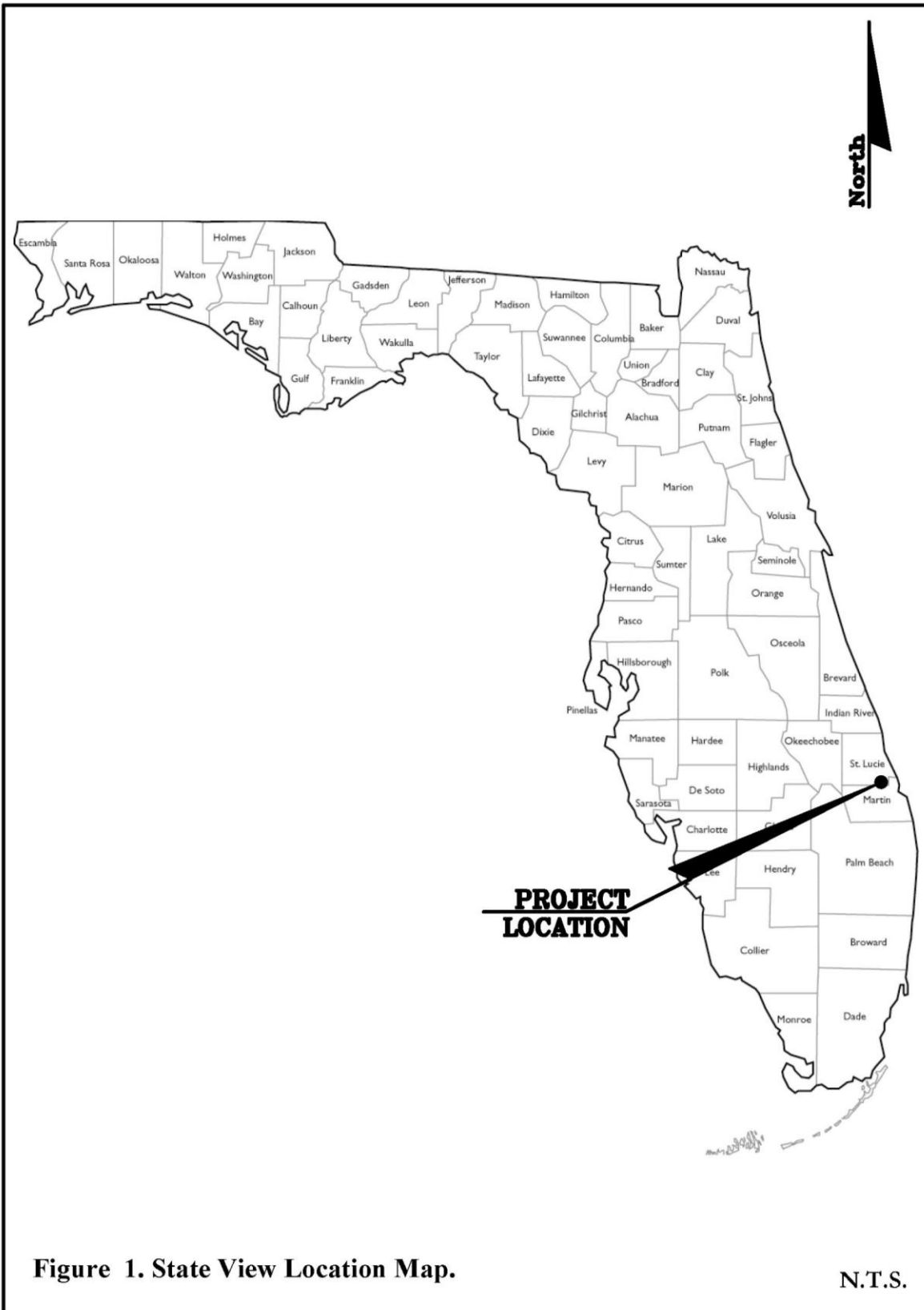


Figure No. 2 – General Location Map

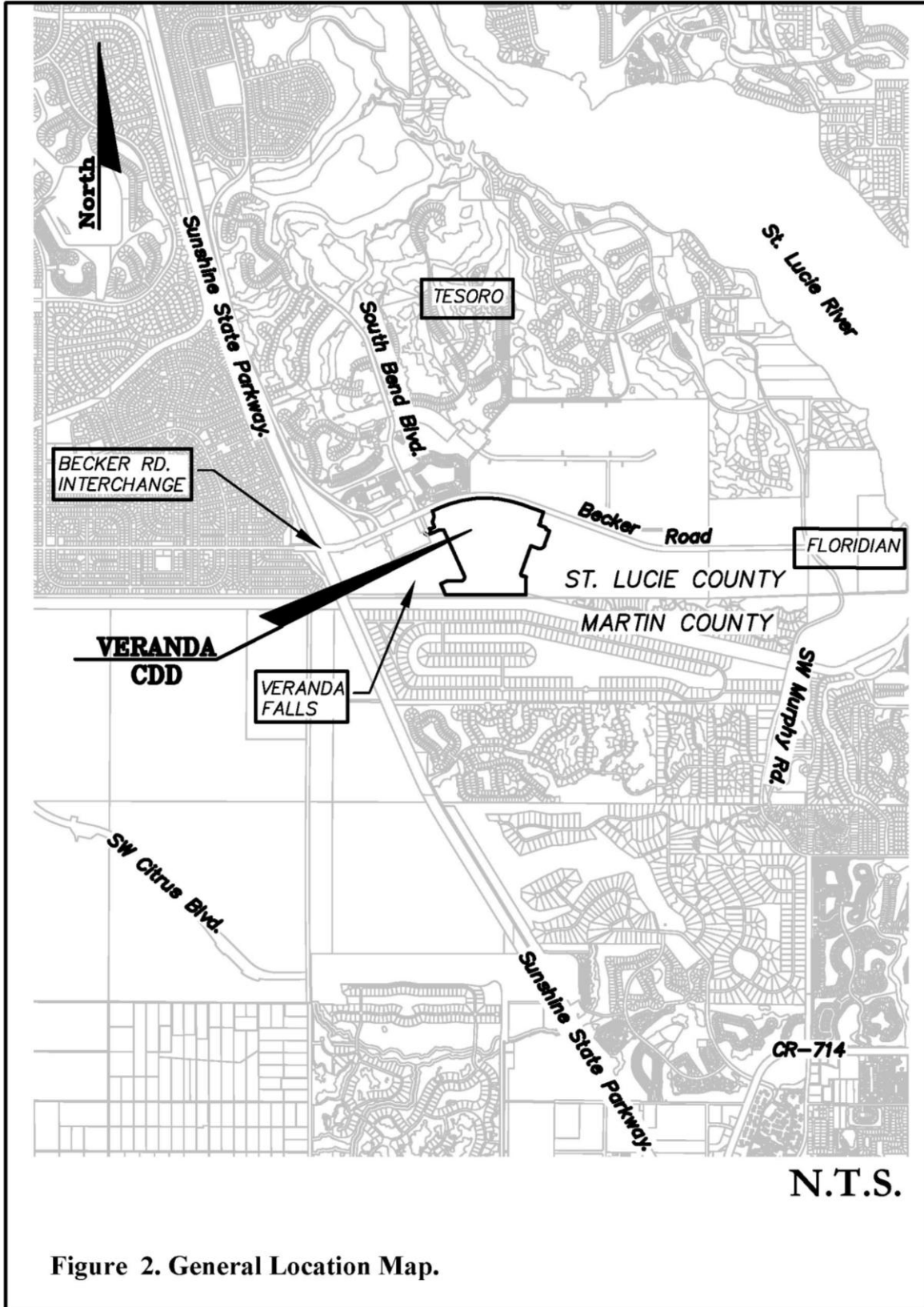


Figure 2. General Location Map.



Veranda Community Development District

Figure No. 3 – Development Plan

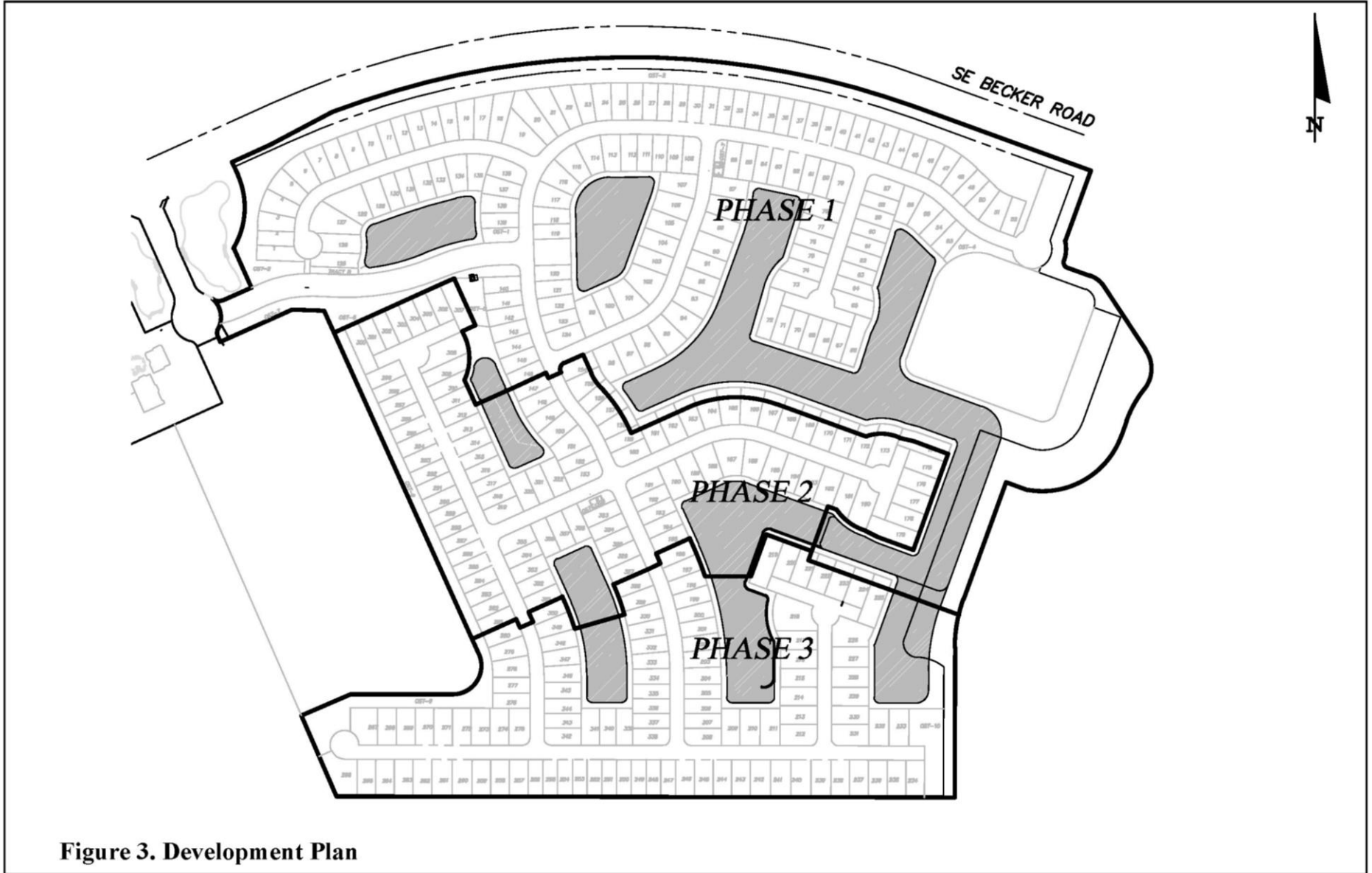


Figure 3. Development Plan



SECTION 2.0

2.1 STATUS OF PROJECT APPROVALS

A. Site Development Permits and Approvals

The following list includes the development permits that are required for the construction of the Development infrastructure (list reflects activity through April 1, 2015):

1. The Veranda Gardens West Concept Plan was approved as part of the Veranda PUD Amendment No. 4, which was approved by the Port St. Lucie City Council, through Ordinance No. 14-01.
2. The Final Plat for Veranda Gardens Phase 1 (also referred to as “Plat No. 3”) was approved by the Port St. Lucie City Council, through Resolution No. 14-R133, on August 25, 2014.
3. The Preliminary Plat for Veranda Gardens Phase 2 & 3 (also referred to as “Plat No. 4”) was approved by the Port St. Lucie City Council, through Resolution No. 14-R43, on February 24, 2014.
4. South Florida Water Management District (the “SFWMD”) Environmental Resource Permit (the “ERP”), Permit No. 56-00332-S-78, (Application No. 140127-1) for the area encompassed by the Development.
5. The Development lies within the Permitted area of the U.S. Army Corp. of Engineers (the “ACOE”) Permit No. SAJ-2014-00314 - SP-GGL.

B. Site Development Agreements:

Veranda Gardens West is subject to the following agreements and the status of the agreements as of April 1, 2015:

1. The St. Lucie Land Development Agreement, Amendment No. 3, approved by the City Council on November 12, 2013, reaffirmed the conditions of the original Development Agreement affecting the Development property.
2. The Development has a Utility Service Agreement for water and wastewater service rights from the City of Port St. Lucie Utility Systems Department (the “PSLUSD”), as found in the Official Records, OR Book 3642, Page 688 of the Public Records of St. Lucie County, and recorded on June 6, 2014.
3. The Development has a Utility Service Agreement for Reclaimed Water for Irrigation from the City of Port St. Lucie Utility Systems Department (the “PSLUSD”), as found in the Official Records, OR Book 3695, Page 1890-1903 of the Public Records of St. Lucie County, and recorded on December 3, 2014.



4. As of April 1, 2015, the Development is considered to be in good standing with the conditions of the issued/approved Development Agreements and Permits and the Final Plat Approval of Plat No. 4 (Veranda Gardens Phase 2 & 3), is anticipated to be obtained upon submittal to the City of Port St. Lucie.

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SECTION 3.0

3.1 GENERAL DESCRIPTION OF BOND ISSUES

This Consulting Engineer's Report addresses the public infrastructure improvements (the "2015 CIP") to be undertaken by the District with respect to the issuance of special assessment Bonds (the "Bonds"). The District expects to finance a portion of, these infrastructure improvements through the issuance of the Bonds.

The Bond proceeds will provide the funding for a portion of the required infrastructure improvements described in this Report through a deposit into the trustee's construction fund that will be used to purchase from the Developer portions of the improvements constituting the 2015 CIP, as certified by the District Engineer.

The required improvements include: the Development's stormwater management system, internal potable water distribution mains and services, onsite wastewater gravity collection lines and lift station, offsite & common area pedestrian improvements and irrigation water system improvements. The infrastructure improvements are shown as follows: Figure 4 "Stormwater Management" depicts the Stormwater Management System, Figure 5 "Water Distribution" depicts the Water Distribution System, Figure 6 "Wastewater Collection" depicts the Wastewater Collection system, and Figure 7 "Pedestrian and Irrigation Water" depicts the Pedestrian & Irrigation Water Improvements.

These infrastructure improvements will give special benefit to all lands in the District. Special benefit is a required determination in order to make use of the proceeds of any special assessments bonds issued by, or through, the District.

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Veranda Community Development District

Figure No. 4 – Stormwater Management

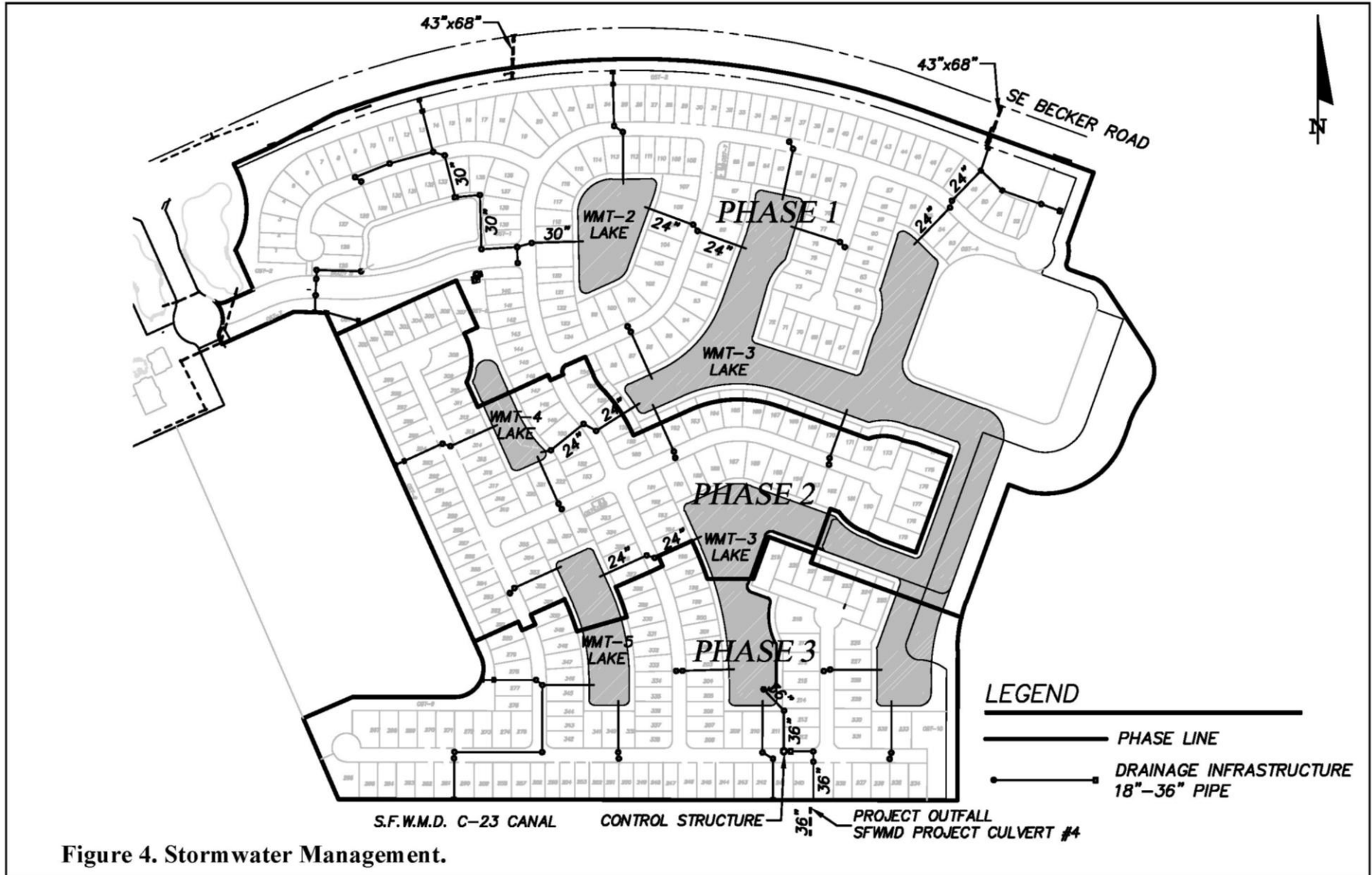


Figure 4. Stormwater Management.



Veranda Community Development District

Figure No. 5 – Water Distribution

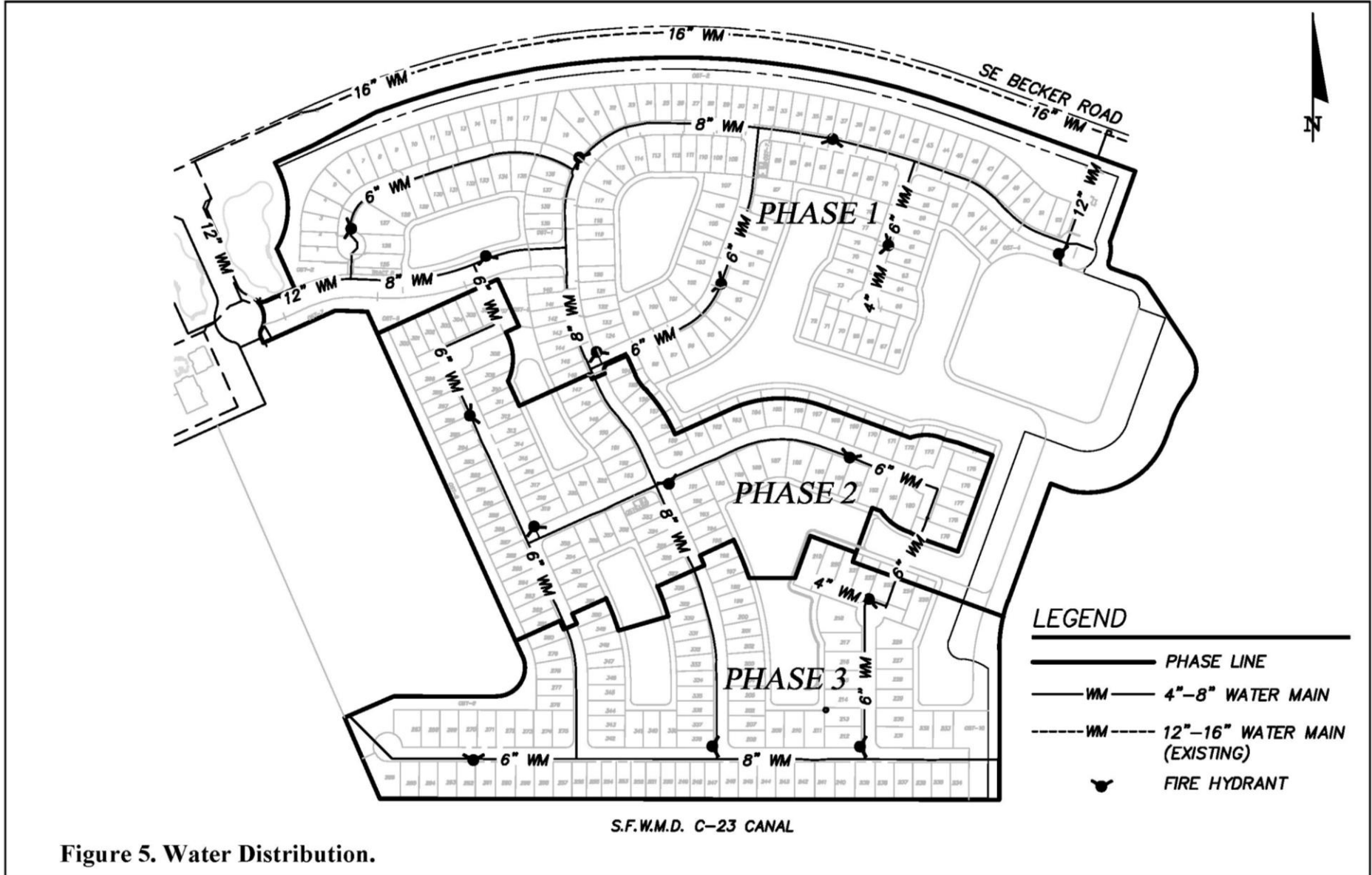


Figure 5. Water Distribution.



SECTION 4.0

INFRASTRUCTURE IMPROVEMENTS

The infrastructure improvements to take place within the Development area are generally to be described as providing for the construction of stormwater management systems, water distribution systems, wastewater collection systems, and Pedestrian & Irrigation Water.

SECTION 4.1

STORMWATER MANAGEMENT SYSTEM

The approved conceptual development plan for the Veranda Gardens PUD provides for approximately 20.4 acres of stormwater management lakes that are to be located within the District. These lakes are to provide for both water quality treatment and water attenuation for the proposed 358-single family residential units, all associated roadways, common areas and a 6.5 acre amenity center. The Veranda Gardens West stormwater system is as generally depicted in Figure 4 “Stormwater Management”

The District’s stormwater management system will convey runoff from the individual residential lots via a system of gutters, inlets and piping, into the lakes for treatment purposes. The lakes within the District are designed with large pipe interconnects that allows for the cross conveyance of the stormwater runoff from lake to lake.

To insure compliance with the SFWMD regulatory requirements, control structures have been installed on the outfall pipes leaving the lakes that serve to regulate the individual lake levels. The overall project designs provide for a regulated outfall point from the onsite stormwater treatment network into the SFWMD Canal C-23, through the SFWMD “Project Culvert PC-4”.

Construction of the District’s stormwater improvements is proposed to occur over the next five years (through 2020), constructed in three (3) separate phases. General descriptions of the stormwater infrastructure for each phase of Veranda Gardens West are as follows:

- Phase 1 - Construction of 9.8 acres of lakes, 3,000 feet of gutters, 4,600 feet of pipe culverts and a conveyance swale into the SFWMD Canal 23;
- Phase 2 - Construction of approximately 6.3 acres of lakes, 7,500 feet of gutters and 1,800 feet of pipe culverts;
- Phase 3 - Construction of approximately 4.3 acres of lakes, 8,760 feet of gutters, 3,000 feet of pipe culverts and minor modifications to the control structure to accommodate the project build-out.

The District’s stormwater system was designed, permitted and will be constructed based on the following design events depicted in Table No 1. “Design Storms”.



TABLE No. 1			
Design Storms			
Protection	Event - Year	Duration	Rainfall – inches
Roadway	10	24 hour	6.5”
Basin	25	3 days	10.2”
Homes	100	3 days	12.9”

The stormwater needs within the District have been analyzed based upon the application of the Equivalent Residential Unit (the “ERU”) basis. For the purpose of defining benefit, the ERU basis has been and continues to be used throughout the City of Port St. Lucie in their annual Stormwater Assessment for establishing benefit of services.

Table No.2 “Stormwater ERU by Land Use” computes the estimated cost for the stormwater infrastructure improvements for each land use based upon the total Stormwater ERU in the Development. The total Stormwater ERU’s for the Veranda Community Development District has been estimated at 346 units.

Table No. 2					
Veranda CDD					
Stormwater ERU by Land Use					
Land Use	ERC's Per Units	Total Unit	Total ERC's	Percentage of Total Benefiting ERC	Total Estimated Amount⁽¹⁾
Single – Family 66 foot	1	117	117	100.00%	\$1,177,862
Single – Family 52 foot	0.95	241	229	100.00%	\$2,305,388
TOTAL			346	100.00%	\$3,483,250

⁽¹⁾ Engineer's Estimate of Probable Cost

SECTION 4.2

WATER DISTRIBUTION SYSTEM

The Port St. Lucie Utility Service Department (the “PSLUSD”) is the provider of domestic water and fire protection services to the District and will maintain the facilities upon the completion of their construction, acceptance and dedication of the water lines to the City by the District.

The Water Distribution System consists of 8” diameter and 6” diameter water main with internal loops, constructed within the internal roadway network within the District or inside of dedicated utility easements as generally shown in Figure 5. The internal project loop system will be connected to the PSLUSD transmission main system at two (2) locations; one being into the existing 12” water main located in the Via Tesoro Boulevard Road right-of-way and one into the existing 16” water main located in the Becker Road right-of-way.

Construction of the water distribution system is estimated to occur in three (3) separate phases over the next *five (5) years*. General descriptions of the water infrastructure for each of the phases are as follows:



- Phase 1 – Construction of PVC water mains, ranging from 12 inches to 4 inches in size and totaling over 7,400 feet in length. The water system improvements also includes all fire hydrants, taps, valves and appurtenances, including 146 individual lot services
- Phase 2 – Estimates for the construction anticipates the installation of PVC water mains, ranging from 8 inches to 4 inches in size and totaling over 3,975 feet in length. The water system improvements also include all fire hydrants, taps, valves and appurtenances, including 104 individual lot services.
- Phase 3 – Estimates for the construction anticipates the installation of PVC water mains, ranging from 8 inch to 4 inches in size and totaling over 4,200 feet in length. The water system improvements also include all fire hydrants, taps, valves and appurtenances, including 108 individual lot services.

The water system needs within the District have been analyzed based upon the application of the Equivalent Residential Unit (ERU) basis.

Table No. 3 “Water & Wastewater ERU by Land Use” computes the estimated cost for the water distribution improvements for each land use based upon the total Water ERU in the District. The total Water ERU’s for the Veranda Community Development District has been estimated at 346 units.

SECTION 4.3

WASTEWATER COLLECTION SYSTEM

The Port St. Lucie Utility Service Department (the “PSLUSD”) is the provider of wastewater services to the District and will maintain the facilities upon the completion of their construction, acceptance and dedication of the wastewater lines to the City by the District.

The Wastewater Collection System as shown on Figure No. 6 will include of onsite infrastructure improvements consisting of 12,710 feet of 8” diameter gravity collection mains, manholes, individual lot services, two (2) onsite lift stations, and 3,600 feet of 6” diameter force main. All of the proposed improvements will be constructed within the internal roadway network or dedicated utility easements.

In accordance with the Development Agreement, approximately 3,000 feet of 12” diameter offsite force main will be constructed within the Becker Road right-of-way to serve the District and is included in the Project.

Construction of the wastewater collection system is estimated to occur in three (3) separate phases over the next *five (5) years*. General descriptions of the wastewater infrastructure for each of the phases are as follows:

- Phase 1 – Construction of 5,100 feet of 8” diameter PVC gravity sewer mains, including sanitary manholes, one (1) lift station, 3,030 feet of 6” diameter PVC force main, taps, valves and appurtenances, including 146 individual lot services.



Veranda Community Development District

Phase 2 – Construction anticipates the installation of 3,835 feet of 8” diameter PVC gravity sewer mains, including sanitary manholes, one (1) lift station, 825 feet of 6” diameter PVC force main, taps, valves and appurtenances, including 104 individual lot services.

Phase 3 – Construction anticipates the installation of 3,775 feet of 8” diameter PVC gravity sewer mains, including sanitary manholes and appurtenances, including 108 individual lot services.

The wastewater system needs within the District have been analyzed based upon the application of the Equivalent Residential Unit (ERU) basis.

Table No. 3 “Water & Wastewater ERU by Land Use” computes for the estimated cost for the wastewater distribution improvements for each land use based upon the total Wastewater ERU in the District. The total Wastewater ERU’s for the District has been estimated at 346 units.

Table No. 3 Veranda CDD Water and Wastewater ERC by Land Use						
Land Use	Units	ERC's Per Units	Total ERC's	Percentage of Total Benefiting ERC	Total Estimated Amount Water ⁽¹⁾	Total Estimated Amount Wastewater ⁽¹⁾
Single – Family 66 foot	117	1	117	100.00%	\$357,288	\$ 934,809
Single – Family 52 foot	241	.95	229	100.00%	\$699,306	\$1,829,668
TOTAL			346	100.00%	\$1,056,594	\$2,764,477

⁽¹⁾ Engineer's Estimate of Probable Cost

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Veranda Community Development District

Figure 6 – Wastewater Collection

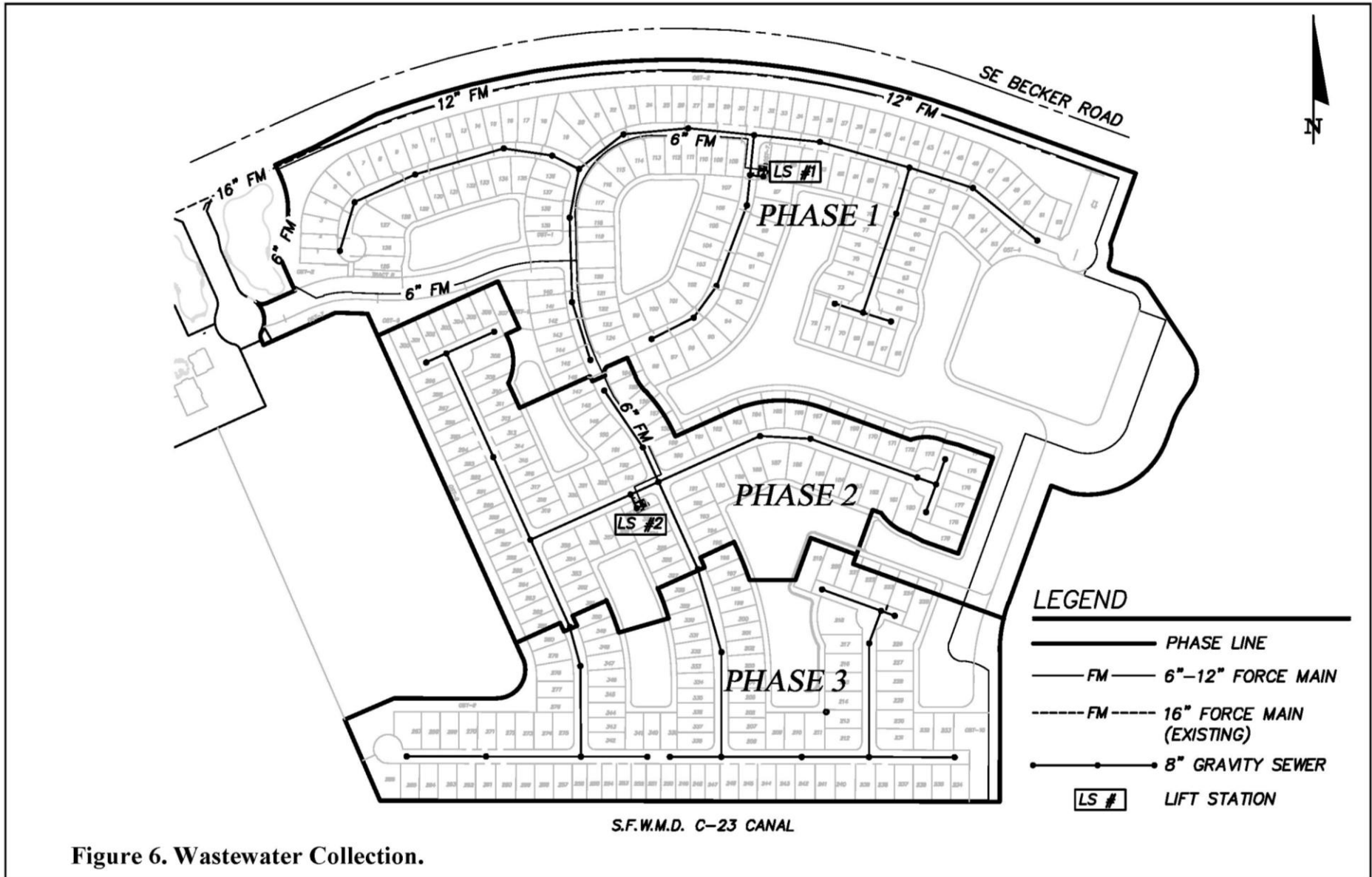


Figure 6. Wastewater Collection.



SECTION 4.3

PEDESTRIAN AND IRRIGATION IMPROVEMENTS

The pedestrian improvements for the District, includes the construction of a new 8-foot wide publicly accessible pedestrian path along Becker Road, approximately 3,195 feet in length. The irrigation water improvement includes the irrigation transmission main from the City to the irrigation pond, the irrigation pond, still well and the Irrigation Quality (the “IQ”) main, pond and the IQ pump station. The proposed improvements are shown in Figure 7 “Pedestrian & Irrigation Water”.

The Port St. Lucie Utility Service Department (the “PSLUSD”) is the provider of reclaimed Irrigation Quality (the “IQ”) water service to the Development. The District will own and maintain the IQ holding pond, pumping facility and distribution mains upon completion.

Table No. 4 “Pedestrian and Irrigation ERU by Land Use” computes the estimated cost for the pedestrian and irrigation infrastructure improvements for each land use based upon the total Pedestrian and Irrigation ERU in the District. The total Pedestrian and Irrigation ERU’s for the District has been estimated at 346 units.

Table No. 4 Veranda CDD Pedestrian and Irrigation ERU by Land Use					
Land Use	Units	ERC's Per Units	Total ERC's	Percentage of Total Benefiting ERC	Total Estimated Amount⁽¹⁾
Single – Family 66 foot	117	1	117	100.00%	\$262,736
Single – Family 52 foot	241	.95	229	100.00%	\$514,245
TOTAL			346	100.00%	\$776,981

⁽¹⁾ Engineer's Estimate of Probable Cost



Veranda Community Development District

Figure 7 – Pedestrian and Irrigation Water

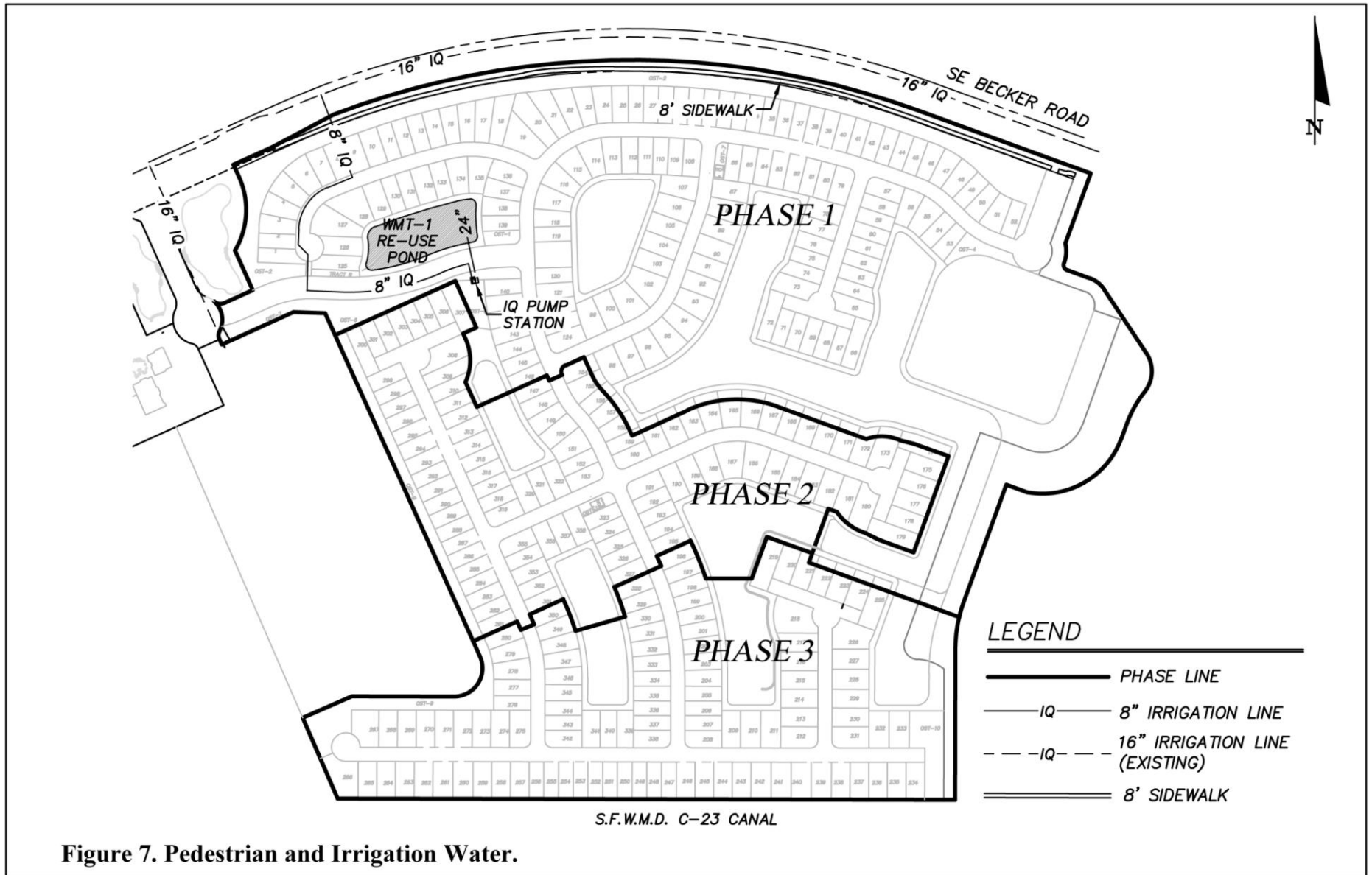


Figure 7. Pedestrian and Irrigation Water.



SECTION 5.0

COST ESTIMATES FOR THE DEVELOPMENT IMPROVEMENTS

The estimates of probable cost have been prepared for the Development by Culpepper and Terpening, Inc., as the District Engineer working with the Developer. These estimates are based on the permitted construction plans, the actual construction cost of Phase 1 as provided by the Developer and estimates of probable cost for Phases 2 & 3 based on similar projects located in the City of Port St. Lucie.

The Engineering Estimate of Probable Cost has been determined to be approximately \$8,081,302. The Engineer’s Estimates of Probable Cost for the components of the Veranda CDD are shown below in Table 5 “2015 CIP Project”.

Table No. 5 Veranda CDD 2015 CIP Project	
Description	Probable Cost
Stormwater	\$ 3,483,250
Water	\$ 1,056,594
Wastewater	\$ 2,764,477
Pedestrian & Irrigation Improvements	\$ 776,981
TOTAL	\$ 8,081,302

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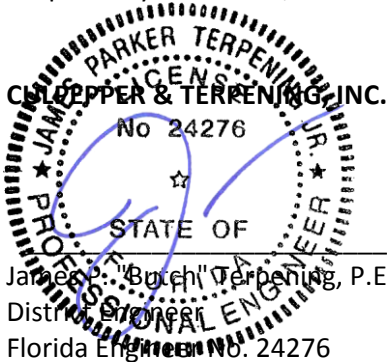
SECTION 6

6.1 CONCLUSION

Based on the document prepared by Culpepper & Terpening, Inc., and with the reliance of information provided by the City and the Developer, the following findings are made:

1. Veranda Gardens West is fully vested in the City of Port St. Lucie for a density of 358 single family units.
2. The Development Agreement with the City of Port St. Lucie governing the Development is in good standing.
3. Construction of the Phase 1 infrastructure has been completed and is currently in the process of acceptance and certification by the District.
4. The Sale Center located in Phase 1 of the Development has been issued a Certify of Occupancy and is open for business.
5. The 2015 CIP public infrastructure for the Veranda Community Development District is both desirable and based on sound engineering principles.
6. All State and Federal permits necessary for the construction of the 2015 CIP have been received.
7. Conceptual approval for the future phases (2 & 3) have been issued by the City and final construction authorization is anticipated to be issued upon submittal of the construction request.
8. The special benefit to be received by the residential units in the Development as a result of the construction the 2015 CIP is greater than the estimated cost of the 2015 CIP.

Respectfully Submitted,


CULPEPPER & TERPENING, INC.
No 24276
STATE OF
James P. "Butch" Terpening, P.E.
District Engineer
Florida Engineer No. 24276

Date Prepared: April 23, 2015

