

AGENDA
HARMONY
COMMUNITY DEVELOPMENT DISTRICT

Thursday
July 31, 2008
9:00 a.m.

Harmony/Greensides
7251 Five Oaks Drive
Harmony, Florida

- 1. Roll Call**
- 2. Approval of the Minutes of the June 26, 2008 Meeting**
- 3. Public Hearing for an Amendment to Chapter 1, Rule 1.5 of the Harmony CDD Rules of Procedure Relating to Use of Parks and Recreation Facilities**
- 4. District Manager's Report**
 - A. June 2008 Financial Statements
 - B. Invoice Approval #99 and Check Run Summary
 - C. Questions and Comments on Revised Fiscal Year 2009 Budget
 - D. Consideration of Engagement Letter with Grau & Associates to Perform the Audit for Fiscal Year 2008
 - E. Quorum for August Meeting (*Supervisor O'Keefe not Attending & Supervisor Snyder Attending by Phone*)
- 5. Attorney's Report**
- 6. Engineer's Report**
- 7. Developer's Report**
- 8. Monthly Boat Report**
- 9. Supervisor Requests**
- 10. Audience Comments**
- 11. Adjournment**

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, June 26, 2008, at 9:00 a.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Greg Golgowski	Vice Chairman
James O'Keefe	Supervisor
Ken Peach	Supervisor
Nancy Snyder	Supervisor

Also present were:

Gary Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young, van Assenderp
Rick Gierok	Engineer: Miller, Einhouse, Rymer & Boyd
Todd Haskett	Harmony Development Corporation
Brenda Wright	Moyer Management Group
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Golgowski called the meeting to order at 9:00 a.m.

Mr. Golgowski called the roll and stated a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the May 29, 2008, Regular Meeting and Workshop

Mr. Golgowski reviewed the minutes of the May 29, 2008, regular meeting and workshop and asked for any additions, correction, or deletions.

Mr. Moyer stated Mr. O'Keefe should be James instead of William.

On MOTION by Mr. O'Keefe, seconded by Ms. Snyder, with all in favor, approval was given to the minutes of the May 29, 2008 regular meeting and workshop, as amended.

THIRD ORDER OF BUSINESS

Discussion of the Revised Amendment to Chapter 1, Rule 1.5 of the Harmony CDD Rules of Procedure Relating to Use of Parks and Recreation Facilities

Mr. Qualls stated I distributed the latest version of the rules to everyone. The main changes include an addition from Mr. Golgowski to include Section 2.8 regarding dogs near the waterways. I also defined Dockmaster very generally, being the person

responsible for the District's boating facilities. I also added basketball courts to the section that had only soccer and volleyball. The rulemaking hearing is set for the July meeting but we can continue that if we need to. My advice is to get these rules right the first time. Changing them requires readvertising, which means an extra expense for the District. You can email changes and questions to me.

Ms. Snyder asked are these going to be on the website?

Mr. Qualls stated they are on the website.

Ms. Wright stated last month's version is on the website. I will post this version of the rules after the meeting.

Ms. Snyder asked can we also send an e-blast to the residents?

Mr. Haskett stated yes, I will send an e-blast.

Mr. Golgowski stated Section 4.1(g) talks about scaling or jumping fences and (h) deals with following directions given by District staff. Perhaps we should add representatives of the District. Section 4.6 talks about participants and events. These are things that seem to apply for all our parks. Rather than repeating them for each facility, perhaps we can have principles for general use.

Mr. Qualls stated that is a great suggestion, anything we can do to simplify them.

Ms. Kerul Kassel stated there are no fences for that particular facility.

Ms. Snyder asked did we not talk about signage? I talked to some teenagers and asked them to leave because it was after 10:00 p.m. and they said they can be there at anytime and thought it applied just to the pools. I think we need signs someplace.

Mr. Carl Fsadni stated the Sheriff's department said the Statute has to be listed on the signage in order to be enforceable.

Mr. Golgowski stated signage is an implementation of the rules. We need to establish these rules first.

Mr. Qualls stated most park rules cite an ordinance. These will cite the District rules.

Mr. Frank Littler stated we need signage at the pool at Ashley Park because that has become an issue.

Mr. Golgowski stated the rules will apply to all those facilities and there will be signs posted to implement them.

Mr. Littler asked is there a provision being made to further research enforcement procedures?

Mr. Qualls stated keep in mind that the chief principal by which the District is guided is the District does not have police powers but we can do things to enforce these rules. We can institute fees and other things. We will continually look into that so these rules are as enforceable as possible.

A Resident asked is that a Florida Statute as opposed to a County Statute on signage?

Ms. Kassel stated signage also has to state something so that the County can enforce it.

Ms. Gina McGinnis stated they do not recognize District rules. That is just something we do here.

Mr. Moyer stated it is still a trespass if you are using a District facility without authorization or outside of the guidelines. That is technically considered a trespass and we can enforce a trespass through the Sheriff's office. We will do what we need to for signage so they are enforceable.

Mr. Qualls stated I do want to make clear, however, that pursuant to Chapter 190, Florida Statutes, which is the District's Charter, the District has the power to adopt these rules, so these rules are not just something this group is doing in this room to make everyone feel better. These rules are enforceable pursuant to State Law.

A Resident asked criminally enforceable or civilly enforceable?

Mr. Qualls stated as I indicated, the District has no police power but the District can enforce rules, as long as those rules go toward the District's single purpose, which is the maintenance of the District's infrastructure.

Ms. Kassel stated Section 6.1 indicates that the hours are from dawn to dusk. Some signs say one-half hour after dawn and one-half hour before dusk. I would like to advocate they all be the same time and be before dawn and after dusk. Some people want to go and watch the sunrise. Some of us want to walk our dogs at 6:00 a.m. I understand the need for safety and enforcement but we need to have something that makes these facilities available to residents.

Mr. Moyer stated without objection from the Board, we will change the hours of operation throughout the rules.

Mr. Golgowski stated we will review these rules at least one more time at our meeting next month.

FOURTH ORDER OF BUSINESS **Fiscal Year 2009 Proposed Budget**

A. Discussion of Fiscal Year 2009 Proposed Budget

Mr. Moyer stated we presented the budget and had the workshop last month. We scheduled the August meeting as the public hearing to adopt the budget. We put it on the agenda today to entertain questions or comments you have now, since you have had time to look at it. We will include this on the agenda next month as well to give you the same opportunity. If something comes to your attention to discuss, we will give you the opportunity to do that.

B. Consideration to Amend Resolution 2008-3 Changing the Time of the Public Hearing

Mr. Moyer stated you adopted this Resolution last month that set the public hearing at 9:00 a.m. After discussion during the workshop, we decided to change the time to 6:00 pm. So we need formal action to amend the resolution to indicate 6:00 p.m.

On MOTION by Mr. O'Keefe, seconded by Mr. Peach, with all in favor, approval was given to amend Resolution 2008-3 to change the time of the public hearing to 6:00 p.m.

FIFTH ORDER OF BUSINESS **District Manager's Report**

A. Financial Statements

Mr. Moyer reviewed the financial statements, included in the agenda packet and available for public review in the District Office during normal business hours.

B. Invoice Approval #98 and Check Run Summary

Mr. Moyer reviewed the invoices and check summary and requested approval.

Mr. Peach asked how often do we pressure wash?

Mr. Haskett stated they pressure wash twice a year for the various amenities, including the U.S. 192 fence, pavilions, swim clubs, and bathrooms.

Mr. Peach stated the Suntel Communications invoice for the irrigation computer, there was a service change to check the weather station for the computer. Was that for maintenance?

Mr. Golgowski stated the computer that controls irrigation moved recently from one location to another and that required new phone lines to be installed. It was a service call to check out some problems related to that move.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with all in favor, approval was given to the financial statements and invoices as presented.

Mr. Moyer stated Mr. Tome provided me with an email indicating activities of the Harmony Development Company related to janitorial services. They are changing companies and in that process, they inquired about the new company, Jan Pro, providing janitorial services for the District for the Lakeshore Park bathrooms and the swim club. They found Jan Pro was willing to do the CDD facilities for \$445 less per month than our current contractor. I suggest we authorize management to terminate the contract with Diamond Cleaning and to enter into a service agreement with Jan Pro. I think the reason for the Development Company pursuing a different option was for better service.

On MOTION by Mr. O'Keefe, seconded by Mr. Peach, with all in favor, approval was given to terminate the cleaning contract with Diamond Cleaning and to enter into a contract with Jan Pro

SIXTH ORDER OF BUSINESS

Attorney's Report

There being nothing to report, the next order of business followed.

SEVENTH ORDER OF BUSINESS

Engineer's Report

There being nothing to report, the next order of business followed.

EIGHTH ORDER OF BUSINESS

Developer's Report

Mr. Haskett stated I would like to request approval to get six additional doggie pots, the aluminum styles that hold up very well. We have six metal ones that have deteriorated and need to be replaced for a total cost of \$2,100.

On MOTION by Mr. O'Keefe, seconded by Ms. Snyder, with all in favor, approval was given to purchase six aluminum doggie pots in the amount of \$2,100.

Mr. Haskett stated as one of the residents mentioned, we have had some issues at Ashley Park. The pool gate, which we have had issues with over time, has been damaged again. There is a panic bar so you can press it to get out of the building in the event of a fire or other emergency, which has created a security issue. That needs to be properly addressed. The gates are in an alcove area and my thought is to pull the gates out farther so the residents can see who is at the gates and if someone is jumping over them. I had

one proposal of \$5,400 to move those, which I think is too high. I have more companies coming in to review that and provide proposals. I would like to put in a different style latching device since it will be away from the building, and the need for the panic bar should be eliminated. That was a County requirement during a fire inspection.

Mr. Peach asked how does that affect the video?

Mr. Haskett stated from what we can tell, the teens and pre-teens that are on the video, no one can identify them, which means they are not residents. We are looking into that issue. It mainly occurs at night and in the evenings in conjunction with evening activities at the high school. They like to come to Ashley Park Pool which is interesting because it is surrounded by townhomes.

Ms. Gina McGinnis asked has anyone called the police?

Mr. Frank Littler stated yes, more than once. I recently called them but I do not know if they came or not. I commend you for looking into a solution. If the sheriff would have a periodic patrol, that should get the word out to these kids and I suggest that as an idea to help the situation. The enforcement issues are something that can be tweaked and followed up on by taking names, getting people on record as having been in that situation, and informing parents to get this problem under control. It will continue to be a problem until we get some concentrated enforcement.

Mr. Haskett stated once the gate is better secured, it will help. However, it will not keep people from jumping over the fence but that is a different issue than having a gate that does not lock properly.

Mr. Peach asked will you have to relocate the camera?

Mr. Haskett stated no, I think they will cover it fine. I would like to relocate one of them so that it is right on the gate itself, rather than looking past the areas.

Mr. Carl Fsadni stated if you have IP cameras, some software allows you to put in a window at certain times, so once they go within that window, it triggers the camera and it starts recording. It also alerts whoever is monitoring those cameras that someone has violated the security area.

Mr. Haskett stated our cameras are IP based.

Mr. Fsadni stated many times they have times that it can be set so that whoever is monitoring that, will not have to sift through hours of video.

Mr. Haskett stated the cameras are motion sensitive.

Ms. Snyder stated I am on a neighborhood watch committee and we have been encouraged to call police anytime, even if it is daily. There was a car parked outside my house and the GPS was stolen between midnight and 7:00 a.m.

Mr. Golgowski stated we also have bicycle patrols during the day.

NINTH ORDER OF BUSINESS

Monthly Boat Report

Mr. Golgowski reviewed the monthly boat report as contained in the agenda package and is available for public review in the District Office during normal business hours.

Mr. Golgowski stated we had a good storm the week of June 9 which caused damage to the railing at the dock when a tree limb fell on it, but that has since been repaired. It was a minor activity that staff performed. The anchoring posts of the boat docking raft have also been adjusted by the winds and we are looking into the cost of professionally readjusting them. The canopy of the pontoon boat needs to be replaced as a result of wind damage. I distributed a proposal from St. Cloud Welding & Fabrication to reinforce the seating on the 18-foot fishing boat. These are pedestal seats and are being stressed by the weight of our anglers. We want to reinforce the pedestals as well as the deck they are mounted on at a proposed cost of \$729. The proposal includes sales tax but that will not be included in our final cost.

On MOTION by Mr. Peach, seconded by Ms. Snyder, with all in favor, approval was given to the proposal from St. Cloud Welding & Fabricating to reinforce the seating on the 18-foot boat in the amount of \$729.

Ms. Snyder stated I wonder if we should perhaps consider some shelter for the boats. What happens when a hurricane comes? Do we lose everything?

Mr. Golgowski stated in the past when we have had advanced warning, we moved them to the end of the canal at the far end of the lake that has some shelter. They have weathered the storms well from there. This storm took us by surprise and was a north wind with gusts to 60 mph, which hit the dock head on. We discussed a revised practice for scheduling boat reservations. The concept is to use the services of the District Office to receive reservations during weekday business hours and perhaps have the Dockmaster or his assistant on duty on weekends to take any walk ins and check boats in and out and perform other tasks around the dock. It may require a budget adjustment if we need to

hire an assistant to support this activity. The Dockmaster works on a part-time basis now, and I hope to bring something to you next month.

Ms. Snyder asked he will not be here during the week but he will be here on weekends?

Mr. Golgowski stated the hours may need to change in order to accommodate this. The idea is to keep it open some time during the week as well as weekends. Friday, Saturday and Sunday are the most active days. There are some fishermen who use the boats regularly during the week and are a little more independent as far as their use of the boats, but we still need to have support for them during the week.

Ms. Snyder stated we still need to check them in and out.

Mr. Golgowski stated yes.

Mr. Rich Marks stated Thomas Belieff cannot be in several places at once. Perhaps we can break up the availability of the boats and have a window be from dawn to 11:00 and then 11:30 or noon until 4:00. Right now four hours is the maximum time you can have the boat. Maybe we shrink it to a three-hour window. Then you only need him there in the morning to check them in. If they are late, that is too bad. People can be timely. When they return the boat after their time limit, he can check them out and check in the next group. Then he is able to notice any damage between groups. I noticed the carpet in the pontoon boat is torn up and that is something that would be noticed immediately and we can pursue that particular issue. We would have accountability of a scheduled check out and return of the boat which will eliminate the need for someone to be there at the whim of the residents. Whether we have an online reservation system or call Mr. Belieff for a reservation, we are still able to check on the availability of the boat. I do not know what else to do to make this a smoother operation.

Mr. O'Keefe asked what about asking for a volunteer? For their services, we can forego his security deposit. We could then have a volunteer at no cost to the District for residents who want to take out the boats.

Mr. Golgowski stated it is worth considering.

Mr. Peach stated we have the budget hearing coming up in August, and we need to take into account any changes that are being proposed. Otherwise we have to wait another year. We can present the options with the associated costs to present to the

residents for their information. If we have some options to look at, the budget hearing is an ideal time to look at that.

Mr. Fsadni asked regarding the deposit, is there something that the Dockmaster fills out to check the boats to make sure everything is fine?

Mr. Golgowski stated yes.

Mr. Qualls stated it is contemplated in the rules. It is the same thing when you rent a car. The user and Dockmaster both check the boat when it goes out and when it comes back. You want to check it before for pre-existing damage so you are not held responsible. A lot of these are policy considerations but I do not think they need to be made part of the rules. Policies are things we are going to change over time. We can place the policies on the website and if they do not work, we can easily change them. The rules need to cover everything but they do not need to go into detail. It is harder to change rules than it is to change policy.

Ms. Snyder stated I like the volunteer suggestion. I know that I could volunteer and all I have to do is look on the website to see if anyone is coming.

Ms. Kassel stated if we are taking the deposit on a credit card or a preauthorization through a reservation system, money is not getting spent, there is not much incentive for a volunteer. Perhaps we can have another incentive.

Mr. Peach stated we are a government but we have a payroll and obligations for that. To what degree can we use volunteers? If we do and we are giving some type of compensation, I am concerned with how we deal with that.

Mr. Qualls stated that is an excellent point.

Ms. Snyder stated there should be several residents who can spend a couple hours and protect the investment.

Mr. O'Keefe stated they are not an employee if they are a volunteer, so they would not be in violation of any labor laws. How they are remunerated is something we can discuss. But it will be at no cost to the District. We need someone there for accountability.

Mr. Peach stated I understand that, but when a business organization or company uses a volunteer, the labor department views it differently because you, in essence and in some manner, are using an employee. You do not have that issue with a non-profit organization.

Ms. McGinnis stated it will also involve workers comp issues.

Mr. Peach stated yes.

Mr. Golgowski stated the Dockmaster reports the need for some repairs, including carpeting. He is getting estimates on that. It is more involved than you would expect. The seating, the railings and the deck have to be removed to lay the carpet. The proposal I received was about \$1,500 to \$2,000 and it was mostly labor. The larger pontoon has an aluminum bumper on it. They have been getting beat up by coming in contact with things. Since the bumper has been installed on the larger pontoon, it has been working great as far as protecting the hull. Mr. Belieff is working on a proposal for something similar on the smaller boat to include bumper guards on the pontoons as well as protection for the motor at the stern.

Ms. McGinnis stated those boats only go 1.5 mph.

Mr. Marks stated that speaks to the need for a deposit.

Mr. Fsadni stated pontoon boats are very high maintenance.

Mr. Golgowski stated they are very popular.

Mr. Fsadni stated the tops get blown off every time the wind blows.

Mr. Marks stated a check in procedure would help eliminate that.

Ms. Snyder asked are there bumpers on the dock?

Mr. Golgowski stated yes.

Mr. Marks stated it makes you wonder what they are doing with the boats.

Ms. McGinnis stated you have to try really hard to damage the boats.

TENTH ORDER OF BUSINESS

Supervisor Requests

Mr. O'Keefe stated I will not be here for the August meeting.

Ms. Snyder stated I am also not available for the August meeting but I will be available to call in.

ELEVENTH ORDER OF BUSINESS

Audience Comments

Ms. Kerul Kassel stated thank you for so quickly uprighting the trees that were blown down and for getting the shed at the dog park. It has been assembled. We are meeting with someone from agility to discuss guidelines and dates for dog agility for the community. We are working with Bill Fife to establish a time and reserve the dog park for that use so others do not come in and interrupt us while we are doing that.

Mr. Golgowski stated the Harmony Institute has some agility equipment that you may be interested in.

Ms. Kassel asked is there a warranty on the doggie pots?

Mr. Haskett stated there is a warranty. It is at least a year but I do not recall if it extends beyond that.

Ms. Kassel stated sometimes the hinges on the lid seem to go on the new ones. I have seen the new bag dispenser but it uses different bags. It is a strip that you pull out but it has a capacity for fewer bags. The original style of bag is the best bag in terms of ease of use. Because so many bags in the two-dispenser unit come in that model as opposed to the new one with the tab you pull, that requires less CDD attention to refill the doggie pots.

Mr. Haskett stated I will make note of that and we will look at options for more capacity.

Ms. Kassel asked is after dark trespassing at Ashley Park?

Mr. Haskett stated yes.

Ms. Kassel asked if we did not move the gate, would the security card system help with the problem?

Mr. Haskett stated the card system will not correct the problem we have now.

Ms. Kassel stated regarding the welding contract, we have a number of larger anglers who are using the boat and causing stress to the seats. Will this company take that into consideration?

Mr. Golgowski stated yes.

Ms. Kassel stated there should be some kind of warranty. I hate to spend that money and have to redo it.

Mr. Golgowski stated that is the purpose for the work.

Ms. Kassel stated regarding the boat reservation system, we discussed having an online reservation system to reduce the need for people to have to pay attention to it. If someone wants to reserve it on Sunday morning and goes online, their reservation will go into the system and show that it is available. It will take their deposit or at least preauthorize their credit card and then no one has to deal with it. When a reservation comes in, it should be able to send a text message to Mr. Belieff's phone so he becomes

aware of the reservation. Perhaps there is an easy way of doing that with the reservation system.

Mr. Fsadni stated it depends on which credit card system you are using. It can send a text message or an email.

Ms. Kassel stated it should go to his cell phone so he does not have to constantly check his computer. This is an idea to automate the reservation system, so there is very minimal labor involved. It may make it easier for Mr. Belieff so he does not have to field as many phone calls and make returned phone calls.

Mr. Mark LeMenager stated I have numerous questions with respect to the budget that was posted on the website. It was pleasant to see actual expenses included as well as projections. I noted on the materials posted on the website, there was an error in the narrative. Five pages were repeated and I think you meant to post narratives for the maintenance side and there was nothing posted for maintenance items. Does the developer pay any on-roll assessments?

Mr. Moyer stated yes. Anything that is platted is on roll. Anything that is not on the roll is for parcels that are unplatted at this point.

Mr. LeMenager stated I note in projected expenses for 2008 that we assume everyone paid their taxes on time in November 2007. The discount is the same as what is in budget. That implies you must have gotten all the money in and it was paid on time.

Mr. Moyer stated if you have a mortgage, that is not surprising.

Mr. LeMenager stated this means you had 100% compliance in people paying their taxes on time.

Mr. Moyer stated obviously not because we are still owed monies that we anticipate getting through the tax sale process.

Mr. LeMenager stated in which case, the tax discount cannot be correct.

Mr. Moyer stated I show that we budgeted \$35,000 in discounts and we have only realized \$27,000 in discounts.

Mr. Golgowski stated we may not be able to answer all your questions this morning. We can at least hear your comments.

Ms. Snyder stated if a house went into foreclosure after November, the taxes would have been paid, if that is what you are talking about.

Mr. LeMenager stated that is what I am talking about.

Ms. Snyder stated if a house goes into foreclosure in December or anytime after that, the taxes would have been paid.

Mr. LeMenager stated if the house went into foreclosure, it is probably because they were not paying anything.

Ms. Snyder stated the mortgage company would have paid it.

Mr. LeMenager stated I agree, to the extent there was a mortgage on it. With respect to interest on our investments, given the fact that you are projecting we will start the year with a balance of \$400,000, why is there no interest in the revenue budget. I am using the budget provided on this website.

Mr. Moyer stated maybe we need to get you an updated budget. In the revised budget, we are showing \$25,000 for interest, which is about 2%, and that is probably overstated a little. We are earning between 2.25% and 1.75% depending on the investment.

Mr. LeMenager stated I note that with respect to the meetings of this Board, the budget reflects an entire year's worth of meetings but you never meet in December. Why not budget for 11 months?

Mr. Moyer stated this is a budget, not an authorization to spend. We may end up having 12 meetings a year. We cannot say for certain that we will have only 11 meetings. Even though we may not meet in December, we may meet twice in another month to conduct business as necessary.

Mr. LeMenager stated with respect to District engineering, we are proposing a 46% increase over 2008, which is a large increase, similarly with auditing. You are proposing double the projection for 2008 and it seems like a large increase. There is an item for professional services for calculation of special assessments. That is paid to whom?

Mr. Moyer stated Severn Trent.

A Resident stated they need to answer your first question about the 46% increase for engineering.

Mr. Moyer stated the budget at this stage is generated by historical expenditures. The engineer this year has done a lot of work on a variety of issues, most notably sidewalk repairs and surveys, and that accounts for that increase.

Mr. LeMenager stated you simply copied the budget from last year but you underspent it by \$8,000. The narrative indicates that it is based on actual expenses and my point is that you have not based it on actual expenses.

Mr. Moyer stated we will look at that. The budget we received yesterday does not match what you are looking at. We will get your comments into the record and we will address those issues.

Mr. LeMenager stated the administrative item for fee collection, the actual expenditures as well as the budget for 2007 was quite astronomical in comparison. What changed to get it down?

Mr. Moyer stated it is an accounting issue. If you look at discounts, at one time they were all under one line, and it was broken down so we now have collection fees as a single charge and discounts are shown under net of revenues.

Mr. LeMenager stated there are no narratives for maintenance on the website. I presume they are in the new package.

Mr. Moyer stated yes.

Mr. LeMenager stated under maintenance for landscape, you removed the names of what phases 1, 2 and 3 are. It might be useful for people to remember what they are, specifically phase 3 which is Long Park East. With respect to landscape, I also note that unlike parks, ponds are lumped into one huge item. We have 10% of the entire budget in one line item called ponds. I suggest we break that down by neighborhood like we do for parks. It might be a useful thing.

Mr. Moyer stated I appreciate your desire for specificity but aquatic maintenance is not to the level where we can say that for Pond A, we know with certainty we are going to spend a certain amount of money. It depends on the aquatics that grow within the ponds. We may have an area within the District with an aquatic problem that takes more resources to address than another pond. If you have the mindset that you do not want to pay your assessment because no one comes to treat your pond, that is a good thing because there is balance in your pond so the aquatics are easily maintained. We look at it as a system-wide function where we have to treat ponds for water management purposes. It may not be uniform. If one subdivision has three acres of ponds, and the total system is 100 acres, you would expect that we would spend 3% of the budget on a three-acre pond. That may or may not be the case.

Mr. LeMenager asked are all the ponds are connected?

Mr. Moyer stated yes, they are all part of an integrated water management system.

Mr. LeMenager stated you added tree trimming which is a great idea. I noticed Celebration CDD trims trees at the proper level for hurricane protection. Is this for all trees on CDD property or specific trees?

Mr. Haskett stated I met with a couple arborists who looked at the trees. The budget number from the workshop is for CDD-maintained boulevards, which includes Schoolhouse, Five Oaks and Cat Brier. They did look at the entire community and that will be addressed at the budget hearing.

Mr. LeMenager stated I certainly favor doing it community wide which is a safety issue for hurricanes. We need to address the issue of tree trimming. I thought it was an excellent idea. Miscellaneous services looks like it previously was just for pet park management, which was budgeted at \$3,600. We are projected to spend \$2,000 in 2008, yet we are proposing a budget of \$10,000 for 2009.

Mr. Moyer stated given the overall magnitude of the budget we are talking about, \$10,000 in miscellaneous on a \$641,000 budget is not excessive. It is a minor amount.

Mr. LeMenager stated pennies add up to dollars.

Mr. Moyer stated you sat in this meeting today and listened to a variety of comments from your neighbors on additional services that the District is being asked to perform. If we reduce this budget to the lowest possible level, then we do not have the ability to replace the carpet in the pontoon boat. If we do not have these kinds of miscellaneous categories in our budget, we would not be able to do that or to have the reinforcements welded onto the boat seats. You need to be careful in terms of deleting all things we determine to be contingency or miscellaneous. Look at the amount in context with the total budget. On a \$641,000 budget, \$10,000 for miscellaneous is not out of reason.

Mr. LeMenager stated the budget for Other totals \$136,000.

Mr. Moyer stated I am looking at landscape.

Mr. LeMenager stated I am looking at Other Miscellaneous Services. My comment is not with respect to management of the landscape; my comment is with respect to the category of Other Miscellaneous Services.

Ms. Kassel stated we also have 30% more pet park.

A Resident stated he did not ask you to delete any items. He just asked why it is more than last year.

Mr. Moyer stated this is not a debate. I sensed the reason for the question.

Mr. LeMenager stated I want to be sure I understand before I put some proposals on the table. There is a mathematical error in what is on the website because you subtracted reserves from the fund balance. If you say we are starting the year with a fund balance of \$400,000 and we have zero change, we will finish the year with \$400,000, not \$180,000. You are saying with respect to reserves is that you want to make sure the fund balance does not go below \$50,000 to cover any shortfalls during the first quarter. Over the past two years, we spent considerably less in 2008 than what was budgeted. According to your figures we will end up with over \$400,000 in the bank when according to your own admission, you think we only need \$225,000. With respect to some of the smaller items in this budget, we have plenty of cash in the bank. I do not know if the purpose of the CDD is to create this massive fund for the future. Last year there was much discussion with respect to the reserve for the first quarter. That was pushed through and we now see it has gone much better than planned and we are sitting on a pile of cash. Should we not think about getting that down to the level of reserves that you think we should have? One thing I want to see is a cash flow analysis showing the amount of money you want to make sure we have for the first quarter. I do not think we need as much as you are projecting. On a financial basis, what was actual lowest balance during fiscal year 2008?

Mr. Moyer stated we will provide that information; that comes from bank records.

Mr. LeMenager stated I do not disagree at all with the need for reserves but I disagree in having \$400,000.

Mr. Moyer stated keep in mind \$223,000 of that is the reserve for first quarter operating cash. As I am sure you are aware, we do not receive money from the tax collector until mid-December.

Mr. LeMenager stated I appreciate what you are saying, but \$50,000 of that is the self insurance reserve and the other is first quarter operations. I know that for 2009, it is being proposed at the same amount as 2008 and I find it hard to believe that a detailed cash flow analysis would come up with \$173,924.

Mr. Rich Marks stated regarding the posting of the rules on website or sending an e-blast, perhaps we can hold off until we get them nailed down if there are a lot of changes. Mr. Evans talked about the parking situation at Lakeshore Park. I noticed the Flag Day festival was awesome but there were a lot of cars parked there and along the bike path. In the spirit of the paths and jogging trails, are the bike paths meant to be parked on?

Mr. Golgowski stated no.

Mr. Marks asked could we have a sign that no parking is allowed on the bike path? That park will get more and more use.

Mr. LeMenager stated the problem is we do not own the roads. The County owns them. The County Commission has to approve how we will use this roadway.

Ms. Kassel stated we can ask the County to paint those areas with yellow that are for no parking.

Mr. LeMenager stated that is correct, but my point is we have to request it of the County.

Mr. Golgowski stated that is correct.

Mr. Fsadni stated it will make it easier for deputies to write tickets.

Mr. Marks asked is that something the CDD can take action on or should a resident go to the County?

Mr. Moyer stated you residents vote. The CDD does not.

Ms. Snyder stated I think it would also be good to put up No Parking signs. Everyone pulls up along there to pick up their kids after school.

Mr. Marks asked are you saying even from an unenforceable standpoint that we should still put up No Parking signs even though we cannot do anything about them?

Ms. Snyder stated I think it is enforceable. Any deputy driving along there can put a ticket on the car.

Ms. Kassel stated it would be cheaper to have a stencil that says No Parking that you just spray it with yellow paint. The CDD does maintenance and can easily do that across the street from the park. You do not have to buy or install a sign. It is effective and it is posted.

Mr. Golgowski stated these are County streets and they have uniform standards for signage and what goes on their streets.

Ms. Kassel asked you do not think that is viable?

Mr. Golgowski stated it is the County's call. We can request it of them, but we cannot mark up the streets on our own. The curbs are theirs, too.

Mr. Marks stated we noticed at the Ashley Park pool, the shower runs non-stop. The soffits at the gate facing the pool on both corners are damaged.

Ms. McGinnis stated one has been removed and one has been torn.

Mr. Haskett stated they were blown out a few weeks ago and were replaced. The storm that hit recently they were blown out again but they were nailed in a little better this time. It was not vandalism but it was wind damage. The Development Company personnel repaired the damage at no cost to the District. The part has been ordered for the shower and it has been adjusted so that it does not drip as much.

Mr. Littler stated there is a beeper that goes off in the pool house whenever there is a lightning strike and it may beep for days.

Mr. Haskett stated that is an issue for Sentry Management to address. That is the fire alarm panel for the triplex units within Ashley Park.

Mr. Littler stated I sent an email to Sentry Management last week regarding that issue. Sentry Management sent an email to DR Horton. DR Horton sent an email back to Sentry Management.

Mr. Haskett stated I am aware of the emails and that has been corrected so they all know who is responsible.

Mr. Littler stated the alarm is very annoying. Who do I call?

Mr. Haskett stated Sentry Management. They have the contract to maintain the fire sprinklers that are included in your HOA dues.

Mr. Marks stated the drinking fountain by the volleyball court is unplugged. When it is plugged in, it runs nonstop.

Mr. Haskett stated it has been repaired.

Mr. Marks stated there has to be a way to where the CDD and HOA can fight this together. With the lawns with St. Augustine that run into the street, can the CDD take action against those offending plants that run out of their yards and onto the streets and encroach on CDD property.

Mr. Moyer stated the streets are County property.

Mr. Golgowski stated it may be an HOA issue since it is for private lawn maintenance.

Mr. Marks asked is there simply no way to try to leverage the symbiotic relationship between the CDD and the HOA to the betterment of both parties?

Mr. Qualls stated the District can enter into an agreement with any party.

Mr. Moyer stated we can do a lot of things through agreements but in terms of spending public money on private property, we cannot do that.

Ms. McGinnis asked what could the partnership be?

Mr. Moyer stated if we have a landscape contractor and the HOA wanted to enter into an agreement for the CDD contractor to maintain private property, that may make sense because there are economies of scale, but the actual payment has to come from the HOA to the CDD pursuant to a contract.

Mr. Marks stated there is a very narrow list of allowable investments.

Mr. Moyer stated that is correct.

Mr. Marks stated I am thinking the HOA can borrow money from the CDD for a certain rate of return that will benefit the CDD and then go after some of these people who are not in compliance.

Mr. Moyer stated Chapter 218, Florida Statutes, has a list of authorized investments and we use the simplified investment policy of the State, including money markets, certificates of deposits, State Board of Administration. There are only four categories where we can invest and that does not include loaning money.

Mr. Peach stated the work done for four-laning U.S. 192 was done a number of years early because of an agreement with the DOT and CDD. That is an example of what we are talking about. In my HOA, I was notified of some stricter rules that the State passed for HOAs regarding work done for people who are behind in property maintenance. You might take a look at the newer regulations. I think in August or July, there are some new things taking place on HOA regulations State wide.

Mr. LeMenager stated we had a lot of rain in the past eight to ten days. I still see huge amounts of reclaimed water irrigating the lawns. Do we not have lawn sensors in the common areas? We are spending a lot of money on it. I turned it off on my own yard.

Mr. Golgowski stated the central controller has been out for a while. I expect it will come back online perhaps today or tomorrow, so that will stop them from running. There is no doubt it has been overwatered.

Ms. Kassel stated I noticed you added a column for the increase/decrease for the assessments in the budget and I want to say thank you.

Mr. Dave Lehman stated the new soccer field and basketball court, I do not think we got our money's worth. I think it was a good idea but improperly executed. The basketball court holds water and was poorly constructed. The half court next to it does not collect water. I also checked the ones at the elementary school and they do not collect

water. You painted it sunshine yellow and that creates a lot of glare. It takes 15 to 20 minutes for your eyes to adjust to be able play on that surface and the paint does not permit the water to dry off as fast. They put wood chips around the edge. They wash onto the court and it is dangerous to play on even when dry. We spent a lot of money on it but it cannot be used most of the time. For the soccer field, all we needed was a couple goals. The grass that was there was fine. Now there is Bermuda turf there. Does that not cost a lot more to mow Bermuda? There was no discussion outside of the CDD Board as far as what we wanted. I feel that we have been ill served in this way. Now we are stuck with the maintenance, but things should be done at the basketball court. Remove the wood chips right away and if you have to put down something, use gravel so it does not wash onto the courts. In the future please discuss with us what is going on so that you can get a sense of what people want. I understand we have a lot of money, but that money comes from the residents.

Mr. Marks stated at Disney they squeegee the streets when they have water. It would be very inexpensive if we could put some squeegees in the boathouse for people to push the wood chips off the court.

Ms. McGinnis stated if that is a structural issue, then we need to look at the warranty for the work.

Mr. Haskett stated I will check with them. When it was sealed, it eliminated the porousness of the concrete, which is the reason for the two puddles. It will be addressed and taken care of. I am sorry you do not like the color. We looked into green but people would have complained it was too hot.

Ms. Snyder stated I have heard comments about the volleyball court. Can ropes or something be put up for boundaries?

Mr. Haskett stated the activities director is looking into it. Keep in mind, if they are not attached well, they will disappear.

Mr. Marks stated I voiced an opinion on the turf and they said Bermuda was more durable for stampeding children than St. Augustine.

Mr. LeMenager stated as the person who lives directly across from the soccer field, it is very popular. Who pays for painting the Harmony symbol in the middle?

Mr. Haskett stated the residents are not paying for it, either through the CDD or the HOA.

Ms. Wright stated there are some people at today's meeting who may not have been at the Board's budget workshop where we discussed all the individual line items. The public does not get to see minutes until after this Board approves them, but they do become public record when we distribute the agenda to the Board. When you get your agenda packages, which include the minutes of this meeting, may I post them on the website for the public to read in advance of the meeting?

Mr. Golgowski stated yes,

Ms. Wright stated they will clearly state that they are draft, unapproved minutes. I think that might help members of the public be able to read the discussions of the prior meeting in order to be current on what happened at the last meeting.

Mr. Golgowski stated that is a good idea.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Peach, seconded by Mr. O'Keefe, with all in favor, the meeting adjourned at 8:55 a.m.

Gary L. Moyer, Secretary

Greg Golgowski, Vice Chairman