

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, September 25, 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
Shad Tome	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 9:05 a.m.

Mr. Golgowski called the roll and stated a quorum was present for the meeting. Mr. O'Keefe was not present at roll call.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the August 28, 2008, Regular Meeting

Mr. Golgowski reviewed the minutes of the August 28, 2008, regular meeting and asked for any additions, correction, or deletions.

Mr. Qualls stated on page 13 under B, the last full sentence should read, "I included the adopted version of the new rules related to the recreational and park facilities within the District. The next step is to sign and certify and promulgate the final adopted version." There is no requirement that these be forwarded to any State agencies. We just put them out for the public's use.

On MOTION by Ms. Snyder, seconded by Mr. Peach, with all in favor, approval was given to the minutes of the August 28, 2008 regular meeting, as amended

THIRD 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 #101 and Check Run Summary

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

Ms. Snyder asked what is KUA bill for \$3.50? Is this something that is not being used and we pay for it monthly?

Mr. Moyer responded we will research it.

Mr. Golgowski stated John Deere charged us for sales tax on their invoice.

Mr. Moyer stated that will be removed.

On MOTION by Mr. Peach, seconded by Ms. Snyder, with all in favor, approval was given to the invoices as presented and amended.

C. Acceptance of the audit for fiscal year 2007

Mr. Moyer stated we distributed the audited financial statements to the Board. I want to highlight the written reports the auditor is required to include in this audit. The first deals with their clean audit opinion, which states that what we provided to them as of September 30, 2007, did fairly in all material respects, reflect the financial position of the District. That is referred to as a clean audit opinion and is indicated in the third paragraph in their cover letter to the audit. I will call your attention to the reports in the back of the audit. Pursuant to Florida law and rules of the Auditor General, the auditor looks at controls that are in place over financial reporting, and they define what a material weakness is as part of this letter. They opine that they found nothing that was a material weakness as noted in the last sentence on page 23, "We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness as defined above." They also opine on whether we were in compliance with rules, laws, indentures and such things, and they state that "the results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the Government Auditing Standards." They did not find anything in which we violated rules, laws, or contracts. The final report is the management letter which is the auditor's opportunity to bring things to the attention of management and the Board that may not be

a material weakness but nonetheless can be done better. Page 26 indicates they had no current year findings or recommendations. They are also required to review certain matters by the Auditor General, one of which is whether or not the District is in a state of financial emergency. There is a definition of that to determine if the District is in a state of financial emergency, and they said the District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes. This is a clean audit with no recommended changes to our controls over financial reporting. I will ask that the Board accept this audit and authorize that it be filed with the appropriate State agencies.

On MOTION by Ms. Snyder, seconded by Mr. Peach, with all in favor, approval was given to accept the audited financial statements for fiscal year 2007.
--

Mr. Golgowski stated congratulations on a good job.

Mr. Moyer stated the record will reflect Mr. O'Keefe just joined us.

Mr. Moyer stated we have been researching how to take security deposits by credit card; Ms. Wright has done a lot of work on this and has found a company called Point and Pay, which is the same company that Toho Water Authority uses and Osceola County uses for similar transactions, although Toho Water Authority uses it for the payment of utility bills. In order to setup this account, there is a setup fee that is required, which is \$4,000. I think it seems high to all of us, but it has been used by the people who are in the business of using credit cards. We can continue to use research if you desire but this is the direction we are going to go in, to have a company like Point and Pay to keep track of all this on our behalf.

Ms. Snyder asked what were the benefits of this company over others?

Ms. Wright responded some of the ones we looked at were unknown to me. I do a lot of personal online bill paying and some of them charge user fees in excess of \$6 to \$10. The fees with Point and Pay were considerably lower. What we liked about it is that it is used by Polk County and Osceola County. We presume that they had done their research and it is a reputable company, and that was a concern to us.

Ms. Snyder asked a lot of these charges will never be put through?

Ms. Wright responded that is correct.

Mr. Golgowski stated however we will still have a setup fee.

Ms. Wright stated we can continue to research other companies. We liked what we found with Point and Pay.

Mr. Peach asked how is it used? We discussed collecting credit card information so that we could use it if we had to. Are the other entities using Point and Pay using it in the same way or are they actually processing more payments?

Ms. Wright responded as Mr. Moyer mentioned, Toho Water Authority uses it for utility payments. We are looking at this for another District where we process utility payments in excess of 20 or 30 in a day. For that District, it would be cost justified. What we can do in the meantime is collect the credit card and identification information from the residents. We need to see the identification and credit card to make sure the signatures match and to make sure the credit card has not expired. We will hold that information. Rather than using a company, if there are damages, obviously we will need to be in contact with the resident. We can see if there is another method they want to use to pay for any damages rather than a credit card. We can address it at that time.

Mr. Peach stated given the upfront cost on that company, I think it is better to collect the information. It does not sound like we will utilize it in the same way that justifies spending \$4,000.

Ms. Wright stated we are anticipating to never need to use it. The situation would be different if the District were charging user fees on a regular basis.

Mr. Carl Fsadni stated PayPal is part of eBay and will have minimal setup fees to do the same thing with no charges.

Mr. Moyer stated we will take a look at that. Thank you for the suggestion. We will continue to research this.

FOURTH ORDER OF BUSINESS

Attorney's Report – Update on contract negotiations for school use of the Swim Club facilities

Mr. Qualls stated at the last meeting, I presented to the Board an interlocal agreement between the Board and the School Board of Osceola County so Harmony Community School kindergartners and first graders could utilize the District's facilities to provide the children swimming lessons. The Board authorized me to make one change, which was to take out any fee that the School Board would have to pay or a prorate share of maintenance costs for upkeeping the pool. If that was the only change, the Board said that you would approve the agreement. However, after going through the contract a couple

times with the School Board, they made substantial changes and we have called their attorney. I am meeting with Mr. Henderson, the School Board's contract administrator, after our meeting this morning. We informed them that the latest version presented to us by the School Board, we could not recommend the Board sign this agreement. There are several reasons but I will mention the biggest one. The School Board added language that said the District is responsible to comply with any legal requirements imposed on it by the terms of Jessica Lunsford Act. We think raises some substantial liability concerns for the District. The Jessica Lunsford Act was passed by the Florida legislature recently that requires schools and contractors of schools and their employees to go through a series background screenings to avoid foul play with students. By adding this language, the School Board potentially creates liability on the part of the District. We think the School Board solely should be liable for any matters and potential liability related to the Jessica Lunsford Act, and we have conveyed that to the School Board's attorney. I will convey it to the executive director for contract management with the School Board. I will meet with him and continue to report to the Board as it progresses. Throughout the process I told them that the District really supports this concept. There are no major concerns but we need to come to an agreement now because down the road, it will make things run a lot smoother. The more time we spend on the contract, the better it will be because it could be a long-term relationship with the School Board and the Harmony CDD.

Mr. Peach stated reinforce with them that in our initial discussions, it was decided that the pool would be deserted and no one else would be present other than school officials. Remind them of that so it is not an issue of other people being around. I imagine that Act also requires that anyone who works with youth has to be fingerprinted and have a background check. If they put that obligation on the District, I imagine that applies to all of us in terms of fingerprinting and background checks, and there is a cost to that.

Mr. Qualls stated potentially, yes. I do not think it does apply to us but only to School Board employees and their contractors. We are neither. The way I read it is that the onus of the Act is on the School Board. There is a definition of school grounds within that Act and the District's swimming facility falls outside that definition. I do not see that the District would be liable under the provisions of this Act. When the School Board includes language in the contract that we are, that raises concerns. The potential for the District having to provide any number of background checks and the related costs thereto is

substantial. We need to clear this matter before we can advise that the District sign this contract as currently drafted.

Ms. Snyder stated at the last meeting, I asked if we will have any liability whatsoever, and the answer was that we would not have any.

Mr. Qualls stated you are correct; that was Ms. Susan McKay's answer. The attorneys involved seem to disagree based on what they submitted to us.

Mr. Gologowski stated the School Board will deal with this in community parks throughout Osceola County. It is an efficient way to use the facilities. They need to come to grips with it.

Mr. Qualls stated the Act in question is pretty recent and it has not been litigated, so there is a lot uncertainty about the parameters. If something happens, the parents are going to seek every potential recourse available. The District certainly has the potential of being pulled into such a suit.

Mr. O'Keefe stated stress to the attorneys for the School Board that there will be no interaction with anyone in the community other than School Board personnel.

Mr. Qualls stated I can relay that information. The District's single purpose is to maintain infrastructure. It is difficult and outside the District's powers to enforce keeping that pool area clear of residents or any member of the public. This is something the School Board will have to enforce to the best of its ability. We can say to the pool cleaners and others who maintain that infrastructure during these hours they are not to be providing maintenance, but we are prohibited by our single purpose to what we can enforce in making sure it is clear of residents and the general public.

Ms. Snyder asked have they started using it? I thought the dates were this week.

Mr. Qualls responded no, they had to change their plans and they went to St. Cloud. I stressed repeatedly that the District wants to do this and see value in it, but we need to take more time in preparation in working these things out.

Mr. Steve Baruby stated the high school is already using the pool several days a week for over an hour a day with residents there. I see an extension if they are going to hold the District liable for the kindergarten/first grade group, will they hold the District responsible for the high school? Right now there are no restrictions. When the swim teams shows up to use the pool, they take over the pool. I am not arguing the value of the swim team using the pool, but this is owned by the residents and the attorney mentioned

needing to clear the pool for the children to use it. That clearly does not happen with the high schoolers. I am not complaining about it. There should be an agreement with them for the use of that pool. If there is not, perhaps there is a handshake agreement.

Mr. Golgowski stated I am not aware of any agreement with the high school.

Mr. Peach stated now we need to raise this issue with them to protect ourselves since we have awareness of this.

Mr. Baruby stated someone is aware they are using it. Someone has keys and there are three coaches.

A Resident stated it is the freshman team.

Mr. Fsadni stated they raised the same thing when we asked if the residents could use the tennis courts at the high school.

Mr. Baruby stated it seems to me they are not being very cooperative.

Mr. Qualls stated I understand what you are saying and I think they are being cooperative. It is beneficial for the pool to be utilized but it needs to be done in a way that both parties agree is acceptable.

Mr. Baruby stated this is a small group now but as this town grows with more usage of the pool, when school kids take over the pool, the residents will be outraged since we pay for the pool.

Mr. Rich Marks stated when these kids go to a museum or a zoo that fits in the contractor category, I am sure the zoo does not sign something that takes on full responsibility for the school children. Is there a way to parallel that to what we are doing?

Mr. Qualls stated that is good fodder for discussing this with the School Board's contract administrator. The onus of the Jessica Lunsford Act is on the School Board, its employees and the people the School Board contracts with.

Mr. Marks stated that is for what they bring into the school, not taking students outside the school.

Mr. Qualls stated I do not know about that, but that seems to be the indication.

Mr. Golgowski stated we have plenty of parks and plenty of opportunity for the school to use them, but their use will be limited by this discussion.

Ms. Snyder stated unless we have some kind of agreement.

Mr. Qualls stated that is correct. I will continue to resolve this issue and resolve it quickly. I think my meeting today will go a long way to establishing a meeting of the minds, and I will report next month how it goes.

Ms. Snyder stated perhaps you can add the high school swim team and the golf team.

Mr. Fsadni asked are the sidewalks along Five Oaks and Cat Brier owned by the District or residents whose properties are along those sidewalks?

Mr. Golgowski responded they are owned by the CDD.

Mr. Fsadni stated the cross country track team uses it every day. It is a public sidewalk and we cannot stop them from using it.

Mr. Baruby asked is it a public pool?

Mr. Golgowski responded technically it is.

Mr. Fsadni stated it is up to the school employees or the coach to make sure they are watching those kids.

Mr. Golgowski stated we have the right to regulate access to our facilities.

Mr. Baruby asked is there insurance to cover the liability they are assuming?

Mr. Qualls responded yes, we require that they have insurance and that they hold harmless the District from any liability. The District also has sovereign immunity so we have three layers of protection we are working with.

Mr. Baruby stated we took out the requirement for fees. Maybe the fee to the District is the purchase of insurance that you say they need that they take out.

Mr. Qualls stated that is included in the agreement that they have to get insurance.

Mr. Golgowski stated one thing we discussed at the end of our last meeting was the community garden. Among other points of discussion was the District's authority to establish a garden and legal ramifications of a garden.

Mr. Qualls stated because it was a new concept, I did spend some time researching it on my own time. The District's single purpose is to maintain infrastructure. The District has related powers to carry out that purpose. Whenever you look at a new project that the District will maintain, you start with that parameter. Does it fall within that purpose and if so, does the District have a power under its charter to allow it to carry out that purpose. The District does have, under its special powers, the ability to finance, fund, plan establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems facilities and basic infrastructure for many items, and one is parks and facilities

for indoor and outdoor for recreational, educational or cultural uses. If having and maintaining a community garden falls under parks and facilities for outdoor recreational, educational and cultural uses, you can argue a garden falls under that power. Another section says the District can exercise all powers necessary, convenient, incidental or proper in connection with any of the powers. Regarding parks and facilities, is it necessary, incidental, convenient or proper? Is it necessary? No, but I think you can make an argument that it is convenient. It may not be convenient when you have a list of rules on what you can and cannot do with the garden. A District automatically must comply with and not be inconsistent with any DRI or land use regulations set forth by the County. Recreational use is different from agricultural use. With agricultural, you have water and pesticide concerns and other related things. If the District is going to maintain a garden, it has to be clear that the zoning is proper to do that within the current District property. The final thing is this Board's policy that whenever a new project is considered, such as with the pools and the new sports complex, this District has been above board and invited the public to participate in the policies for that project. We recommend you do that if you are serious about this garden project. Invite the public and discuss policies and rules for maintaining the garden, for regulating access to and from that garden. So when a garden is put in place, everyone knows the rules and what the parameters are for the use of the garden.

Ms. Snyder stated I attended only one of the meetings regarding the garden and we started putting rules in place that seemed fairly strict, which is good. I think they were planning on it being where the school was and I thought we decided at the last meeting that we decided not there because it was commercial property.

Mr. Peach stated I reviewed the minutes and there were some issues with that property.

Mr. Tome stated it is zoned commercial. As the developer, we are committed to providing the land if need be. I do not think that is the right location because of other potential uses for it. We do not want to put it there for the short term and then relocate it somewhere that has a longer term use. The comments I have heard is residents want to consider developer property as a secondary location rather than a primary location. We are committed to the project and committed to finding some land somewhere. We are trying to find the most convenient location. There is discussion that needs to happen and

the Board needs to decide if they want it on CDD property. If the Board decides not to, the developer will find a location for it. The site where the old school was is not the right site.

Mr. Qualls stated there is a third option, which is HOA property. The law says that HOAs are responsible for managing the private community property, so private property is easier to regulate and make rules regarding the use of that property. When you deal with public property, the Board needs to consider those additional things that I mentioned today.

Mr. O'Keefe asked is there a significant cost to the District for getting this started?

Mr. Golgowski responded the Development Company is willing to provide many of the upfront costs for the physical facility and improvements. Once it is running, then the expectation is that it is self sufficient with users covering maintenance. I do not think the District wants to sort through debates on who took whose tomato so it needs to be self governing.

Ms. Kerul Kassel stated at the previous meeting, it was tentatively proposed to put the garden between the developer's property at Buck Lake and the pond which is CDD property. There was concern expressed by Mr. Evans that the size of the garden could limit it to only a certain number of residents and there could be an issue of exclusivity. That is what one of the biggest concerned that needed to be researched from a legal perspective, what is CDD's liability if the garden does not provide enough space for the residents. That is confusing since the pool is only so big—it is the same kind of issue. The answer was to flip where it was onto commercial property on a temporary basis. If it is to be on CDD property, would that be on a permanent basis versus on the developer's property on a temporary basis?

Mr. Tome stated yes, it has higher and better uses as a commercial property. We are owned by an owner that may decide to do something with that property. We would hate to see all this work go into the garden and want to start the permitting process with the County and not be able to do what we need to do for that property. The CDD property would be able to have it into perpetuity as long as there is support for it. Regarding exclusivity concerns, we have had general conversations about a lottery program.

Mr. Qualls stated because tax exempt bond financing is used with Districts, there are Federal rules that you cannot restrict access to any District facility. You can regulate but cannot restrict. Potentially I am not a resident of Harmony and I could go in and pick some strawberries, as could anyone else and that is not necessarily a problem but a consideration for the Board.

Mr. Marks stated there is a potential for 168 individual 10-foot by 10-foot beds. If Mr. Qualls and I are walking through town with me being a resident, since I have an access key even though I do not use the garden, can we pick corn and strawberries if I want? Can anyone go through there and reap the rewards of our neighbors' labor by the produce being there? Can anyone come and take anything? Is there an honor system or is it more like the boat where you pay a deposit and sign up for a time? If you pay the garden fee, then you can use the garden.

Mr. Qualls stated all those examples you gave have been adopted for boat use. We are not restricting use of the boat or the pool. We are not saying you can never come use the pool but we are regulating it by saying if you want to use the pool, come follow these steps. In utopia everyone follows those steps and only those who are allowed to use the pool will use it. With the garden in utopia, there us a community piece of property, the whole community works the garden and the whole community reaps its rewards. In reality more people will want to reap the rewards than to put in the work. If anyone from the public walking through the community and took something out of the garden, they could do it and we cannot stop them.

Ms. McGinnis stated it is the same thing with the pool issue. We cannot babysit it all the time, so someone has to be there to monitor it.

Mr. Peach stated the garden I saw in the foothills of Boulder, Colorado, surrounded by a wrought iron fence that is locked that is regulated in some manner. I would like to identify a community that has one to see how they did it before we go further because there are questions that could be resolved based on how others are running theirs. It is a community similar to Harmony in terms of design, and it is in a park complex of that community. We can look at other models and see where it might best be located as a result.

Mr. Fsadni stated there is no excess HOA property.

Mr. Tome stated there is developer-owned property. If the developer and the HOA are in agreement, we can convey property to them. Then they will have property, there will be bylaws and rules and assessments, and they can work in concert similar to a CDD.

Mr. Qualls stated the HOA is charged with managing private community property, whereas a District manages public infrastructure.

Mr. Tome stated the HOA does not own property today but it could.

Mr. Marks stated you can enforce a much greater degree of exclusivity on HOA property than we could on CDD property. We could restrict it.

Mr. Tome stated if we conveyed the property to the HOA, they will pay taxes as well.

Mr. Marks stated that can be absorbed by the 168 lots, and it will not be detrimental to anyone who is not using the property.

Mr. Tome stated we can have a sub association of sorts.

Mr. Baruby asked if the HOA received property by conveyance, would there be a CDD fee attached to it?

Mr. Moyer responded yes, that is correct.

Mr. Baruby asked how many people have shown up at the meetings?

Ms. Kassel responded about 25 per meeting.

Mr. Baruby stated if you double that, there would be 50 plots used up.

Ms. Kassel stated in a few years, we could have 2,000 residents.

Ms. Snyder stated there were 10 more who signed up online in the last few days and some people want more than one plot.

Ms. McGinnis stated I think we should ask the developer to find some property versus asking for a particular location and then asking to move it again.

Ms. Snyder asked what is HOA property?

Mr. Tome responded they do not own any today. We can convey to the HOA at a cost. Can we have a representative from that group come to the CDD meeting to present some of the bylaws and things they are working on?

Mr. Golgowski stated that would be helpful. We will add it to next month's agenda where we will have a report on self government, progress, users, zoning issues or land use constraints and other matters.

Ms. Snyder stated it seems like it would be very positive for the community.

Mr. Gologowski stated it is a very worthy goal and that was the Board's consensus at the last meeting. I think Buck Lake is the desired location.

Ms. Kassel stated our group was tasked with coming back to this meeting with information for you, so we expedited our meetings to provide information to you so you can see where we are with this organization. We have formed a committee and everything is provisional. We meet, have a provisional vote and that information is relayed to the members who could not attend the meeting, and then we ratify the vote at the following meeting. We have a provisional vote, a time for discussion, and ratification at the following meeting. We have provisionally voted on a four-member committee of two coordinators, a treasurer and a secretary. There are residents in those positions who were voted in. We have agreed to a set of agreements of what the garden organization will do as an organization and as individuals gardeners, as well as what we expect from the developer and one item from the CDD. They were most of what Mr. Hostettler brought to us with some minor adjustments. We provisionally voted on three-tiered memberships. Harmony residents are Class A, where they have one vote per household for anything that is administrative, which is bylaws, rules, procedures, committee members, and one vote per plot based on any operational decisions related to expenses. Class B members are employees and teachers within Harmony. They will not have an administrative vote but they can vote per plot for operational expenses. Class C members are brought in by special invitation. They will pay no fee, they will have no vote, and they will be people such as master gardeners. I am happy to provide the CDD with the provisional agreement based on Mr. Hostettler's document.

Mr. Gologowski stated the developer provided for Mr. Hostettler, who is a consultant who is experienced in organizing gardens out of State. He helped this committee lay down some groundwork. Is there any provision for school children using the garden?

Ms. Kassel stated that is based on teachers wanting to do a project there. We discussed that we need permission slips from parents of those children releasing the garden organization from any liability. They can do a project there but we need certain compliance.

Ms. Snyder stated Ms. Kassel has also been in contact with someone who runs a community garden elsewhere and they sent their rules and regulations to her.

Ms. Kassel stated another member of the group is looking into other community gardens in Florida to see what their expenses are and how they operate. We will probably charge a membership fee and a plot fee to cover expenses and costs.

Ms. Snyder stated it is pretty well organized. I was impressed at the meeting I attended on Sunday.

Ms. Kassel stated we have another meeting scheduled for this Sunday to discuss bylaws and rules and procedures. The only request we have of the CDD of those agreements is when the garden is at 90% capacity with all families having only one plot, then CDD will commit to look for another location for a community garden.

Ms. Pam LeMenager stated we have 50 to 75 people interested. If we get to where we are liming people to one plot per family, whereas in the beginning they may be able to have two or three, then we are looking farther down the road for the developer or the CDD have to look for another piece of land.

Ms. Snyder stated that will make a difference in what the plot of land might be to start with.

Ms. McGinnis stated to make the developer commit to that now, or CDD commit now, not knowing what the future holds, is not fair. Will that benefit the entire community two or ten years from now? What else can we do with that land?

Ms. Snyder stated a lot of things do not benefit the entire community. Not everyone plays soccer or basketball.

Mr. Peach stated based on what I heard echoes much of what I stated before in learning how these things work and finding out the legal and logical things we need to do to make it happen. I recommend that we continue to dialogue and the committee continues to do its research. That will help us make the decisions.

Mr. O'Keefe stated I agree. Are there provisions on land use? in your contact with your other agency, do they have information on how they use and obtain the land?

Ms. Snyder stated seems illusive. There are management costs, how do you get a plot, how to get tools, fences, and things like that.

Ms. Kassel stated another organization is helping to support the logistics and infrastructure and some financial support to help the garden operate. In our case, that would be the developer.

FIFTH ORDER OF BUSINESS

Engineer's Report

There being no report, the next item followed.

SIXTH ORDER OF BUSINESS

Developer's Report

Mr. Haskett stated Mr. Evans asked me to do research for shade structures for the Swim Club. There are several shade companies and I provide a few images and a layout of where we think it would be best located, one or two structures approximately 10x20. The preference is the cantilever that is circled on the front page. The price is \$3,800 to \$4,200 each, which is only from one company. I am waiting on other pricing. If the Board wants I will bring proposals to the next meeting.

Mr. Golgowski stated this is the type of facility we are interested in.

Mr. Haskett stated I researched other things, including an aluminum awning structure, but wind damage will be a common occurrence with something light like that. Getting the stability out of it will be much more expensive than a fabric shade structures. Parks and recreation areas all over the country use structures like this. We have a couple on the golf course that stand up well. There is typically a 10-year warranty on the fabric and components are 20 years.

Mr. Peach stated Orlando Sentinel had an article recently that said one shade manufacturer is applying solar to the tops and I imagine we will see that used more often. It is something to consider for future use.

Mr. Tome stated it is \$125 per square foot right now.

Mr. Haskett stated to implement these structures and provide for what the umbrellas used to provide, it will cost about \$8,000 to \$10,000. I will provide more proposals next month. We discussed having street trees maintained. We put monies into the fiscal year 2009 budget for routine maintenance. However, received a proposal from the arborist that the Development Company used when we developed the Estates at Harmony lots. His services are used over state of Florida. He provided a proposal to do street tree maintenance on an annual basis. I would like the Board's permission to attend the next meeting to explain his services. I think he can better detail what service you will get out of this. It is a lot of money and it is based on an *a la carte* method that I am not typically comfortable with. I prefer per-tree prices but that is not how an arborist works. I have a request that may be a capital expenditure. The mulch bed under the playground equipment has to be at a certain required depth for safety of the children. Over the years,

that mulch has not been kept up and we estimate 8 to 10 inches of mulch needs to be replaced to get back to the safety parameter. I have a proposal for \$7,540, which seems expensive, but we have to have certified playground mulch within these playground areas to limit liability for any falls. It is a shredded bark or cypress mulch with tiny chips instead of varying sizes of mulch. I think the District needs to do this on an annual basis at an inch or two per year rather than letting it go as long as it has.

Mr. Peach stated playgrounds in many places now use a soft mat. I have seen it in landscape architect magazines. I do not know the cost comparison or what is more desirable. Does it make sense to look at that alternative when we are considering this amount of money?

Mr. Haskett stated I am happy to look at that. It would be a much cleaner aspect of the playground and a lower maintenance cost over time. I will prepare some proposals for the next meeting.

Mr. Baruby stated you can see an example of that at the new school in the enclosed playground area. I do not think you will like it.

A Resident stated the parks in Orange County in Orlando use ground up automobile tires. It is a great way to recycle.

Mr. Haskett stated I will look at a few alternative as well as mulch and bring comparisons next month.

Ms. Snyder stated regarding maintenance of the Swim Club pool, I have been there three Thursday nights and there is algae on the bottom around the jets every week.

Mr. Haskett stated it is not algae. It is a product of chlorine in the water and is a stain that is hard to maintain because when water comes out of the flat jets to blow debris off the bottom of the pool, that is what happens. That has been an issue since shortly after the pool was installed. It can be cleaned more often and it can be lightened but it will not go away.

Ms. Snyder asked is the tree proposal for all trees between the sidewalk and the road?

Mr. Haskett responded yes, his price is for all street trees in the community.

SEVENTH 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.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Ms. Snyder stated last month we discussed that Mr. Boyd was going to provide a presentation on the drainage system if the Board was interested. I guess the Board was not interested.

Mr. Gierok stated we did not receive a request to prepare that presentation.

Ms. Wright stated I do not think the direction to the engineer was clear that the Board did want that presentation. Would you like to direct him to do that for the next meeting?

Mr. Peach stated the comment made at the last meeting was the system performed the way it should with Tropical Storm Fay and it prevented any flooding. The question was how the ponds are linked together. I think it was one particular question, so we do not need to pursue it further.

NINTH ORDER OF BUSINESS

Audience Comments

Mr. Golgowski stated I will ask anyone interested in making comments to identify yourself, and speak to the Chairman rather than among yourselves.

Mr. Baruby stated the new basketball court when it rains, there are puddles on the court. It does not have a level surface. It does not dry quickly. The old court dries quickly and is relatively flat. Last Sunday night everyone was crammed onto the smaller court because big one was flooded. Once I saw someone who brought their own squeegee to clean off the court. Can District provide a couple squeegees? The smaller court goes unused whenever it rains. I do not know how to prevent theft of the squeegee.

Ms. McGinnis stated this was discussed at another meeting and we asked if warranty on the court and if so, what can we do to address that. I would think there is something they will do to fix that.

Mr. Haskett stated the main reason the small court has fewer puddles is because it is porous concrete and rain does disappear quicker. The new basketball court is sealed which creates a nonporous effect so has to drain through the stress cuts. It retains more water over past few weeks compared to month ago. That is a maintenance effort to keeping stress cracks cleaned out better and I will have that addressed. It is a relatively flat surface and preparations have been done to make it usable after a rain as quickly as possible.

Ms. Kassel asked is the sealant a paint on the surface and if so, can it be ground off so you will not have the problem anymore and will not need squeegees and there will not be puddles on the surface?

Mr. Haskett responded the result of doing that is not the result you are looking for. It will create more problems.

Ms. McGinnis stated I presume you sealed it for maintenance and longer lasting concrete.

Mr. Haskett stated yes, for that purpose. If there is graffiti or tire marks, it can be easily cleaned up.

Mr. Tome stated we talked about squeegee and obviously at certain times of the year it rains more often than other times. In a few weeks, we will not have this issue until May.

Ms. Kassel stated the sprinklers do it.

Mr. Tome stated the stress cracks are designed to be used to drain. You need a flat surface to play basketball and that is why it was sealed. The stress cuts were designed in such a way to pitch off the center and run out to the edges. If there is debris and silt in there, then it cannot drain. We will blow those out.

Ms. LeMenager stated at the budget meeting, the issues of light fixtures on the roads and the cost of lighting were raised regarding the brackets that did not have bolts and clamps. We were told it was being worked on. I want to know what is being done and how far you are. We are leasing those items from the electric company and paying for electric for the lights to be on.

Mr. Baruby stated you can go to OUC's website and report the number off the silver tag of any pole you are interested in. I have done it and they are there within two days in response to those web responses.

Ms. LeMenager stated it is not that the light is out but it is the disrepair.

Mr. Baruby stated you can report everything that has to do with the light. Just tell them what is wrong.

Ms. Wright stated I can add that on the website for residents to click on the link.

Ms. Snyder stated we can add it to the Harmony Notes.

Ms. Kassel stated at the last neighborhood watch meeting, one of the officers presenting at the meeting said there was property damaged or stolen from the pool and at

that time, they had no contact person the police had for the CDD and therefore, there could be no follow up on it because no one from the CDD was taking responsibility to be in touch with the police. We need a representative of the CDD for the police to be in touch with for any damage or police incidents on CDD property.

Mr. Golgowski asked can they call the District office?

Ms. Wright responded that phone number is on the website but apparently they do not have that number. I would generally give them Gary Moyer's name and phone number but the problem is if it happens late at night.

Mr. Peach stated I own an insurance agency in Longwood and Longwood police requires as part of my occupational license that I file a list of contact phone numbers and names. I suspect the sheriff's office has the same thing. Perhaps you can follow up with that officer and see if they have a record and supply them with that number.

Ms. McGinnis stated the officer was so detailed with it and said that if people are taking furniture and he is sitting there watching it happen, there is nothing he can do if he has no contact person. It is because this is a public facility and he has no way to prove that someone has not been authorized to take that furniture.

Ms. Kassel asked is Ms. Wright going to be responsible for calling Osceola county and making sure they have a contact number?

Mr. Haskett responded the incident happened at night and the facilities are not open at night. He did the right thing by stopping them.

Ms. Snyder stated if need a contact number, it should not be Ms. Wright or Mr. Moyer but should be someone who is local since these things happen on weekends or at night.

Ms. McGinnis stated there should probably be two people who can be contacted.

Mr. Baruby asked are we going to post signs in the facilities as a result of the new rules?

Mr. Golgowski responded yes.

Mr. Baruby stated then there should be a sign that says no trespassing after hours. Then the officer is empowered if someone is there after hours and is trespassing.

Ms. Snyder stated we talked about that with the parks.

Ms. McGinnis stated he still needs a contact number to confirm that person is trespassing.

Ms. Wright asked does it matter that it happens at 2:00 a.m. that if they call the District office phone number, there will not be anyone who can get that phone call until 8:00 a.m. the next business morning? Is that an issue or does he need to have contact with someone at that time? I could them Mr. Moyer's cell phone but if he turns it off overnight, the sheriff still cannot personally contact anyone at the time of the event.

Ms. Kassel responded I agree that we need someone in the community for a backup phone number.

Mr. Baruby stated there is always the presumption that the police officer has to do the right thing. If I am not home and someone is coming through my window and a policeman shows up, I am not home to say that he should not be doing that. Perhaps this is an isolated incident and he is trying to make a point.

Ms. Kassel stated I think it was an issue of he caught the person but did not have a contact number for anyone to press charges.

Ms. Snyder stated you can put me as a contact, although I do travel sometimes.

Ms. Kassel stated my husband can be a third contact.

Ms. Wright stated we will list the District office first, Ms. Snyder second, and Mr. Kassel as third. I will contact them and make sure they have our phone numbers.

Ms. Kassel stated I had a word of thanks but I see Mr. Moyer has left the meeting.

Ms. Wright stated he told me that he had a meeting to get to in The Villages and so he had to leave.

Ms. Kassel stated there have been some very nice grindings of the sidewalk that were not level, but still two places that are not level. They are on the east side of Cat Brier. Have the pool cameras been installed?

Mr. Haskett stated they are being installed this week, hopefully will be complete tomorrow.

Ms. Kassel stated regarding pool hours, after the last meeting, I went to the County building and code enforcement website to look for ordinances or statutes or rules regarding public pool use at night. It refers you to State statutes, and there is some information in the pool section for public and private pools about nighttime lighting. It gives measurements for pool water surface and pool deck surface. It is a minimal amount of lighting and we may already be at that level. We need an instrument that measures foot candles. If it is not there currently, it could be there with the addition of some low-level

lights that are compliant that might also be lit with solar. With the addition of cameras, in terms of liability and safety, I am bringing this up to Board for consideration. The pool is unavailable for people who work during the day except for weekends. If we extended hours, then it is an amenity that can be used on a regular basis. We have liability covered. We will have the cameras installed. We will have card or key access. We will have complied with lighting issues. We can also have a rule that anyone who goes after daylight hours has to be over 21 or accompanied by a parent.

Mr. Golgowski stated we can take the information and look into it more in terms of use and legal issues.

Mr. Peach stated I would like to ask counsel to research and report at next meeting. If there are no legal issues, we can look at ways to make it happen.

Ms. Kassel stated someone at the last meeting brought up pond drainage and the cost for maintaining ponds. While it would be interesting and educational to learn about the drainage system, the point of the conversation was why is the CDD paying for 100% of pond maintenance exclusive of mowing on the golf course? Why is there an inequitable amount of financial responsibility on the part of the CDD for pond maintenance costs when a majority of ponds are not located on CDD property?

Mr. Tome stated I was not at the last meeting but I read the minutes. Something that did not come up is the fact that the golf course facilities do pay \$60,000 annually in assessments and that was not noted or discussed. The purposes of that assessment are for maintenance of CDD facilities that they are abutting to or have the benefit of.

Ms. Kassel asked is that \$60,000 paid to the CDD as part of taxes?

Mr. Tome responded yes just as your assessments are based on lot type, theirs is based on acreage for commercial use and that is how they are assessed. The same is true for Town Center or other facility. They are assessed as well.

Ms. Wright stated anyone who owns property within the District is assessed according to an assessment methodology. We have an assessment department that determines how each of your properties is assessed, how the developer's property is assessed, how commercial unit is assessed, how all different land owners are assessed within the boundaries of the District. These ponds are within the District, they are a District facility. As was mentioned several times at that meeting, it is all part of a stormwater management system. You as residents pay assessments based on the benefit

that you receive from all the District facilities. The golf course obviously is larger and pays a much larger proportionate share of that. All that is explained by the assessment methodology as to everyone fair and proportionate share. That goes into the revenues that are collected from assessments. The \$60,000 that the golf course pays is not just for pond maintenance but it goes into the District's entire budget.

Ms. Kassel asked has there been any forward motion on the memorial bench that we have been discussing? In order to have memorial service for the community and for the family. We have collected \$800 toward the bench and we would like to order in the next few weeks and so that it can be installed for the memorial service in January. There is a six to eight-week lead time. Where are we with that?

Mr. Golgowski responded a draft policy was circulated last month. It needed to be reviewed for legal form.

Mr. Qualls stated I reviewed the policy but when the District adopts a policy, we need to go through rulemaking just like we just did for parks and recreation facilities.

Mr. Golgowski asked do we need to adopt it as rule or just as a policy?

Mr. Qualls responded it is essentially the same but it is rules on who can donate what. Either way, this Board's policy is that anytime rules or policies are developed is to go through rulemaking process because you give notice to all members of the public and invite their comments.

Ms. Snyder asked can we do that before the next meeting?

Mr. Qualls responded we can start the process but we need to have a workshop and then a public hearing.

Ms. Wright stated there is not enough time to advertise for rulemaking for your next meeting.

Mr. Qualls stated it will be at least a two-month process.

Mr. Peach stated when we started talking about this, we discussing having some control on it. We discussed having donations come to the CDD and then the CDD making the decisions on what needs to be done and putting whatever it is within the community. Does that require policy and rulemaking? We have the ability to accept donations and we have placed public art. Can we do that without going through this process?

Mr. Qualls stated the Board has in the past made such determinations on a case-by-case basis. It has been done and it is an option. It is advisable if this is going to be a

continuing thing to develop a written policy and get public input. That is helpful and advantageous in the long run.

Ms. Snyder asked how can we get this done?

Ms. Wright responded we can advertise for a workshop for next month immediately following your regular meeting to discuss this issue. We have also discussed considering to allow the pool to be open at night if there is sufficient lighting. If we have a two or three-month lead time, that will allow us to get workshops in place for both these items and do research on those things. If you are going to change your pool hours, you will need to do that by rulemaking. You should consider both of those at the same time. next month is also the last meeting for two of our Supervisors and there will be new Board members on the Board during this process. Those are things for your consideration. We can certainly start the process and get workshops scheduled for your next meeting.

Ms. Kassel stated the rules simply state during pool hours. I thought the idea was to have the rules but in terms of details, the CDD can change those policies as needed without going through the rulemaking process.

Mr. Qualls stated the rules say sunup to sundown for pool hours.

Mr. Golgowski stated we can schedule a workshop and if no changes are needed, then we do not need to discuss it.

Ms. Wright stated that is correct.

Mr. Golgowski stated if there are, then we will have the opportunity to discuss it.

Mr. O'Keefe asked do we need a workshop and invite the public?

Mr. Qualls responded yes.

Ms. Snyder asked do we need a workshop to put up signs for no trespassing?

Mr. Qualls responded no.

Mr. Golgowski asked is there an advantage to use the draft memorial policy while we are going through this rulemaking process?

Mr. Qualls responded the draft policy is a good policy but it lacks any language relating to the District's powers and how it relates to a District. All the regulations on what types of things will be donated will be part of the policy, but the policy needs to include the purpose of maintaining infrastructure and how any donations need to fall within that purpose. You cannot donate a scholarship because how does that fall within the District's purpose of maintaining infrastructure?

Ms. Kassel stated this could be easily solved by having the CDD purchase a bench and put in a plaque and simply forwarding any donations to the CDD. Then residents are not actually purchasing it; the CDD is purchasing it. You can obviate the need for a policy because it is not as though property is being donated or decided upon by the residents. It could be the developer who purchases it and gives it to the CDD. Whatever monies and costs are involved are given to the developer.

Mr. Peach stated why do you not go ahead and purchase the bench and marker, and put it together and unveil it. Then we can decide under the terms of the policy that we adopt later where it will be placed. Then you have achieved the goal of what it is that has been purchased, and we can place it when we catch up with you after the workshop. Then we are not accepting anything but we are following procedures that we will have in place and you have accomplished what you want to do.

Ms. Wright stated we can certainly have this accomplished by January. It is a minimum of two months to go through this process and it can be completed by November or December.

Ms. McGinnis stated we need to put something in place to protect everyone's interests.

Mr. Qualls stated I would like a motion to direct staff to go through rulemaking process and start by advertising a workshop for the next meeting.

Ms. Kassel asked what is the distance between the workshop and the hearing?

Ms. Wright responded we have to advertise the rulemaking hearing 28 and 29 days in advance, but it takes several days to get to the newspaper for their publishing deadlines. The workshop can be the morning of the hearing but we do not have time to notice a hearing for the next meeting. We will have a workshop in October and the hearing in November during the regular CDD meeting.

Ms. Snyder stated we will not have enough time to order the bench and the plaque.

Mr. Qualls stated the bench and the plaque are being donated to the District. The District is not ordering anything; we are just receiving a donation.

Ms. McGinnis stated they should go ahead and order everything.

Ms. Kassel stated in lieu of a plaque, since these are recycled plastic benches that last a very long time, you can have routed into one of the slats in the back of the bench your memorial sign, with 1.5-inch letters. Rather than having something that is attached that

may need maintenance, it can be routed into the bench itself and is relatively discreet. It will be 12 inches long as opposed to a small plaque and it will be long lasting.

Mr. Golgowski stated that is why we need to have a hearing. I saw the picture and it looks like a bus stop.

On MOTION by Mr. Peach, seconded by Ms. Snyder, with all in favor, approval was given to proceed with the rulemaking process for memorials and pool hours by scheduling a workshop for October immediately following the regular meeting and a rulemaking hearing for the November meeting.

A Resident stated her family would like to donate money to the CDD for a tree to put in a park. Can they call you and have you order a tree?

Ms. Wright stated we need to have the policy in place.

Ms. Kassel stated you can go through the developer.

Ms. Wright stated it would be easier to go through the developer at this point.

Mr. Tome stated yes, we would be happy to accept a tree.

Mr. Golgowski stated without a rule, there is no certainty that tree will be marked.

Ms. Wright stated it can be marked at a later time once a policy is in place.

TENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 10:50 a.m.

Gary L. Moyer, Secretary

Greg Golgowski, Vice Chairman