

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, April 30, 2009, at 9:00 a.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Robert D. Evans	Chairman
Nancy Snyder	Vice Chairman
Kerul Kassel	Supervisor
Mark LeMenager	Supervisor
James O'Keefe	Supervisor

Also present were:

Gary Moyer	Manager: Moyer Management Group
Ken van Assenderp	Attorney: Young van Assenderp
Steve Boyd	Engineer: Miller, Einhouse, Rymer & Boyd
Brenda Burgess	Moyer Management Group
Thomas Belieff	Harmony Dockmaster
Greg Gologowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Shad Tome	Harmony Development Company
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Evans called the meeting to order at 9:05 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 March 26, 2009, Meeting

Mr. Evans reviewed the minutes of the March 26, 2009, meeting, and asked for any additions, correction, or deletions.

Ms. Kassel stated I did not receive this information until late yesterday afternoon and the minutes are more than 50 pages. I need a few more minutes to review them.

Mr. Moyer stated we can table the minutes for your next meeting. I understand we did not get this material to you timely because it was sent to the wrong address. We apologize for that. It is no problem to table them to the next meeting.

Ms. Snyder stated I received this by email and I cannot read all that material online.

Mr. Moyer stated those minutes are important because of the bid process and other issues, so I think deferring their approval is the best course of action.

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.

Mr. Moyer stated I distributed a supplement on the assessment collection schedule. We are 89% collected with the April disbursement.

Mr. LeMenager asked is the remaining 11% mainly the developer's monthly payments?

Mr. Moyer stated no, there is a separate budget item for off-roll assessments. This chart is for on-roll assessments only. The off-roll assessment is behind one month due to a timing issue. Regarding the 11%, we may get another disbursement from the tax collector shortly. If not, that goes through the tax certificate process. In early June, tax certificates will be sold and that is usually how we collect the balance of our assessments.

Ms. Kassel asked why is our salary payroll so much higher than what we budgeted?

Mr. Moyer stated when we budgeted that amount, we had not determined how much the salary would be and we did not include benefits.

Ms. Snyder asked are benefits paid on the gross amount, like insurance?

Mr. Moyer stated after we determined the salary, we had to add FICA and insurance and other benefits and payroll taxes.

Ms. Kassel stated in the first four months, we spent \$13,281 over budget.

Mr. LeMenager stated a positive number means we are under budget, so that is good.

Mr. Moyer stated we did not hire Mr. Belieff as early in the fiscal year as we anticipated. What we budgeted is less than what we actually end up with now, so your budget going forward will accurately reflect salary and benefits.

Ms. Kassel stated in next budget year, we should include higher amounts for things like the equipment and pools and so forth.

Mr. Moyer stated we will discuss all that in May when we discuss the budget.

B. Invoice Approval #108 and Check Run Summary

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

Mr. LeMenager stated in January and February, the management company charged us double for field operation services.

Mr. Moyer stated that is for Mr. Belieff's payroll.

Mr. LeMenager stated it is the same amount as included in the regular bill. Are we being double billed?

Mr. Moyer stated they are for January and February.

Mr. LeMenager stated my only other comment related to expenses, the one area we have exceeded our budget is legal services this year. We are already over our budget amount for the entire year.

Mr. Evans stated that is directly related to the requests of this Board. Anytime you ask counsel for an opinion or to write a memorandum or to research something, that is in addition to what we budget for legal services. We spent a lot of time going through the bid process for landscaping and reviewing contracts. That process lasted over several months. This Board requested a significant amount of legal work. We also worked on some of our policies during this fiscal year, and we requested all that work. We need to take that into consideration when we budget for legal services.

Mr. Moyer stated it is difficult because we do not know what issues will come up during the year. The amount that was budgeted for this fiscal year includes normal legal representation, attending these meetings and things of that nature. We adopted a couple rules this year, and the bid process was much more complex than we expected. I would not expect next that we will have these types of legal fees. If an issue comes up for this Board that requires legal input, it may end up being a higher amount than what is budgeted.

Mr. Evans stated we need to be mindful that anytime we request something, there is a fee associated with it.

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

C. Report on Number of Registered Voters – 383

Mr. Moyer stated Chapter 190, Florida Statutes, requires the District to obtain annually the number of registered voters from the Supervisor of Elections. The reason is to track whether or not we have more than 250 registered voters. If so, after six years, we start a conversion process, which this Board has already started converting the way we elect Supervisors, going from a landowner election to a qualified elector process. Once

you have met the thresholds, Chapter 190, F.S., does not say we need to stop doing this. This is for your information. It gives you a gauge of how many people are in the community and at what rate the community is growing. We need to enter this into the public record and there is no action that is required of the Board.

Mr. LeMenager asked what was the number last year?

Ms. Kassel asked is there a way to determine the current number of residents who live here?

Mr. Moyer stated there is a way of estimating that. You can take the number of units that have structures on them and multiply by a number. In a normal community with children, it is 2.9 to 3.3. That is about the only way we can estimate it.

Ms. Kassel stated we have so many vacancies so that is not an accurate number.

Ms. Burgess stated last year there were 381 registered voters.

D. Discussion of Copying Charges

Mr. Moyer stated Ms. Kassel mentioned at our last meeting that there were a lot of costs related to copying. We provided you with a report. Based on these agenda packages that we print and send to Supervisors and people we need to make a filing with at the State and County level, we end up with about 5,000 copies a month. Severn Trent bills at \$.20 a copy. One thing the Board can consider is, the bulk of these agenda packages is the invoices. We can continue to put them in the agenda packages. We can send one copy to the Harmony project and you can all review them at your leisure, or we can send it to you in a pdf file and you can review them on your computer. We do not want to send you 180+ pages every month. If you have specific categories of invoices that you are concerned about, we can include only those. There are normal recurring invoices for management fees and others that do not change much from month to month. We will entertain anything you suggest to reduce copying charges.

Ms. Snyder asked what if we sent one copy to the staff at Harmony and they copied them for us?

Mr. Evans stated we are just shifting costs to the development company, and it is really the District's obligation to provide this information. I like the way we have it so we can carry the whole package with us. We may not have the opportunity to review everything at the computer. When I get that much information on my computer, I need to print it and review it page by page, plus it gives us a permanent record that we can carry

that is far more mobile. I think we continue to send the agenda packages here for the other four members.

Mr. LeMenager stated I am more than pleased to get the invoices via pdf. I just printed a few to bring to the meeting. I do understand that is not preferable to some, but you can save one set for me.

Ms. Kassel stated you can save mine, too. We are supposed to be an environmentally intelligent community, and using all this paper is not environmentally intelligent. Although I find it difficult to review them online, I think it is the right thing to do.

Ms. Snyder stated I can review the invoices online but I want the rest in a package.

Mr. LeMenager stated I agree. I understood we would get everything else in a package and we can just review the invoices online.

Mr. Moyer stated we will still prepare a full package for Mr. Evans and Mr. O'Keefe and we will separately email invoices to Mr. LeMenager, Ms. Snyder and Ms. Kassel.

Ms. Kassel stated please explain agency mailings.

Mr. Moyer stated this material needs to go to the County for their records.

Ms. Burgess stated copies also go to the auditor and to our office because a copy of these records has to be kept in Osceola County.

Ms. Kassel stated it should actually be 14 agenda packages instead of 10.

Ms. Burgess stated yes, and there are also some associated photocopying if I have to make additional copies of the agenda or additional handouts. There are copies that staff will make of other items, but that number is minimal.

E. Sidewalk Proposal

Mr. Moyer stated a couple meetings ago, there was an issue raised about the sidewalks and some of them that needed to be grinded. Mr. Boyd identified the ones that are the most critical. That work has been done. I distributed a proposal for the rest of the sidewalks. You do not need to take action on this today unless you think there is urgency. The amount is about \$5,300. When we went through the process of trying to get bids on this work before, they were substantially higher. This is the company that did the first iteration of grinding sidewalks. The feedback that I have received is that it is being done professionally, it looks good, and we are addressing these liability concerns. If you want to defer this, we can include it in the 2010 budget. If you think there is urgency to move on this immediately, this proposal is for your consideration.

Mr. Evans asked does this proposal identify the ones that you would classify as critical stage?

Mr. Moyer stated there are 146 locations and it is a comprehensive review that was done not only by Mr. Boyd but the person who provided this proposal. He walked the community and identified those areas as well. It will put us in good shape if we proceed to have the work done.

Mr. LeMenager asked is there a good time of the year to do it? Does it make sense to do it before storm season or wait until after?

Mr. Moyer stated I do not think it is dependent on the time of year. You can do it at anytime of the year. I am a little concerned and perhaps there is some urgency that I have overlooked. FMS is an individual who has worked for me for a long time as the field manager in Celebration and other Districts. He is not doing this work but his son is doing this work, who is going to FSU in the fall. As I understand, he is doing a good job.

Ms. Snyder stated for \$5,300, we should get this done.

Ms. Kassel asked who performed the most recent work?

Mr. Moyer stated this young man.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given to the FMS proposal for sidewalk repairs in the amount of \$5,256.

FOURTH ORDER OF BUSINESS

Attorney's Report

Mr. Moyer stated I distributed the material Mr. van Assenderp provided to me for the contract for legal services. I also provided to you the fees that are charged by firms that are active in providing legal representation to CDDs. It is a specialty area and you need to have an attorney that is familiar with what is happening with CDDs. There are not a lot of firms engaged in that type of representation. The chart shows the hourly rates that are charged by the four firms that are active in central Florida.

Mr. van Assenderp stated I sent a letter and draft of the agreement separately to the Board members as well.

Ms. Kassel asked is the draft contract any different than what we were given last month?

Mr. van Assenderp stated it is essentially the same. We stopped charging costs for meals and we lowered the rate for mileage and attorney travel time. The language should

be the same. The noteworthy changes were summarized in my cover letter. Your primary attorney will be Mr. Qualls at a very low hourly rate.

Mr. LeMenager stated I did note that you suggested an alternative of a fixed monthly amount. What amount would you have in mind?

Mr. van Assenderp stated I do not have one in mind. We can pull an average of what we anticipate along with comments from Mr. Evans and Mr. Moyer. That would be a fixed charge each month. Anything that exceeds that will be at the hourly rate, but that is essentially what we are doing now. If we have a flat monthly fee, the invoice will be for services rendered but we will include a narrative each month of time spent and services provided. At the end of each year, you will be able to make a good faith assessment to make a change up or down with the flat rate. The flat rate does not cover rulemaking or litigation or special requests.

Mr. LeMenager stated I would not mind seeing a number for purposes of budgeting, which we will start next month.

Mr. van Assenderp stated that will need to include Mr. Moyer's involvement and it will be my pleasure to send you that information.

Mr. Evans stated we drive these fees. Even if he quotes a flat fee, and we keep asking him for things that are not included in the flat rate, it will still be on an hourly basis. Either way, we are still paying for the services we receive.

Mr. van Assenderp stated I am not suggesting that one way is not better than the other, but both are available.

Mr. Evans stated I am very comfortable with the agreement you proposed. I have had the pleasure of working with you for a number of years. I have also worked with other counsel that is nowhere near as thorough and professional as you have been. I want to compliment you on the hard work that you have done representing this Board.

Ms. Snyder stated I agree.

Mr. Evans stated I have been on CDD boards for over 10 years. I have been Chairman of a number of them, and the previous one I was on the Board for 9 years and was the Chairman for 7 years. The services you have rendered and the quality of product that you have provided are far superior to what I have received in the past. I have reviewed documents for other CDDs and I have found your documents are more thorough. When it comes to the quality of service, I cannot find anyone better. As this Board progresses and

ends up being a full resident Board, they will need you. They will need your guidance, your suggestions, and your wealth of knowledge. Every time we bring on a new member, you advise them of their legal obligations and their responsibilities, which are very great. A District is highly regulated. You do not make up rules as you go along. You have given this Board tremendous guidance with your wisdom and experience. I want to thank you for that. I, for one, am very happy with the agreement you proposed.

On MOTION by Mr. O’Keefe, seconded by Ms. Snyder, with all in favor, approval was given to the agreement for legal services as provided.
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Mr. van Assenderp stated thank you for your comments.

Mr. Evans stated we are glad to have you on our team, and it is always good to have someone of your character and quality that is watching out for us.

FIFTH ORDER OF BUSINESS

Engineer’s Report

Mr. Boyd stated I have an update on the water line to close the loop between the east and the west sides of the property. We have completed the design, and we should have approval from Toho Water Authority in the next 30 days, followed by approvals from FDEP the next 30 days. At the next Board meeting, I anticipate we will be requesting authorization to prepare a bid package to get prices for the work with the intent of awarding a contract for the work. I distributed copies of our design drawings with our conceptual cost estimate of \$136,277 for construction. This will come from the remaining funds in the construction bond funds. I would add a 20% contingency to the costs. There are two alternatives to construct this line through the wetlands at the northeast end of neighborhood E: an open cut with minimal impact or a directional bore. Following the results of the geotechnical work, there is a deep muck pocket, so the more economical solution is a directional bore, which will result in zero impact to the wetlands. In the event we chose to do an open cut, we looked at the feasibility of would it be possible to have a boardwalk installed across the same section. Since we are doing a directional bore, that does not facilitate construction of a boardwalk. Since we are looking at this area now, we are also looking at the trees in this vicinity and what the alignment of a boardwalk would be if you want to investigate that.

Mr. Evans asked are you in discussions with the Water Management District relative to permitting a boardwalk to go through that area?

Mr. Boyd stated we have an impact to that area for a crossing shown now. The permitted location does not match up with the proposed location at this time. It has already been mitigated as conservation areas, so the location could shift. We have not approached the Water Management District yet but we anticipate getting their opinion to build a boardwalk with just hand clearing of smaller trees and the feasibility of that. If they are receptive of that, we may want to look at doing this work at the same time, as well as a connective sidewalk.

Mr. LeMenager stated I think that is a terrific idea. Right now to get to the other side of Cat Lake, you have to go all the way around. Now we would have the ability to have a nice walkway to everything we are going to have on the other side. If we can do it, I think that is great.

Mr. Boyd stated the good news is the cost of the water line is lower than we estimated.

Ms. Snyder asked will the bid process be similar to the one we just did for landscaping?

Mr. Moyer stated no, this will be a hard bid where there will be specifications. Unless the bidder is not qualified to do this work, it is awarded to the low bidder.

Mr. Evans stated by the next meeting, you will engage with the Water Management District and tell them what we want to do and understand the width and dynamics.

Mr. Boyd stated that is correct. Our progress on the boardwalk was held up until we received the geotechnical results. At the next meeting, I anticipate that we should be able to share the Water Management District's opinion of facilitating this conceptual route and the estimated cost of the work. At the last meeting we were requested to look at the condition of the alleys. We have completed phase 1 of that process, which is field assessments, photographs and maps of designated areas. Phase 2 is to prioritize and prepare recommendations to the Board on what repairs should be made at this time. We have not completed that process but it will be in your next agenda package. The most severe cases are where trucks are leaving the edge of pavement, which is in two locations. Those will be at the top of the list. There are a lot of areas that need to be addressed. We will prioritize those areas with other areas to be incorporated into future O&M budgets. I also said I would bring a map of the property the CDD owns, which I brought with me to discuss with anyone after the meeting.

SIXTH ORDER OF BUSINESS

Developer's Report

Mr. Tome stated we met with Luke Brothers for a preparatory meeting with them, and it included the field Supervisor and several key people from their corporate office. It went well and we expect a smooth transition. They are anxious and excited. They are in the process of being able to stage in the facility where REW was as they vacate. The field manager has been in touch with Mr. Haskett every day, so that is a good sign.

Mr. LeMenager asked when is their start date?

Mr. Tome stated May 14. They are ready to go.

Ms. Kassel asked they are proposing to have a field site for their equipment in the same location as REW?

Mr. Tome stated yes, REW has already removed the fence and their storage container. Luke Brothers will go in the same location. We are finalizing an agreement with them as landowner of the property.

Mr. LeMenager stated with respect to the transition from one company to the other, I am aware that one of our constituents, Pam LeMenager, has expressed some concerns with respect to issues such as mulch not being done in some of the smaller parks and chinch bugs in the smaller parks. The concern expressed was that our new landscape company should not think that is the standard we wish to maintain.

Mr. Haskett stated in the meeting with Luke Brothers, they recognized some of those areas that need some improvement. Regarding discrepancies with mulch and chinch bugs, I have addressed that with the owner and supervisors for REW. They are addressing it with some reluctance, which is understandable, but we will stay on top of that.

Mr. Moyer stated I responded to her email that at the end of this process, on May 14, with the help of the Harmony staff, we will make an assessment of work that has not been done. To the degree it has not been done, we will not pay for it. We will true up that contract.

Mr. Tome stated I met with the owner last week and all indications are that he will do all the right things. There is no indication that he will not. He will make it right.

Ms. Kassel asked do I understand from the bid proposal that we will receive a regular monthly report from the landscaper regarding work they are doing or things that need attention?

Mr. Haskett stated yes, that was included in the scope of work for the company to provide a written report that will detail inspections or advise us of field issues.

Mr. Moyer asked did we provide you with similar reports that we provide for other Districts?

Mr. Haskett stated no.

Mr. Moyer stated we will send that to you.

Mr. Tome stated I want to go on record to thank all the residents for the Dark Sky Festival this past Saturday. We feel it was a huge success. It was bigger than previous years, it went smooth and it was a well-attended event. We want to thank the residents for their participation and attendance. We will continue to build on it. The educational components and things we did are the way to go and we will continue to go that direction. It showcases the commitment of Osceola County and the Harmony Development Company and residents to education and to our school system.

Mr. Golgowski stated we have been investing in dark sky lighting on the streets and at your homes. A contingent from the Dark Sky Association was here and recognized Harmony as being a dark sky community. We are the first private development in the United States to receive this award and recognition. There is a lot of competition for this award, especially in western States.

Mr. LeMenager stated I like to think of the CDD as the department of parks and recreation, this is something we will take over one day. I think it is appropriate for this Board to commend the developer on such a marvelous job.

Mr. Golgowski stated many Board members volunteered at the event.

Mr. Tome stated in conjunction with our green tour, which is something we put in place once we got our green certification, we tried to put some signs together in the community to bring recognition and to educate people on what makes the community green. For new residents, it will help them understand the sustainability and long-term commitment to make sure the community stays green. One of the main components of green certification is to continue to educate the resident base to make sure it goes into perpetuity. We wanted to present the sign idea and to ask if the development company can reproduce these signs. The material is a composite material that will not decay or rot. We want to put them in several places throughout the community, and some of the locations will be CDD property. There are already educational signs posted and a small

group of residents goes around seasonally to replace those. These educational components will tie in with the University of Florida. It is something to consider if you want to see these in certain locations in the community. There are some for trees, wildlife areas, wetlands, dog park and others.

Ms. Kassel stated they look very nice.

Mr. LeMenager stated I think it is a great idea.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, approval was given to allow the Harmony Development Company to place educational signs on CDD property, as discussed.
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Mr. Haskett stated the clover leaf climber is a piece of playground equipment at Lakeshore Park, and it appears to have rusted. This is the second time it has been replaced. I contacted the manufacturer in trying to come up with a solution. It appears to me the weak area is where they welded the components together, which has created a weak point and also a stress point. We are looking at a way to resolve that prior to replacing it. The hazard has been taken away so that no one gets hurt, but I will keep you informed as soon as that equipment is back in order.

Mr. Haskett stated OUC has transmission lines across the front property. The CDD placed two landscaped beds that are at the main entrance to the west and one at the boulevard at the light to the west of the light. There are 14 trees that according to Davey Tree, who does the work for OUC, have to be removed. Mr. Golgowski and I met with Davey Tree. This is a new federal law that was passed after the blackouts that occurred up north a few years ago. It has to do with the high voltage of the transmission lines. Davey Tree will remove them for free or we can choose to have them transplanted at the CDD's expense. I will come to the next meeting with estimates on having trees relocated and transplanted. I believe they are worth saving. They are winged elms that are about 15 to 20 feet tall, and magnolia trees that are 12 feet tall. They can be used throughout the community in the parks. Davey Tree will give us to the fall to get them relocated. Next month, I will have estimates for the swim club gate. Over time it has been slowly getting destroyed from people picking the lock, jumping over it and swinging on it. We are trying to come up with better grades of gates and perhaps relocating the gate to prevent further damage.

Ms. Snyder stated there is a square park on Beargrass Park that has pieces out of the columns. Before I mentioned the bottom was deteriorating, but now there are chunks out of the top. I do not know if the trimmers hit it, but it does not look good at all.

Mr. Haskett stated in preparation for the budget meetings, I will be coming up with different things to use for repairs that we can use for renovating certain items.

Ms. Kassel asked are you available after the meeting to go to the dog park?

Mr. Haskett stated yes.

Mr. LeMenager stated now that we have had our trees trimmed above 10 feet, on the side streets, we are seeing little shoots growing from the bottom. That is the one gap in our plan. We need some plan to trim the bottoms. We need to think about what we do for 10 feet down. It may be as simple as educating residents. I take care of the trees in front of my house.

Ms. Kassel stated that has to do with a larger issue, setting precedent about the care of the easement between the sidewalk and the curb on all lots. Now we have set a precedent on trimming trees. In the landscaping proposals, we received prices for mowing that easement, so we have to figure out what kind of precedent we want to set, and whether or not we want to pay for maintenance for that. I am in favor of home owners taking care of it but if they do not, we are left with some trees that have been tended to and some that have not.

Ms. Snyder stated that makes it look worse.

Ms. Kassel asked what is the CDD willing to do and where do we set the boundary on what are we willing to maintain? If we mow, do we fertilize? What happens with weed control? Where do we stop? We can always go back and not do it anymore, but people get upset when you offer them something, even if they are paying for it, and then you take it away because we are not going to give them a refund on their assessments.

Mr. LeMenager stated I understand, and I have made the proposal that we take over that area in total. I am happy to compromise on the issue and restrict it to the trees. We are at a stage in our community where the development of our trees on the streets is crucial to what our town will look like in 5 to 10 years. The impression people get from seeing nice tree-lined streets is huge. I know people will treat their trees in different fashions and we want a consistent approach to make sure we take care of them so they look terrific in 10 years.

Ms. Kassel asked does our proposal say the new landscape company will take care of the tree up to 10 feet? Does that mean any existing tree up to 10 feet, or is that only trees that exceed 10 feet?

Mr. Haskett stated it is from the ground up to 10 feet.

Ms. Kassel asked is that included in the landscape proposal?

Mr. Haskett stated not in the neighborhoods.

Mr. Evans stated you need to think about how you assess it. You are taking on an expense that is the obligation of the home owners and you are placing the burden on the whole District. Are you asking all the property owners in the District to pay for a maintenance issue that a handful of owners are not taking care of? Or do you look at it on a neighborhood basis for special assessments just for those who are not taking care of their street trees?

Mr. LeMenager stated given the current economic climate, we have a number of abandoned homes. While we have an HOA that occasionally does some self help, the HOA does not have much money. This body owns the easement and the trees. While we cannot do anything on private property, certainly on derelict lots, we have the power to cleanup the easement and the trees. If we have the power to put a special assessment on that property, we are in a much stronger position to do it than the HOA.

Mr. Evans stated the HOA has powers described within their documents that allow them access to property to maintain properties that have not been maintained pursuant to established guidelines, which is the self-help mechanism. I do not know if the District has the authority to impose specific assessment on a lot-by-lot basis for those who do not maintain their easement obligations and how you would proceed with that. Does the District have the right of foreclosure on those specific issues? What are the limitations relative to the amount of assessment? Can we fine them for not maintaining those easements?

Ms. Kassel asked why would it not simply be for those derelict lots? Why is it not a part of the self-help work for the HOA?

Mr. Evans stated the HOA does not have funds to maintain lots to that level. They have allocated certain funds to mow lots that have been abandoned to maintain them to a certain level but not to take over the yard maintenance for those lots.

Mr. LeMenager asked has this issue come up with other CDDs in the past?

Mr. van Assenderp stated yes, and your summary was correct. The District does not have the power to do any kind of punitive fines. The District may impose and levy special assessments on property. Though not required to be uniform within an area, it has to show a special benefit to the property. Some of the properties around the area where the trees are maintained will receive a similar benefit but it becomes a question of fair and reasonable apportionment. That is a problem because special assessments have not been used or tested on a per-lot basis for those who do not maintain their trees.

Mr. Evans stated the summary is we can spend a lot more money in legal fees in the pursuit of recovery than the benefit that we may receive.

Mr. van Assenderp stated that is correct.

Ms. Kassel stated I suggest for the time being that we educate the lot owners to trim their trees up to the 10-foot line and see how it goes in a number of months.

Ms. Snyder asked can we educate them and if they do not keep up with it, have the HOA send them a letter like they do for other maintenance issues? I think that produces more compliance.

Mr. Evans stated that falls under the guidelines of the landscape requirements of the HOA.

Mr. Haskett stated we can probably resolve this with a newsletter. I have been working with Melrose, the new property manager, and they will be putting out a direct mail every six months where they will discuss bullet points, such as alley lighting. I asked them to do a spring cleanup notice for yards to give tips and advice. This could be addressed in that and this can be the first avenue to address the tree issue.

Mr. Evans stated it will be a summary of what their obligations are, since probably a majority of residents have not read the association documents.

Mr. Haskett stated it will be in bullet-point format indicating the community-wide standard, including pressure washing and landscaping.

SEVENTH ORDER OF BUSINESS

Monthly Boat Report

Mr. Belieff 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. Evans stated your report included anticipated boat expenses. Are these things that need to be done now or can they be done in October with the future budget?

Mr. Belieff stated I brought them up now due to complaints and safety issues. We are spending a lot of money to keep the boats running and now they are having problems.

Ms. Snyder stated I have received several negative remarks saying this is not an amenity but it is downgrading what we have because the boat only goes backwards. It should be fixed.

Mr. Belieff stated I know the problem and I spoke with him and told him what needed to be done. It is \$1,000 to fix it when all that needs to be done is to follow directions and hit a button. It is not running correctly, but it is running. We are thinking of upgrading the motor to what all the State parks use.

Mr. Golgowski stated the one that can be delayed is the upgraded motor for \$5,800. It will replace the controller and it is an upgraded system that has been tested in State park use and rental uses. It is a rugged system that we do not have now.

Ms. Snyder stated it seems like a waste of \$1,000. It should be fixed.

Mr. LeMenager stated if we spend the \$1,000, we will still have to do this in the future anyway. Instead of spending \$1,000 that we know we will spend again, let us do it all now. What kind of expected life will we get on the upgraded system?

Mr. Golgowski stated the motor has a two-year warranty.

Ms. Kassel asked is it possible to get some kind of service coverage?

Mr. Golgowski stated I can look into it. They are a Florida-based company so it is possible.

Mr. LeMenager stated their product is being used elsewhere in the County.

Mr. Golgowski stated it seems to be a good product and well recommended.

Ms. Kassel asked what are the containers for?

Mr. Belieff stated that was requested by the HOA to cleanup areas in Ashley Park and the swim club to straighten it up so it looks a lot better.

Mr. Evans stated a note regarding our current financial status for miscellaneous operation and maintenance, we have already spent that projected budget for the year. In our budget workshop, we will want to establish a separate line item for boat maintenance and repairs so we can track them better and be able to project what those needs may be.

Ms. Snyder stated I agree. We are offering this as one of the benefits and then it does not work.

Ms. Kassel stated it would be good to understand what the CDD is actually paying for the maintenance.

Mr. Evan asked which of these do we want to move forward with?

After significant discussion, the Board prioritized the repairs as follows: #1 is the pontoon guard for the small pontoon because there are dents and cracks that will cause the boat to sink if not repaired; #2 is the \$1,000 controller repair for the large boat to have it continue to be operational, though not upgraded; #3 is carpet replacement in the large pontoon boat because it is peeling and lifting and is already a trip hazard; #4 is carpet replacement in the small pontoon boat to prevent continued wear causing a trip hazard; and #5 is the upgraded controller system for \$5,800.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given for staff to make the first four repairs as presented and prioritized.

Mr. Evans stated we will be working on our budget next month. Give us your wish list of things we need to consider for that budget.

Ms. Burgess stated Mr. Moyer had made an appointment with someone from out of town and apologizes that he had to leave for that meeting. Ms. Snyder sent some emails related to the boat use. One was from a resident who wanted to take the kayak out early in the morning before Mr. Belieff is here. We all understand the procedure was different before Mr. Belieff was hired full time and prior to our rules being implemented. This resident has requested to be able to take out the boat at 6:00 a.m. without Mr. Belieff checking him in and out. This resident is also willing to purchase his own kayak if that will allow him to use it at the lake at his own discretion.

Mr. Evans stated he cannot use his own kayak in the lake. The District does not own the lake. It is a privately owned lake. The District has a license agreement that allows the residents, through the use of the District equipment, to have access to the lake. No one can bring their own equipment to the lake. That is not part of the agreement between the owner of the lake and the District. Other things may have been allowed but they are not permitted. It is not open to the general public.

Mr. Belieff stated the lake is open 30 minutes after sunrise until 30 minutes before sunset. If they make a reservation, I will be at the dock. I can also assist with any

paperwork that is needed. He cannot just take out the boat because I may have a reservation for it. It is also not light yet at 6:00 a.m. although I am here at 6:30 a.m.

After significant discussion related to reconsidering the hours of operation for the dock and the procedure for reserving and utilizing the boats, the Board agreed upon the following: (1) the hours of operation for the lake will remain 30 minutes after sunrise to 30 minutes before sunset; and (2) all persons using the boats must abide by all rules, procedures and policies that are in place, including mandatory boat orientation, appropriate paperwork, receiving reservations, and submitting a check for \$250 or leaving credit card information on file with the District.

Ms. Burgess stated the second email was from someone who showed up on the weekend and wanted to use the boat. It was not clear to me if they had gone through orientation or not, but an individual showed up on the weekend wanting to use the boat. Your District staff is charged with implementing the rules fairly and impartially and all boat users absolutely have to go through orientation. The question for this Board is, if a resident has completed orientation but has not arranged for their deposit with the District office prior to the weekend, do you want to allow Mr. Belieff to be able to receive a check or credit card information? We can provide a lockbox or safe for him to keep the information in, during that resident's use of the boat, and upon return of the boat, he can return that information to them. Do we want to make it easier for people who have not been able to contact the District office during the week to provide their deposit information? We need to give direction to Mr. Belieff for weekend use. There is not an issue for weekday use.

After significant discussion related to the first weekend use for residents who have not submitted their deposit or credit card information, the Board agreed to allow Mr. Belieff to take a deposit or credit card information for weekend users, for their convenience as a one-time event, who have been through orientation and upon return of the boat, the deposit information will be returned to the users with the direction that they must follow up at the District office with their deposit information or payment. Staff will report on any issues or concerns after 60 days.

Mr. O'Keefe stated we should put in another notice in the newsletter about the new reservation system to remind people of the new procedure.

Mr. Evans stated it is always good to have reminders and it is a good medium to inform and educate the community.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Ms. Burgess stated staff asked the Board at your last meeting for authorization to begin the RFP process for aquatic plant maintenance program. I provided the full package to Mr. Golgowski for his review. I forwarded some contract language to Mr. van Assenderp for his review. Next month we will have all that information put together in an RFP package for your review with your agenda.

Ms. Kassel stated I noted in the Harmony Notes that the May issue is the last edition of that newsletter. So many people are moving in and out, and the HOA will send something out every six months or so about housekeeping items. Would the CDD consider three or four times a year sending some educational pamphlet about our policies, feeding animals, use of the parks and other things that people do not know when they move here because they have not been educated about it. We could mail it to all the homes so the people living there can have this information.

Ms. Snyder asked is it not being provided for financial reasons?

Mr. Tome stated yes, it is produced for free because of the advertising provided by other businesses. Due to the economy, most people have cut back on their advertising dollars. This recent issue cost them \$1,000 to produce. We met with them this week and we are looking at alternative ways to make this happen. We have a couple ideas and we think we might be able to keep it alive. We may not be able to do it 12 times a year but perhaps six times a year. If we cannot make it work as a newspaper, we are working with the producer to see if we can do something electronically similar to what we do with our email that we send each month. We are encouraged that we think an alternative method will work and the information can be provided to the residents.

Ms. Burgess stated there is plenty of money left in the postage line item, but there would be an associated photocopying cost. If the Harmony Notes wants to have three or four editions a year, perhaps the District can consider doing it once or twice a year. We budgeted enough money for postage, which is more significant than photocopying costs. If you desire to do that, the copying costs should be able to be absorbed somewhere in the budget.

Ms. Snyder asked could we partner with what the developer is doing instead of taking it on ourselves?

Mr. Tome stated if it is electronic, someone just needs to send the information to us and we will add it to the rest of the information and provide a link to the website. If it is electronic, then copy count and page count do not matter.

Mr. Evans asked is the intent to get the information into each mailbox?

Ms. Kassel stated to educate every resident, not just the owners because they may not live here, but all the residents.

Mr. Evans stated if the developer could find a way to publish this document, then the District can pay for the postage to mail it to each resident. Then I think you accomplish your task. If it is electronic, a lot of people may not read it.

Ms. Snyder stated I think we should work together on this.

Mr. Tome stated we should have an answer in the next week or two as far as whether it will continue as a 12-month issue or what else we might be able to do.

Mr. Evans stated Ms. Kassel can provide input as to information you would like to see in the newsletter because you interact with a lot of residents and you hear a lot of issues. We can address those in the newsletter.

Ms. Burgess stated your next meeting is scheduled for May 28, 2009, at 9:00 a.m.

Mr. O'Keefe stated I am showing a budget workshop on May 20, 2009.

Ms. Kassel stated I am not available on the 20th. There is a conference for green cities at the convention center May 19 and 20.

Mr. Evans asked will we see the proposed budget before our meeting on May 28?

Ms. Burgess stated yes since you are having a workshop on the 20th. We will work on that budget next week.

Mr. Evans stated our budget workshop will be Thursday, May 21, 2009, at 9:00 a.m. One thing that will change is currently the landscaping items included a long list of items, but now they will be condensed. The biggest items will be electricity for street lights and then forecasting what repairs will be and the wish list for the boats and equipment.

Ms. Kassel stated in our monthly financial statements, sometimes budget items are amortized over a full year when we do not spend them over 12 months but at one particular time.

Ms. Burgess stated that is true for certain line items, particularly insurance. Typically we pay an insurance premium in full at the beginning of the year so it is not amortized over 12 months.

Mr. Evans stated at that workshop, if there are projects for us to take into consideration, that is when we will consider those so please provide an estimate for them and the timing of when it will be best to implement them.

Ms. Burgess stated we would like those by May 8, 2009.

TENTH ORDER OF BUSINESS

Audience Comments

A Resident asked what can we do about the condition of all the homes that have been abandoned?

Mr. Evans stated that is an issue for County Code enforcement.

Mr. George Schiro asked has REW been told about the dead grass at the end of Buttonbush Loop? It has been there for six months.

Mr. Haskett stated I will need to check our records.

Mr. Schiro stated there is also a chinch bug problem. Who is responsible for posting these meetings with signs on bulletin boards and on the website?

Ms. Burgess stated I post them on the website.

Mr. LeMenager stated there were no signs outside.

Ms. Snyder stated the meeting schedule is on the website.

Ms. Kassel stated the signs in the community are something the developer puts out and it did not happen this month.

Mr. Schiro asked is that not the responsibility of the management company?

Ms. Burgess stated no.

Mr. Schiro stated at the end of the last meeting, Mr. Moyer indicated that a publicly accessible forum would be added to the CDD website.

Ms. Burgess stated he said he would look into it.

Mr. Schiro asked what is the status of that?

Mr. Evans stated I think we are good with what we have. I think the system that we have as far as comments works fine.

Ms. Burgess stated most attorneys we work with typically request that all information go through the manager's office simply so that these Board members avoid any violation

of the Sunshine Law. This attorney in particular wants to safeguard and preserve any criminal actions being taken against these Board members.

Mr. Schiro stated I agree completely, but going through the website should do the same thing as going through the manager's office.

Mr. LeMenager stated you can do that now. I get emails from people with comments and we just had one on the lights by the school. When I respond, I give them the link on our website. We have a section for comments and one to report problems.

Mr. Schiro stated all that information is basically private. If I send you a message, only you and I know about it when the whole community should really know about it.

Mr. LeMenager stated if you send something to the CDD, we all find out about it. They let us know.

Mr. Schiro stated the rest of the community would like to know all these questions so we can keep up on what is going on.

A Resident stated no, no one else really cares.

Mr. Schiro stated so that has been shot down by Mr. Evans.

Ms. Burgess stated no, not by Mr. Evans but by staff in consultation with the attorney.

Mr. Schiro asked did any of the landscaping vendors involved in the recent bid process lodge a protest?

Ms. Burgess stated no formal protests were filed.

Ms. Kassel stated we actually received a letter from one of the losing bidders commending us for the work we did.

Mr. Schiro asked why are meeting minutes posted online as pictures rather than text?

Ms. Burgess stated not everyone is able to access Word documents, so we put everything in pdf format.

Mr. Schiro stated it is a pdf picture as opposed to pdf text.

Ms. Burgess stated the Severn Trent scans these items and forwards them to me to post.

Mr. Schiro stated that is absurd.

Mr. Burgess stated that is the equipment they have.

Mr. Schiro stated meeting minutes a year ago for the harmony CDD were posted as text. Now the minutes are posted as pictures. Do we all understand the shortcomings of

that approach? You cannot search pictures for a word in a document. Since the CDD used to publish minutes as text in pdf files in the past, why have we changed that and made it now pictures?

Ms. Burgess stated the equipment changed when the website host changed.

Mr. Schiro asked can we get the equipment changed back to what we used to have?

Ms. Burgess stated that is a Severn Trent issue to address.

Mr. Evans stated we are good with what we have.

Mr. Schiro asked so residents cannot search your documents for an item?

Ms. Burgess stated if you have a question, then email it and staff will research it.

Mr. Schiro stated I know there have been discussions in the past about a community garden. How do I go about getting access to the new community garden?

Mr. Evans stated there is not a community garden.

Mr. Schiro stated yes there is, and I have pictures to distribute. It is currently on developer property.

Mr. Evans stated this is not CDD property. This is a CDD meeting and this is not CDD property.

Mr. Schiro stated we have talked about a community garden on developer property at past CDD meetings.

Mr. Evans asked did you trespass on private property to take these photographs?

Mr. Schiro stated I will keep the source of those photographs to myself.

Mr. LeMenager stated that is outside the boundaries of the CDD.

Mr. Evans stated the CDD does not have a community garden.

Mr. Tome stated we have cows and other amenities on the west side of the property and residents are not allowed access to them.

Ms. Kassel stated this is not a community garden.

Mr. Evans stated it is not on District property, it is not on your property, so you need to move on. Your three minutes are up.

Mr. LeMenager stated this is not a CDD issue.

Mr. Darrin Yeager stated I have a petition signed by over 100 residents for a skate park for our youth. They do not really have a place to skateboard that is safe and that will not cause problems. Bill Fife indicated he thought there was a piece of property across from the school for this amenity.

Mr. Jason Roberson stated I work for a skateboard company that sells skateboard shoes. There are many ways to go about building a skateboard park. This community has three basketball courts for the residents, and there are more injuries on a basketball court than with skateboarding. In a study of 1,000 participants, 21.2 were injured in basketball and only 8.9 were injured in skateboarding. We are requesting to add an amenity for skateboarding for the community's youth.

Mr. Evans asked are you proposing to build and operate a skateboarding facility on District property? Or are you asking the District to pursue the construction and operation?

Mr. Roberson stated we are asking the District to build the park as an additional amenity.

Mr. Evans asked what do they cost?

Mr. Roberson stated I do not have any estimates because it depends on what you include. It is a slab of concrete that is bigger than a basketball court to put the items on. I have information on the company that built the skateboard park in St. Cloud. The park will look like a plaza and it will stop kids from skateboarding downtown. It will not be an eyesore but will be a nice area for kids to congregate.

Ms. Snyder asked is it \$10,000 or \$50,000?

Mr. Roberson stated it depends on the design. You can spend a lot of money on the wrong design where kids will not use it, and you can spend money the smart way on a design that kids will use.

Mr. LeMenager stated I think we should look into it because they are going to skateboard anyway.

Ms. Snyder stated I know it would be used.

Mr. LeMenager stated I suggest they bring us a proposal.

Mr. Evans stated we have a budget workshop coming up in a couple weeks. If you can provide us with more specific information with cost parameters or cost ideas, we will consider it. There has been some discussion about creating an additional amenity for the youth in the community. We do not want them skateboarding around town. it will be a matter of what it will cost and whether or not residents want to add it to the budget for next year, so it will not be implemented until at least October if we include it in the budget.

Ms. Snyder stated when you provide estimates, also provide what is included and what can be added to be 50% more usable.

Mr. LeMenager stated I believe we all think it is a great idea. Bring us a proposal that is something we can afford.

Ms. Burgess stated we will be putting that budget together soon, and if you want to work with Mr. Haskett, provide something to him by May 8, 2009. I suggest having several options going from a basic design to something more elaborate, perhaps at \$10,000, \$25,000 and \$50,000, just to give the Board some options to consider, rather than just one design idea.

TENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 11:25 a.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman