

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, July 31, 2008, at 9:00 a.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Robert D. Evans	Chairman
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
Brock Nicholas	Harmony Development Corporation
Shad Tome	Harmony Development Corporation
Brenda Wright	Moyer Management Group
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

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

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the June 26, 2008, Regular Meeting

Mr. Evans reviewed the minutes of the June 26, 2008, regular meeting and asked for any additions, correction, or deletions.

On MOTION by Mr. O'Keefe, seconded by Mr. Peach, with all in favor, approval was given to the minutes of the June 26, 2008 regular meeting.

THIRD ORDER OF BUSINESS

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

Mr. Qualls stated I received some public comments from Ms. Kerul Kassel and Ms. Snyder since the last meeting that I will review with the Board. On page 3, section 2.5(d)

is the same as 2.5(b) so we will strike the second one. Both relate to inspection of the boats and what we will do if damage is discovered. Both sections said the same thing but in a slightly different way, and that will only cause confusion. I recommend we strike 2.5(d) in its entirety and leave 2.5(b) as it is. On page 4, section 3.1(k) refers to sight-impaired persons and the suggestion was made to edit this to say that “No animals are allowed in the pool or pool deck area unless service animals as permitted by law.” There is a distinction between dogs that help sight-impaired people and service animals, which help any variety of disabled people.

Mr. Golgowski stated we have similar language in the boat section.

Mr. Qualls stated yes, Mr. Golgowski recommended language to prohibit service dogs or any other animals from getting too close to the lake areas for fear of alligators and snakes. Ms. Kassel recommended that we add some language stating the reasons why the District has adopted this rule for no animals near the waterways.

Mr. Moyer stated it is for the health, safety and welfare of the animals.

Mr. Qualls stated on page 5, Ms. Kassel recommended adding a new section that says “Scaling, jumping or climbing upon any facility, equipment or structure is not permitted.” That will become section 4.1(k). There was a recommendation from Ms. Snyder in 4.1(a) related to soccer and volleyball facilities to add the basketball facilities.

Ms. Snyder stated in section 3.1(d), we do not specify an age for children. Is that to be left up to the discretion of the parents?

Mr. Qualls stated I thought the Board determined that it was self explanatory so there will be some discretion involved. I put some items in the comment section that need clarification. Section 4.3 deals with inclement weather and refers to a “District representative” that needs to be defined. It needs to be someone who is onsite who can make this determination. Otherwise, we will take out this section and trust that people know not to swim in a lightning storm.

Mr. Evans asked when you make the determination that someone will decide if it is safe or unsafe to use the facility, are they accepting liability?

Mr. Qualls stated yes, anytime someone makes that decision, they accept some liability, such as if they forget. Keep in mind that the CDD has sovereign immunity that does provide some safeguards. This is a policy decision and I am not sure this section is needed, but that is up to the Board. If you want to keep section 4.3, then a District

Representative needs to be more clearly defined and someone onsite needs to be appointed and a phone number provided for that person.

Mr. Evans stated there is no one onsite who is going to be here on a regular basis who can make that decision. I do not see a need for it right now. There comes a time when you need to use common sense.

Mr. Golgowski stated putting an age in the rule might be restrictive on our part.

Ms. Snyder stated section 2.3 regarding boat deposit refers to section 7.3, which includes some additional conditions and it is not quite what we need for the boats.

Mr. Qualls stated I included it more for the second paragraph relating to the procedure on how the District will handle the deposit. I will copy this paragraph and make it specific to the boat deposit and copy it into that section.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with all in favor, approval was given to clarify the boat deposit language under section 7.3 and make it specific to boat use under section 2.3.
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Mr. Qualls stated section 4.5 refers to inspection of facilities. Who will make the inspection? I do not think we need to get that detailed in these rules as to who will make the inspection, but as we are considering policy to implement these rules, I recommend that be made clear and things are being inspected on a regular basis.

Ms. Snyder stated I think they are. When the church has movies, we get the return of the deposit so someone must inspect it to make sure it is acceptable and there was no damage.

Mr. Haskett stated currently the Development Company reviews those areas now but I cannot say how long that will last.

Mr. Golgowski stated leaving it as it is will allow some flexibility for the Board to designate people from time to time.

Mr. Qualls stated section 3.1(c) refers to an access card. We will need a policy to instruct residents how to obtain an access card. I recommend including in this rule reference to a policy that will be on the website that will instruct people on how to obtain an access card.

Mr. Evans asked does that need to be a policy or just a procedure? That can change as far as locations. Can we just publicize how they go about it?

Mr. Qualls stated yes, so it is clear to residents on how they get an access card.

Mr. Steve Baruby asked is the access card in lieu of a key for the pool gate?

Mr. Qualls stated if there is a key, that is granting access.

Mr. Evans stated you can amend that to a card and/or a key.

Mr. Tome stated there was a previous discussion about going to an access card versus a key. We can look into that cost as far as initial setup and what the cards may cost.

Mr. Evans stated we are looking at an access mechanism, be it a card or a key. We can discuss that later.

Mr. Baruby stated we were at the pool last month and a woman showed up without a key and she returned with her car's jack handle to break into the gate. We spoke to her and she took off with her kids. It is nice to have rules and access cards but these kinds of things go on.

Mr. Qualls stated I recommend that at the conclusion of the public hearing, the Board adopt these rules subject to changes that were made today.

Mr. Evans stated I will open the public hearing.

Mr. Baruby stated I understand this place is growing, there is increased use of the facilities, and we need more control. At some point I think we can over rule ourselves. The attorney brought up questions on who is going to be the enforcement mechanism, and that is lacking now. If you are going to have rules, you have to enforce them. If you are not going to enforce them, then they do not matter. I think there are a number of people, myself included, who do not use the boats because it is too much hassle to use them. We do not have immediate access. These are District facilities that are paid by the property owners in the community and I do not know how we fix that. I have a concern with excess rules.

Mr. Roy Sampson stated I agree with this gentleman. Sometimes it is hard to get in touch with Mr. Belieff to reserve the boats. Something else needs to be put in place on making reservations. Related to the gates, it is an ongoing problem where you simply pull the gate open. It has been recommended numerous times to be fixed but nothing has been done.

Mr. Baruby stated my comment was not intended to be a knock on Mr. Belieff, but this community used to be a small, quiet place and it is steadily growing and there are

more new faces. I do not know what the security cameras cost at the second pool, but perhaps a camera or two at the main pool facing that gate might be a good deterrent.

Mr. Evans stated I will close the public hearing.

Mr. Moyer asked on the inclement weather discussion, was it the consensus to remove that section?

Mr. Evans stated yes.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with all in favor, approval was given to adopt Chapter 1, Rule 1.5 of the Rules of Procedure relating to use of the parks and recreation facilities, as amended during the previous discussion.

FOURTH 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.

Mr. Peach stated I presume the Home Depot billing was resolved since there was a lot of back and forth on it.

Mr. Golgowski stated yes, it has been resolved. The purchase was made but getting the receipt in the right place was the challenge.

On MOTION by Mr. Peach, seconded by Mr. Golgowski, with all in favor, approval was given to the financial statements as presented.

B. Invoice Approval #99 and Check Run Summary

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

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

C. Questions and Comments on Revised Fiscal Year 2009 Budget

Mr. Moyer stated in preparation for our budget hearing next month, Mr. Golgowski requested that we retain the services of a company to monitor our irrigation use and adjust the timers and the computer as necessary. That proposal is in the amount of \$3,200. We believe we can reduce the irrigation side of our budget by a similar amount so the net effect will be zero.

Mr. Evans stated we can take funds from miscellaneous services under the landscape category to pay for the monitoring and the savings will show up in the irrigation line item.

Mr. Moyer stated the hearing is at 6:00 p.m. next month.

D. Consideration of Engagement Letter with Grau & Associates to Perform the Audit for Fiscal Year 2008

Mr. Moyer reviewed the engagement letter with Grau & Associates to perform the audit for fiscal year 2008 in the amount of \$15,500. This has been budgeted in the fiscal year 2009 budget.

Mr. Evans asked what is the scope of the audit? I understand it is very thorough. They review the operation and maintenance budget as well as debt service.

Mr. Moyer stated they also review the capital projects budget. They will make the necessary tests to make sure the materials that we provide as District management to the auditor as of September 30 fairly represents the financial position of the District at that time. They are obligated to do whatever it takes to make sure they are comfortable that those financial statements are accurate and correct. On a governmental audit, they are also required under the rules of the Auditor General and Chapter 218, Florida Statutes, to look at whether we have complied with rules, laws, ordinances, and trust indentures that they call compliance. They will perform any necessary investigations or tests they feel are necessary to opine on that. They will opine if there are any material weaknesses on internal controls over financial reporting. They will test to see if the District is in a state of financial emergency, as defined in Chapter 218, Florida Statutes, so you are correct that it is a very thorough review.

Mr. Evans stated it is very specific as to guidelines that are established by Statute.

Mr. Moyer stated that is correct.

Mr. Peach stated I believe we have used Grau for the entire history of the District. Do we check periodically to see if there is another provider of this service?

Mr. Moyer stated the board may want to go through a process that tells the Board how to go about soliciting auditing services. You appoint an auditing committee, and you usually appoint yourselves as that committee. We will solicit request for proposals, RFP, and unlike engineering services, we can ask for a price but that cannot be the sole determining factor. You need to look at the personnel, the timeliness of past audits,

whether they are qualified to do these types of audits, and things of that nature. You will score them and enter into a contract with the firm you think is the most qualified auditor.

Mr. Peach stated for the next audit, we might want to consider that.

Mr. Evans stated having been the Chairman of another CDD, we just did that process. We interviewed several firms and at the conclusion, we ended up with the same firm.

On MOTION by Mr. Golgowski, seconded by Mr. O'Keefe, with all in favor, approval was given to the engagement letter with Grau & Associates to perform the audit for fiscal year 2008 in the amount of \$15,500.

E. Quorum for August Meeting

Mr. Moyer stated this is just a reminder that for the next meeting, we will need Mr. Evans, Mr. Peach and Mr. Golgowski since Mr. O'Keefe and Ms. Snyder will be traveling.

FIFTH ORDER OF BUSINESS

Attorney's Report

Mr. Qualls stated I received a call from a resident a couple weeks ago discussing the fact that this resident is trying to get some funds together to make a donation to put on District property. I told her this was a District policy decision. I discussed this with Mr. van Assenderp, a partner in the firm, there is nothing in the Statutes to prohibit that. This Board has always been very thorough and thoughtful when considering setting a precedent. Even though I know there is always peace and harmony in this neighborhood, I think there is the potential that feelings can get hurt if one item is donated and accepted and someone else's is not. In keeping with this District's current precedent, if this comes up today or at a future meeting, that the Board considers adopting some guidelines or policy on what kinds of things will be acceptable for donations and how this will fit into the District's purpose of maintaining infrastructure, to make sure these items are maintained and safe for the public.

SIXTH ORDER OF BUSINESS

Engineer's Report

Mr. Gierok stated we are in the final permitting for the design of parcel F. We had to adjust the proposed setbacks and sidewalks along the gas easement in response to comments made by Osceola County. We respectfully request the Board's approval authorizing the Chairman to sign all the necessary documents as they relate to

reconfiguring the open space and the proposed sidewalks adjacent and parallel to the gas easement. This action will allow us to incorporate the County's requested change.

Mr. Evans stated these are for the alignment of future sidewalks that you are looking to run parallel to the gas easement for future improvements.

Mr. Gierok stated yes.

Mr. Golgowski asked will the total open space stay the same?

Mr. Gierok stated the open space that will be dedicated to the District will be in excess of what will be transferred.

Mr. Evans stated it will be an increase but you are modifying that plan, which provides for additional open space, to accommodate for the realignment of the sidewalk and comments from the County as you go through the permitting process for parcel F.

Mr. Peach asked if we do not do this, we would not get County approval?

Mr. Gierok stated that is correct.

On MOTION by Mr. Peach, seconded by Mr. Golgowski, with all in favor, approval was given to authorizing the Chairman to sign all necessary documents related to permitting for parcel F, as described.
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SEVENTH ORDER OF BUSINESS

Developer's Report

Mr. Tome stated the annex school will be abandoned and dismantled since the new community school will open next month. We are trying to reuse any element that has value and can be used somewhere else in the community, one of which is the clock tower that sits in front of the main building as you approach the annexed school. We feel like there is an opportunity to use the clock tower for a second bat house. One thing that was a great attraction at the Dark Sky Festival was the bats that came out close to dusk. Mr. Golgowski believes there are 500 bats living in that house. It is unique and they also provide a service to the community since it has been proven that bats eat mosquitoes. After looking at many locations, we recommend Longshore Park next to the tree line at Buck Lake behind the new community school. The Development Company will pay for the cost of installation as a donation to District. We think there is some great education that can come with this. There is some outfitting that needs to be done underneath the covered area to make it more bat friendly. There could potentially be thousands in this new bat house. We would like to donate it to the District.

Mr. Peach asked are we ok regarding the residents who live near there? The other one is in an undeveloped area. Have we talked with neighbors about that?

Mr. Mark LeMenager stated my home is in this area, and anything that keeps mosquitoes away is fine with me.

Ms. Gin McGinnis stated I think it is a great idea.

Mr. Baruby stated I thought the new park with all the facilities was a waste of money when you proposed it, but there are people out there every day. Adding this will continue to expand the facility. There is another covered pavilion at school. Is it moveable?

Mr. Tome stated we looked into that and it would be the same cost to rebuild it but we will explore that because we hate to see it go to waste.

Mr. Baruby stated there is a severe lack of shade in that whole park. It is not a big structure but it would be a shame to throw it away.

Mr. Tome stated if it is not feasible to move it, we may leave it in its current location to be used for activities, whether for shade or other activities. We will figure out a way to use it.

Mr. Baruby asked is that school property intended to be an open park area?

Mr. Tome stated it is a commercial tract that has a future potential use of some sort, not for a park.

Mr. Haskett stated I want to point out that if it is left there, it will be temporary until such time as we need to remove it.

Mr. Carl Fsadni asked are the trailers being returned or what will happen to them?

Mr. Tome stated the School District will most likely dismantle several of them because of costs associated with returning them back to the leasing company and also because of the condition they are currently in. Others will be returned. The School District is responsible to do that but they have been waiting until closer to the opening of the next school year.

Mr. Fsadni stated Camp Spirit is looking for a trailer because they have no place that is air conditioned.

Mr. Tome stated they are the School District's trailers and it is their responsibility to remove those off the property. There is also a monthly cost associated with leasing the trailers. Camp Spirit did get a trailer a few weeks ago that does have air conditioning.

On MOTION by Mr. Peach, seconded by Mr. O'Keefe, with all in favor, approval was given to the installation of the bat tower, as described.

Mr. Haskett stated one of the home owners raised the issue of a security camera for the swim club. I have a proposal for \$4,800, which is the same cost that we spent for Ashley Park. I have looked into some web-based systems that may reduce the cost of installing wires and DVR, but I need direction from the Board if you want to install cameras in this fiscal year or a future budget year. There have been some instances at the swim club and they have been a deterrent at the other pools. I think it will result in a cost savings to the District in the long run.

Mr. Evans stated we put in a camera at the dock and one at Ashley Park. Has there been a noticeable decline in mischievous activity?

Mr. Haskett stated yes, definitely at Buck Lake. Vandalism has gone away for the most part.

Mr. Tome stated as the initial point of contact, I do receive emails from the management company, sometimes one or two a month, of situations where there has been some light vandalism, sometimes as simple as furniture in the pool or over the fence. There have been recommendations from multiple residents.

Mr. Evans asked do you have a proposal for recommendation or are you still evaluating those proposals?

Mr. Haskett stated I have a proposal from Wired for Tomorrow, who did Ashley Park pool but I would like to bring a couple proposals and equipment changes to you next month.

Mr. Evans stated if they have been effective in the other two locations, I think it will be a good addition.

Ms. Snyder asked can they be wired into same computer?

Mr. Haskett stated they are all web based but you need a broad band connection. I am looking into a GSI access for the cameras at Buck Lake. Some of the proposals I received for running a utility line for cable or phone was \$3,800 just for installation of the line, plus it would be in an area for future development. I would like to see if the Board is interested in broad band at Ashley Park and the swim club. I think the commercial price is \$99 per month or less based on what the Development Company pays for some broad band connections. It will give the District Manager or Supervisors the ability to go online

with an access code and see what the cameras are doing. We can have different levels of access so residents can access it but without being able to change anything.

Mr. Peach stated it does not sound like a lot of money for those installations. Since we are adopting the budget next month, do we need to factor that into the budget? It will be \$1,200 for the year.

Mr. Haskett stated it can probably be included with some other budget line items.

Mr. Evans stated we can address it more once we have more information. The budget is very tight next year.

EIGHTH 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.

NINTH ORDER OF BUSINESS

Supervisor Requests

Mr. Golgowski stated there is an informal group called the Conservation Café that meets monthly to do conservation-related activities, and they are requesting endorsement of a project to raise funds and purchase a purple marten birdhouse to place on a pole along the pipeline behind the Cat Brier dog park by the pond. It is in an out-of-the-way area, so it will not be visually intrusive, but there will be some maintenance associated with it. I hope they are willing to assume that maintenance obligation but they asked for permission to install such a structure on District property. We have one existing on the property now behind the cart barn pond, and this will be similar to what we have in place now.

Mr. Evans stated I think it is excellent idea. Are there other locations that would be suitable in addition to that?

Mr. Golgowski stated yes. We have a lot of ponds and open areas.

Mr. Peach asked who maintains the current one now?

Mr. Golgowski it is maintained infrequently by Development staff, perhaps once every couple years, if even that often.

Mr. Peach stated it is relatively maintenance free so this group could keep an eye on it?

Mr. Baruby asked how big is this house?

Mr. Golgowski stated the one we have now is a box about two feet by three feet and it stands on a pole about ten feet in the air.

Mr. Evans stated it is about 3 cubic feet.

MOTION by Mr. O’Keefe, seconded by Ms. Snyder, with all in favor, approval was given to the purple marten house project requested by the Conservation Café.

Mr. Golgowski stated I had a request for the idea of a memorial. One of the Harmony residents passed away this past month and the family would like to solicit donations for the purchase of a park bench, identical in style to what we have in the community now, for placement in the Cat Brier dog park and marked with a small plaque indicating it is a memorial. This would require mounting the bench on a slab of concrete, as we have done with other benches, but I do not think that is a major cost item. Maintenance long term is pretty light as it has been with the other benches.

Ms. Snyder stated there will be a fund raiser for that next Wednesday at Ms. Kassel’s house. I am certain the financial costs will be completely covered.

Mr. Evans stated my condolences to the family for their loss. In my role for the District, I have concerns that we establish a precedent by establishing memorials for various residents. Going forward, if we allow for one, we will receive future requests. As Mr. Qualls mentioned earlier, it may be statues or artwork or something else like that and it is a very delicate situation. I am hesitant to start setting a precedent by allowing private memorials on public property.

Mr. Peach stated we set aside a component of the budget many years ago for the parks and functions and fixtures around the community. Is there an ability for District to receive contributions that can go into that line item? Then the Board can decide to spend that money as we need additional benches or artwork.

Mr. Evans stated we are talking about two different things. Someone wants to donate a facility. People raised money for the components of the dog park and that is a wonderful contribution. When you make a donation that includes a memorial plaque for someone, we are setting a precedent. I think it is a wonderful idea, but I am guarded that we are establishing a precedent going forward.

Mr. Baruby stated in a former association that I was involved with, we ran into the same situation. It started with two simple pieces in the neighborhood, and then a family decided they wanted a more elaborate memorial and we ended up with a three-foot statue

of the Virgin Mary encased in a cast iron bathtub. It will get out of control. I understand the sensitivity of the situation.

Mr. Evans stated I think the recommendation is very admirable and honorable in honoring a lost family member. However, I do not know this is the appropriate place because we are establishing a new set of guidelines when you set private memorials on public property.

Mr. Peach stated in a non-profit hospital I worked for, we established one location for memorial gifts that were received, so it was not all around the hospital. I was thinking about the ability to receive financial donations for public facilities, such as benches or art, and have one central location in the community. That way we are not marking everything and the District can decide how those dollars are used, whether it is a bench or another boat. It gives people the opportunity to give back to the community without tying it to something, and it gives the District control over what it is. The key is having a central marking somewhere. Can the District receive a contribution like that?

Mr. Moyer stated yes.

Mr. Evans stated I like the idea. It provides for the avenue. It provides for greater control. It avoids the situation Mr. Baruby described. I suggest that you explore that opportunity.

Mr. Tome stated the Development Company as a team can explore that and come up with a recommendation regarding size and material so that it stays in concert with the current architectural patterns in the community.

Mr. Evans stated once we receive that proposal, we can act upon the location and style.

Mr. Peach stated I think all we are talking about is how you recognize those contributions. Beyond that, it is up to the District to determine where the money is spent. I am referring to the recognition piece of this.

TENTH ORDER OF BUSINESS

Audience Comments

Mr. Kevin Riley stated I usually go to the pool two to three days a week and there is much more vandalism at the swim club than is recognized. I absolutely agree with having the cameras. Someone has to go in and clean it up and it is a great way to identify those people, whether it is a resident or someone from outside Harmony.

Mr. Carl Fsadni asked has a vendor already been chosen?

Mr. Haskett stated the vendor is just for installation but that decision has not been made. I am seeking proposals for installation for the swim club

Mr. Baruby stated we are there several times a week as well. The umbrellas get blown away in the wind but there are no umbrellas anymore and there is no shade. The top row of tile is decaying. There are a number of broken tiles. The grout on the top row of tile needs to be redone. The pool needs maintenance. There are two planters close to the pool and nothing is underneath but bare dirt. The pool is never vacuumed as part of the cleaning process. I understand it is an open pool and there is a lot of traffic there. I am there virtually seven days a week and the bottom of the pool is never cleaned: sand, weeds, band aids, organic matter from the plants. I know some of it blows in, but I have seen two women out there and I have seen them only doing the chemical part of the process. I do not know if vacuuming the pool is part of the process.

Mr. Evans stated this needs to be addressed.

ELEVENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 10:00 a.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman