

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, July 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

Also present were:

Gary Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young vanAssenderp P.A.
Steve Boyd	Engineer: Woolpert
Greg Golgowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Shad Tome	Harmony Development Company
Tim Nicholson, Sr.	Luke Brothers
Jim Kennedy	Luke Brothers
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

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

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the June 25, 2009, Meeting

Mr. Evans reviewed the minutes of the June 25, 2009, regular meeting, and asked for any additions, correction, or deletions.

Ms. Kassel stated on Page 13 under audience comments, "A Resident" should be changed to "Mr. David Leeman".

Mr. Boyd stated our firm name on Page 1 should be changed to "Woolpert".

On MOTION by Ms. Snyder, seconded by Mr. LeMenager, with all in favor, approval was given to the minutes of the June 25, 2009, regular meeting as amended.
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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 we have collected all of our assessments except for \$16,545. On the assessments billed directly, there is a timing issue of when the invoices are sent to when we receive payment. The County had a tax certificate sale in June and they will have another one in August, so it is possible we will pick up the remaining balance that was levied on the tax roll through this process.

B. Invoice Approval #111 and Check Run Summary

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

Mr. Haskett stated there is an invoice #10864 from Jan Pro for \$195 in this summary and it should be deleted.

Ms. Kassel asked when this summary is created for the agenda package, could these invoices be totaled by vendor?

Mr. Moyer stated I will request that from accounting.

Ms. Kassel stated there are invoices from Advanced Marine and NAPA Auto Parts for some larger amounts. Are those for the boats?

Mr. Golgowski stated yes.

Ms. Kassel stated I do not recall what we previously approved for refurbishing the boats, which I thought was about \$8,000.

Mr. Golgowski stated work was done on the large pontoon boat at the price we expected. When it came back, it lasted a day and something else went wrong. So we had to do more work on the controller.

Ms. Kassel stated I thought we paid for a new controller.

Ms. Snyder stated no, that was one we tried to fix and thought it would last for a while.

Mr. Golgowski stated the controller still works but something else went wrong.

Ms. Kassel asked is there more work to be done?

Mr. Golgowski stated no, it is complete.

Ms. Kassel stated I thought we were going to do everything on the list of repairs in this fiscal year.

Mr. Golgowski stated we were not authorized to replace the motor and upgraded controller.

Ms. Snyder stated it is in our best interests to get the boat repaired and working. Perhaps it would not have broken down again if we had done the whole job in the beginning.

Mr. Golgowski stated the suggestion was to replace the motor, controller and batteries and going to a new system, which was considerably more than the repair cost.

Ms. Snyder asked if we had done that, would we be in this position of needing the additional repair?

Mr. Golgowski stated it would have taken the boat out of service until the next fiscal year to do a major overhaul. We were hoping to nurse it along as long as we could. The \$9,000 included carpet, which was approved to be replaced.

Mr. Evans stated many of the items on the NAPA invoice are for normal maintenance activities, as opposed to repairs.

Ms. Snyder stated I have some experience with boats, and it is better to replace some components rather than repair them, especially with the use these boats get.

Ms. Kassel asked what was the invoice for Fulsom?

Mr. Haskett stated it was for repairs around the town square lighting due to a lightning strike. They contacted us about this old invoice because their Auditors found it had not been paid. That is why it is being paid a year late. These repairs are not covered by OUC.

Ms. Kassel asked are other repairs covered by OUC?

Mr. Haskett stated only for street lights. Bollard lights and street lights are covered by OUC and the receptacles for step lights are not. That is what was hit by lightning.

Ms. Snyder asked would this have been covered by insurance or was it too small?

Mr. Haskett stated it was too small.

Ms. Kassel asked what service did Symbiant provide?

Mr. Haskett stated Symbiant takes care of the pool.

Mr. LeMenager asked what are the Embarq bills for?

Mr. Haskett stated the Maxicom irrigation system.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given to the invoices as presented, removing invoice #10864.

C. Discussion of Fiscal Year 2010 Proposed Budget

Mr. Qualls stated I have a few technical comments on the General Fund budget narrative. Under *Special Assessments—Tax Collector*, the way it reads now is awkward. It says the District will levy a non-ad valorem assessment on the Osceola County tax bill. The levy is on the property and the assessments are collected by the Osceola County Tax Collector. Under *Special Assessments—District Collected*, it says the District will direct bill these. All billing is direct. Under *Special Assessments—Discounts*, these discounts are not provided on the District-collected assessments, only the ones collected by the Tax Collector, and that should be corrected. For legal services, strike the comma between Young and vanAssenderp. Where the narrative talks about the collection fee of 2% plus \$1, is the Property Appraiser charging a fee, and if so, should it be listed?

Mr. Moyer stated it is \$1.

Mr. Qualls stated that should be clarified in the narrative.

Ms. Kassel asked how many lots contribute to this budget?

Mr. Tome stated 779.

Mr. Evans stated if a piece of property has been platted, it is collected on the tax bill. If it is an unplatted lot, it will be paid directly by the developer.

Ms. Kassel stated we have a \$40,000 cushion that we are adding to reserves. If we subtracted \$10,000 of it, how much would that be on a per-lot basis?

Mr. Moyer stated it is not on a per-lot basis. It is driven by a formula and it depends on the lot size. We have to run it through that formula pursuant to the methodology.

Mr. LeMenager stated those lots are about 35% of the property, which would be \$3,500, divided by the 779 homes is about \$4.

Ms. Kassel stated I want to reduce our cushion by \$10,000 and have a small reduction to the homeowners. We can do it and we are still being conservative and responsible, yet we are being innovative by lowering an assessment when we can.

Mr. LeMenager stated I would like to speak against that because clearly what we are doing in that case is turning down \$6,500 that the developer will contribute to fund this budget. For \$4 from each household compared to the developer's contribution, that is not a good return.

Ms. Snyder stated for circumstances like the boats, we may face expenses going forward that are not included in the budget.

Mr. Evans stated there is no way we can plan for all the expenses we are going to incur for next year. By having at least some reserve, we can be in a position to address those unforeseen and unallocated expenses as they come up, and we all know that they will. I respect Ms. Kassel's suggestion that we try to demonstrate our fiscal responsibility by way of a reduction, but at the same time, I think we can demonstrate financial accountability by maintaining a reserve to be able to take care of those things that are unforeseeable.

Ms. Snyder stated I also think it would be worse to give a reduction of \$4 and then have to increase it later by \$5.

Mr. Moyer stated as we go through these budget processes in the future, with the type of infrastructure we are maintaining, we will have to address capital replacements and set aside reserves in the future. Many of you are familiar with Brighton Lakes off of Pleasant Hill Road, which is a community of 751 lots. The Board decided this year to assess an additional \$100 per year to start building up a capital reserve for their pool and recreation center. Similarly, this Board will need to address that in the future.

Mr. LeMenager stated that is the point I have been trying to make in the last few meetings. There are a lot of things coming in the future.

Mr. Evans stated if we start this process now to accumulate a reserve, it is not as painful as a large increase later on.

Mr. Moyer stated the Board discussed last month sending out a letter, and I am not sure if we resolved doing that.

Mr. LeMenager stated it is not legally required because we are not increasing assessments. At least one audience member suggested we not spend the money to send a letter, and I agree.

Mr. Evans stated from a postage and time standpoint, I would rather conserve any paperwork we can. We have received comments about phone expenses and postage for other things, and the postage to mail 400 or 500 letters is something I would like to forego.

Ms. Snyder stated I suggest putting something in the newsletter or the Harmony Notes.

Mr. Evans stated let us utilize the mediums we already have.

Mr. LeMenager stated it might be good to point out to people that they are not receiving a letter this year because there is no increase. I think a number of people are expecting an annual letter.

Ms. Snyder stated that might encourage people to read the media we already provide.

Mr. Moyer stated the public hearing to adopt the budget is at your meeting in August at 6:00 p.m.

D. Evaluation of Aquatic Plant Maintenance Proposals

Mr. Boyd stated we provided the summary of the bidding results for aquatic plant maintenance. We received four responses: Aquatic Systems at \$2,170 per month, Bio-Tech Consulting at \$1,374 per month for normal services and \$156 for the littoral area nuisance removal, Aquagenix/DeAngelo Brothers at \$2,315 per month—they did not separate littoral area nuisance removal, and DCG Environmental Services at \$1,638.13 per month and \$1,016.11 for littoral area nuisance removal. We reviewed the responses and the most complete proposal, the most responsive and responsible bid and the lowest bid was received from Bio-Tech Consulting, and this is our recommendation.

Ms. Kassel stated I agree.

Mr. LeMenager stated I scored them on our scoring sheet and my results were Bio-Tech: 94, Aquatic Systems: 88, DeAngelo: 80 and DCG: 75. I gave Bio-Tech the highest mark on everything except geographic location. I am in complete agreement and I think they are the hands-down winner. It was not even close.

Ms. Snyder stated I looked at their net income for Bio-Tech and it was a negative \$141,000. That concerns me.

Mr. LeMenager stated I shared the same concerns. In looking at their financial statements, they are the least financially stable, but it is actually not in our specifications. I suggest it is a significant error in the way we put this scoring sheet together for future reference. Clearly in terms of financial stability, they are the least financially stable, but we did not put it in the selection criteria, which I think was a major omission.

Ms. Snyder stated they might go into bankruptcy.

Mr. Moyer stated keep in mind that we only pay for service after the service is rendered. If they perform the service, then they will be paid. We do not have a lot of

exposure, even if they go bankrupt. We will simply cancel the contract and go to another company.

Ms. Kassel asked if they did not perform and we have to go to another vendor, do we have to go through the RFP process?

Mr. Moyer stated no, this is under the bidding limit so we would not be required to do that. We would go back to these materials and select another of these vendors who provided proposals.

Ms. Snyder stated I do not have the expertise in knowing the criteria they will be performing under.

Ms. Kassel stated of all the companies, Bio-Tech had the most extensive section on integrated pest management and specified what they would do specifically for Harmony, based on their integrated pest management principles. I liked that about them, as well. Mr. Boyd has worked with them before and I am comfortable with them.

Mr. Boyd stated I do have professional experience with Bio-Tech and they are a very professional firm, very responsive and I have no concerns.

Mr. LeMenager stated they had the best scores for references.

Ms. Snyder stated the main thing that concerned me was them going out of business and having a financial downturn since 2007. If that is not a concern and if they meet the qualifications, then I will vote for them also.

On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, approval was given to award a contract to Bio-Tech Consulting for aquatic plant maintenance services.
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E. Public Comments/Complaints

Mr. Moyer stated Ms. Kassel asked that we include a log of the phone calls and emails that we received during the month, and this report goes back to May 1. The idea was to keep the Board informed of issues occurring in the community.

Ms. Kassel stated it is also to let us know if something needs attention. Thank you for including the report; it looks great.

Mr. LeMenager stated I thought it was excellent. You did a very good job.

Ms. Kassel stated it also includes the date it was reported, a description of the location, actions taken and the work status whether it is completed or not and the date it was completed. Those things are helpful in letting us know what is going on. We only

meet for a couple hours every month and residents do not have the opportunity to let us know what is going on. We do not know unless a resident contacts us individually. This is a good way of understanding who is saying what and what items need attention and whether or not it is getting attention. This is very useful for us.

Mr. Moyer stated we will keep a running log of these things and keep adding to it every month.

Ms. Kassel stated more than 50% of the complaints are regarding landscaping, which we will discuss later in the agenda.

FOURTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Qualls stated at last month's meeting, there was a discussion on the swimming pool. Because District monies were used to construct and maintain this public facility, the public may not be excluded. However, through the rules, the District may regulate access, and I want to point that out. There were a couple comments in the minutes that could be construed to mean that the public cannot use the pool. There was also a discussion of what the District provides and the term "amenities" was brought up. I want to point out that Homeowner Associations deal with amenities and Districts deal with systems, facilities, improvements and infrastructure. "Amenities" is a term that is foreign to CDDs.

Ms. Snyder stated the pool is a public facility.

Mr. Qualls stated that is correct, and you cannot restrict access but you have adopted rules to regulate access.

Mr. Evans stated residents have unlimited use of the facilities. Non-residents have to pay a fee to use those facilities. There is the regulation aspect. If there is someone who is not a resident accessing the facility, they have to pay a user fee or membership fee that is listed in our policies, or they can be the guest of a resident.

Ms. Kassel stated residents do not have free use of the facilities because we are paying for it through our CDD assessments.

Mr. Qualls stated that is correct.

Mr. Evans stated Mr. Qualls submitted a memorandum related to the street trees. I think there was some confusion during the last several meetings relative to the District's right versus obligation to maintain the street trees. The first clarification that needs to be

made is that the District owns all of the trees and landscaping on District property. That is the first fundamental fact. To take it a step further, any of these trees between the curb and the sidewalk fronting a lot, not only does the District own that tree but it does not have the obligation to maintain it. That is the distinction. Under the Homeowner Association (HOA) guidelines, the burden of maintenance, not replacement, is upon the lot owner to maintain the landscaping in that area. Therein lies some of the confusion. The District had all the trees trimmed last year. Since that time, there has been some shoots coming out on trees that fall under the scope of what the homeowners should be maintaining. Some of these homeowners are not performing this maintenance. Under the HOA declarations, the association has the authority and capacity to notify those homeowners to maintain those trees and if they do not, the association has a self-help remedy to have those trees maintained and charged to the homeowners. That is the way it works. The District does not have the authority to assess those individual homeowners for the maintenance of trees on District property. That being said, it is my understanding there are only a handful of homeowners not performing this maintenance. It would cost more time, money and resources for the association to go through the process of sending three different letters to the individual homeowners who are responsible for those trees that are physically on District property to trim them below ten feet. That work could be done in less time than we have spent talking about it. Can we get Luke Brothers to trim these 10 or 15 trees and conclude this issue?

Ms. Kassel stated I think Luke Brothers thinks it is a lot more than 10 to 15 trees.

Mr. Nicholson stated we are maintaining all of the trees in the CDD area. Unfortunately, most of those trees are not Florida grown number 1; they are field-grown number 2 trees. Over time, many of them came in with a fungus and the root system will push up a lot of energy, so it will push out shoots. We average 25 to 30 trees a week or more and I have my crew removing the shoots because they look unsightly.

Ms. Kassel asked is that on the boulevards only or does it include the side streets?

Mr. Nicholson stated only the main boulevards.

Mr. Evans stated most of these trees are already in the scope of services. There are a handful of trees that fall under the homeowner's responsibility that are not being addressed by the individual homeowners.

Mr. Nicholson stated if I have any questions, I discuss it with Mr. Haskett before proceeding.

Mr. Evans stated this is a handful of trees. We have the right to maintain them but we do not have the obligation. I think they should just trim them.

Ms. Snyder asked if they do these now, does that mean people will have the expectation that theirs will also be done since we did these few?

Mr. Evans stated some people will maintain their trees because they are supposed to. Other people will ignore it.

Mr. Nicholson stated there are a lot of areas where trees are suffering, dying or are in decline.

Mr. Evans stated that brings up a separate point. In the HOA documents, it says individual homeowners are responsible for the trees that front their lots and it is their responsibility to maintain. It is also their responsibility to replace some of the landscaping. It does not obligate them to replace trees if they die and I think that responsibility will fall onto the District to maintain continuity of the trees and their size and quality. There are trees that have died that have been on District property and I believe it is the responsibility of the District to replace those.

Mr. Qualls stated because the homeowners restrictions that run with the land state it is the homeowner's responsibility to maintain these trees unless this responsibility has been assigned or assumed by the Association, I recommend that the District work with the Association to come up with the best way to maintain these trees.

Ms. Kassel stated I think much of the problem with maintenance of the trees on District property is that people do not know. I think if we were to inform people a couple times about their responsibilities regarding that area, at least people will know what their responsibilities are and they can act on them.

Mr. Evans stated we talked about sending out an article on things like this that keep coming up. If they would read their materials, that would help but people just do not read it unless someone tells them they have to. We need to point out that section and summarize what they need to know. I know Mr. Golgowski is working on something to address this issue.

Mr. Tome stated we will address the high points about the CDD, the HOA, the programs in the community and we will point them to the right areas where they can read more information.

Ms. Kassel asked how do we notify residents about this particular issue?

Mr. Tome stated we can address it in the Harmony Notes, but there will still be people who will not read it.

Ms. Kassel stated we can put door hangers at people's front door.

Ms. Snyder stated I can get some volunteers to deliver them.

Mr. Evans stated I would like to authorize Luke Brothers to trim these trees.

Ms. Kassel stated this raises an issue that might need some future discussion. When we awarded the landscaping contract, we had them add some pricing to mow this parcel on all of the streets, not just the main boulevard. We can interface with the residents this year to see if the residents want this, knowing it will increase their assessment. Then everything will be uniform. We are already stepping over some boundaries and we have to think about how we will address this in the long term rather than for just this year. Will we maintain the street trees regularly? I am hearing that we are already doing that. What about the mowing? On the main boulevards, it is being maintained by the CDD but there is no higher charge for those parcels for the care that the CDD is providing.

Mr. LeMenager stated I am not sure that I agree with that. The lots on the boulevards pay significantly higher CDD assessments than the internal lots.

Ms. Kassel stated that is because of the amount of street frontage they have.

Mr. LeMenager stated I suggest the only inequity is those few internal lots that are large custom lots. The lots in Drake not on the boulevard are paying the same CDD assessments as our lots on Schoolhouse Road.

Ms. Kassel stated not on a straight linear basis.

Mr. Evans stated we can discuss this at another time.

B. Engineer

Mr. Boyd stated the water line extension is out for bid and 14 sets of documents have been picked up. Bids will be received on August 18 and we will be bringing those results to you at the August meeting. We are still estimating the hard construction costs at about \$136,000 without contingencies.

Mr. LeMenager asked we are not going to receive 14 proposals, are we? I do not think we are competent to judge this scope of work.

Mr. Boyd stated no. any bid we receive we will present to the Board for your review, but I do not anticipate that we will receive 14 bids. Some of them are interested parties that will probably not submit bids. Some are clearinghouses for people who want to review public bids. I do anticipate we will have at least five, perhaps as many as 10 bids.

Mr. Evans asked did the comments from DEP impact this at all?

Mr. Boyd stated they had some minor comments that do not affect the cost of the design or the project. We anticipate we will have DEP permits in hand by the end of August.

Mr. Boyd stated regarding the CDD tracts related to the tree issue, I have some examples from the Property Appraiser's website that highlight specifically the tracts showing CDD ownership of the tracts. The maps I brought to the meeting indicate anything in orange is owned by the CDD, which includes all the tracts between the lot line and the curb which are the areas in question.

Ms. Kassel stated we have been told in the past they are easements and then we were told they are owned by the homeowner. I want to have documented proof of who actually owns the area between the sidewalk and the curb.

Mr. Evans stated I think there is a lot of confusion about the terminology used, when we reference an easement as opposed to an obligation versus ownership. We need to be clearer in our designations.

C. Dockmaster/Field Manager

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

D. Landscaping – Luke Brothers

Mr. Nicholson reviewed the monthly landscaping report as contained in the agenda package, which is available for public review in the District Office during normal business hours.

Ms. Kassel stated the first page indicates they continue to remove plants in planter beds. Where are those beds?

Mr. Nicholson stated they are throughout the property and about 70% of the planter beds had dead material, perhaps from the frost damage that had to be removed, including some small trees. It looked unsightly to me and I discussed this with Mr. Haskett on being able to remove the dead plants.

Ms. Kassel stated these are not beds that are built up but just naturally occurring throughout the community.

Mr. Nicholson stated that is correct. They are along the boulevards and the golf course and any area where we maintain the CDD area. We remove any and all dead plant material. I would rather have a bare bed than dead plants.

Ms. Kassel asked regarding removal of dead trees throughout the property, are you removing those trees as well as shrubs and small trees and replacing it or leaving it bare?

Mr. Nicholson stated they are not on the main boulevard. Before we do anything like that, I address it with Mr. Haskett. The only ones I am removing are the few dead trees along the golf course areas or the trees inside the planter beds that are dead. As far as replacing them, I am still working on another project to get a proposal together and I should have it for the next Board meeting.

Ms. Kassel stated regarding the staking of trees and removing them, I thought A Cut Above was supposed to remove them.

Mr. Nicholson stated when we came on-site, we did that at no charge to you. It took quite a lot of man-hours to remove them and dispose of the debris. We removed the staking materials from the trees I felt were putting the trees in harm's way. There are some trees that still have stakes on them because the root systems are still weak. For the most part, they have been left on so long that the trees have grown around the staking material. We removed the shoots from the trees and elevated the ones that have not been touched since they were originally installed.

Ms. Kassel asked are these non-street trees or are they trees A Cut Above did not perform this work for?

Mr. Haskett stated there is a mix of trees and there are a few that were left because they were growing into the stakes. Some of them needed to be elevated along the golf course and the path.

Ms. Kassel stated if A Cut Above did not do the work they were hired to do, that is something for us to keep in mind the next time they provide a proposal.

Mr. Haskett stated I do not know if this was within their scope or not.

Mr. LeMenager stated I live across the street from the soccer field, and it is being watered in the middle of the day at noon. I did not think it was good practice to irrigate at that time.

Mr. Nicholson stated we have valves sticking because of the high pressure of the water. This system is getting older and it needs to be maintained at a different level. Valves are sticking. Solenoids are not firing off like they should be. Something is happening with the Maxicom system to allow the irrigation system to come on. We cannot turn it on at that time of day. We have been testing the system a couple days this week, so it is a possibility as you saw during our testing.

Mr. LeMenager stated it could be. I saw it then, but it was more than one day.

Mr. Nicholson stated we were here for several days because we were handling a lot of issues. We just fertilized the Bermuda and had to run zones on numerous occasions to make sure we had proper coverage for that area.

Mr. LeMenager stated the timing sounds right as to when I saw the watering.

Ms. Snyder stated along the Five Oaks golf course, the sprinklers were running during the rain. I thought the monitoring system was supposed to prevent that.

Mr. LeMenager stated there is a small park behind our house. We can have a torrential rain and the irrigation still comes on at 6:30 the next morning. It seems as though the sensors are not working.

Mr. Nicholson stated it is my understanding the smaller parks have Rain Bird timers and are not on the Maxicom system. Therefore, if the rain sensor do not pick up the rainfall, the system will come on when it is programmed.

Mr. LeMenager stated I realize that we have significantly reduced our reclaimed water bill over the past year, but I still think that we can have some substantial savings in this area.

Mr. Golgowski stated some of the smaller neighborhood parks are not on the centralized Maxicom system. They are on timers and go off at certain times. If the rain sensor is dried up and indicates there has been no rain, the irrigation will still go off. That can be upgraded with a new sensor.

Mr. LeMenager stated I think we can all conclude our investment in sensors have more than paid for themselves.

Ms. Kassel asked would you look into this?

Mr. Nicholson stated yes. That is a priority for us and the fact that the heat index has been 107° for several days and the grass is not getting enough moisture. Fungus is caused by over watering and it does not dry up so certain areas will drift. There are 11 homes on

Catbrier that have fungus or chinch bugs in turf that borders the sidewalks. There are many areas along other areas with the same issue. We can treat these areas but they will simply move to another area. We are trying to figure out the best way to see about perhaps spraying some of these lawns to control chinch bug activity. No matter what we do on the perimeter, we will continue to fight this battle unless the homeowners take care of the other side of the sidewalk.

Ms. Snyder stated it would be a benefit for the community to do that.

Ms. Kassel asked will one application take care of the bugs?

Mr. Nicholson stated yes because what we have done so far has done the job.

Ms. Kassel asked is it included in your scope of services?

Mr. Nicholson stated yes, it is included under pest control.

Ms. Kassel stated that is for areas maintained by the CDD, though, not the homeowner areas. Will the extra coverage area be in addition to the contract amount?

Mr. Nicholson stated yes. It will be on the individual homeowner lots. Along Catbrier, most of those homes are vacant. One owner replaced some sod and left five pieces piled up in the CDD area, which I removed. In checking those areas, there was more activity because it is uncontrollable at this point. Mr. Haskett and I will do a drive through in the next couple days to see if we can isolate the areas. We will take care of the obligations that fall upon us to replace sod if we need to. Prior to maintaining the property, I have a portfolio of pictures showing the sod is nothing but weeds, including the park behind Mr. LeMenager's home. This is something I am addressing with staff to manage. We want the community to look clean. I treat this like my home because I am here more than I am at home. I want to be sure it is a showcase community for everyone, especially for new people moving in.

Ms. Snyder asked would you give us an estimate of what it would cost to treat a home?

Mr. Nicholson stated about \$25 to \$30 per home on average. The application comes in a six-week bracket. They nest, lay eggs, and babies hatch. The babies grow up and get hungry, and the cycle is such that every seven to eight days, new babies are hatched. In two days, they can eat up a 20-foot by 20-foot area.

Ms. Kassel asked will one application kill the adults and the eggs?

Mr. Nicholson stated no, it will kill the adults but not the eggs. You have to go back.

Mr. Kennedy stated we have gone back three times with supplemental treatments and those treatments are included in the estimate of \$25 to \$30 for an average size lot. It will include two treatments. You have to get rid of the adults and then you need to spray again in two to three weeks. We will follow up on that, not just spray one time.

Ms. Snyder asked would you check with the HOA to see if this can be done?

Mr. Nicholson stated we will certainly check with them. We are more than happy to do whatever it takes. The townhomes and condominiums have the same issues with irrigation. One gentleman asked me to look at his broken head, so I sent a technician to fix the problem, which took about 10 minutes and the gentleman could not thank me enough.

Mr. LeMenager stated I would like to address the complaint log. In reading the Monthly Highlight Report, I see that you are mowing the grass significantly longer than your predecessors were, but there is a feeling among a lot of residents that the entryways do not look as good as they used to. On the entry on Five Oaks, there was a long line of fertilizer burn. In general, the mowing frequently leaves gashes and uneven cutting. A lot of people are concerned in how it is being done and how the community is looking. I think a lot of people will tell you that they do not think it looks better now than it looked with the previous company. In the last couple days, there is a lot of work being done on the entry boulevards, and I think that is a step in the right direction. In general, I have the same feeling. I thought our entryways looked better before, but I am willing to understand what the differences are. I see you are mowing the grass higher than was being done in the past, and this could contribute in part to what people think.

Ms. Kassel stated the frequency of mowing is less so it gets taller, and the cutting is not a clean cut and it is not done with a sharp blade so the grass edges get brown and ragged, which we know is bad for the grass. The edging along sidewalks is also not as clean.

Mr. Nicholson stated we sharpen our blades here three days a week and we change them every day. We cut the grass at 4.5 inches because if it is any lower, the grass is being left open to disease, fungus, and bugs. Everywhere in the State, we cut at 4.5 inches.

Ms. Kassel stated I do not think the height that you cut is the issue but the frequency, the quality of the cut itself, the way the grass looks afterwards, and the quality of the edging. Those are the main issues I have heard.

Mr. Nicholson stated I will get with my crew and discuss a better way to make it happen. For frequency, every area of grass is being cut every week. I provided a map of the areas and what days they are being cut to Mr. Haskett.

Ms. Snyder stated I have had opposite remarks; that your crew is extremely professional and the property looks better now than it did. I think it depends on who you talk to.

Mr. Nicholson stated that is right, everyone has their own view. Others are speculating on what we are doing, but we are cutting in a frequency according to our specifications.

Ms. Snyder stated I have also heard a lot of positive remarks on the dead materials you are removing.

Mr. Nicholson stated that is a big issue for me and we remove those.

Mr. Steve Berube stated I walk my dog daily and I think you got off to a slow start, but it has improved recently. I think you were getting beat up from the prior company's lack of attention, but it has gotten much better in the last couple weeks.

Mr. Nicholson stated a lot of these areas were that way before we took over. With chinch bugs, you do not know they are there until the damage occurs. The heat works in our favor on the Floratam in killing these bugs. When we first took over, the planter beds were engulfed in weeds so we came in and attacked them. We will continue to attack areas in need of attention and do whatever has to be done to avoid any issues. We mowed the dog park a few times, and now I send in a crew to rake the Bahia. We will cut it twice, blow it, rake it and remove the clippings.

E. Developer

Mr. Haskett stated I provided a proposal for a swing set with four swings. The price of the swing set itself is reasonable. When you add in the other things that are needed to make it a safe environment, the total installation is about \$5,497, which does not include the expense of excavating and filling with dirt for the safety zone. That can be done for about \$500, for a total of \$6,000. I suggested a couple locations, one being in front of the small dog park or the turf area at the large playground area.

Ms. Snyder stated I think this would be nice to have at the small dog park area.

Ms. Kassel stated \$6,000 for four swings seems pricey.

Mr. Haskett stated it includes safety mulch in the buffer zone.

Mr. Evans stated we should discuss whether or not to do this and then discuss where to put it.

Mr. LeMenager stated we were talking about our facilities and we noted that we did not have a swing set. Are there a lot of people with children who are saying they want a swing set?

Ms. Kassel stated not that I have heard. Mr. Berube is the only person who has mentioned anything about a swing set.

Mr. Tome stated over the last couple years, we have had comments and criticism about the lack of swing sets.

Mr. LeMenager stated Bill sent out a survey on an issue, and this is something he could put out to the community and ask people. I think it is a great idea but I have not heard any clamor that we need swing sets.

Ms. Snyder stated they would be nice to do.

Mr. Berube stated the playground is full of little kids and there is nothing for the older set of children, for 6 or 7 year olds. In other parks in the County, I notice the swings are always in use.

Mr. Evans asked do we want to spend \$6,000 for swings?

Ms. Snyder stated I think we should take a survey first.

Ms. Kassel stated in the survey we should ask not just if they want swings but let them know we are looking at swings at a resident's suggestion and ask how they feel about spending \$6,000 for swings. I think we should add that information so they know they will be paying for it and it is a substantial amount of money.

Mr. Evans stated that is what we are supposed to decide. The suggestion came in and the question is, whether we want to spend \$6,000 at this time for a swing set. No one is disputing it is a nice idea. I am sure people would say they want more than this. The question before us is whether we want to spend \$6,000 at this time.

Mr. Moyer stated we anticipated normal expenses for the last three months of the fiscal year. At the end of the year, we will have spent all of our budget except for \$12,000. That is how close we are to meeting our budget.

Ms. Kassel stated that does not include any needs that may arise as a priority between now and the end of September.

Mr. Moyer stated you can authorize the expenditure and that we transfer into revenues a portion of our fund balance to cover this item. Our fund balance is about \$182,000 that is available and not otherwise pledged.

Mr. LeMenager stated I agree it is a nice idea. It is a question of spending the money and if people want it.

Mr. Evans stated I think it is similar to the skate park. I think it is a great idea, but there is a price tag attached. Mr. Evans stated I suggest we table this matter until next month and address it at that time. If we want to do this, we have the funds now to do it, but it comes back to whether or not we want to spend \$6,000 for swings right now. Once we decide that, we need to decide where to put it. There seems to be enough hesitation from the Board so I think we should think about it. I do not think anyone envisioned it would cost this amount of money.

Mr. Haskett stated we are working on getting pricing for the basketball resurfacing and I will have those at the next meeting.

FIFTH ORDER OF BUSINESS

Supervisor Requests

Mr. LeMenager stated last month we decided to redeploy the trash cans. One of the trash cans has been put next to one of the pretty butterfly benches, which defeats the purpose of having beautiful architecture.

Mr. Haskett stated I totally agree. We will relocate it.

Ms. Kassel stated we discussed a number of months ago moving a doggie pot down Five Oaks to the school. What is the status?

Mr. Haskett stated it is still on the list to be accomplished.

Ms. Kassel stated I spoke about some issues in the dog park with Mr. Haskett. Is there an update on those?

Mr. Haskett stated developer staff has been reduced and my time is limited to address some issues. Items that are for convenience as opposed to a repair are being put off to a later date. Some items will be put on a list for Luke Brothers to be complete. The state of our community is a higher priority than some of these items and I ask for some leniency in which to accomplish those items.

Mr. Tome stated as so many other businesses are experiencing, our staff has undergone some transition and the remaining staff has had to take over additional responsibilities. Since Luke Brothers is new to the project, we have spent a lot of time with them during their learning curve in the community. Mr. Haskett also has his responsibilities as part of the development staff.

Ms. Kassel stated in regards to things like the skate park proposal and swing proposal, it is great that you are prompt with that but I would rather see attention to the existing facilities that we have than spending time getting these proposals.

Mr. Tome stated we look to the Board to give us the priorities for what you want to see happen.

Ms. Kassel stated I received an email that was copied to Mr. Haskett from Mr. Shepelrich about the proposed skate park that I will distribute related to noise for nearby homes. It is a request to let residents know before the Board approves things that might affect their quality of life. I think the skate park has been tabled indefinitely so it is not something we have to worry about now. I just want to let the Board know this resident's concerns.

SIXTH ORDER OF BUSINESS

Audience Comments

Ms. Pam LeMenager stated Luke Brothers was talking about spraying for bugs and maintenance. Will this matter fall under the HOA or the CDD?

Mr. Evans stated the HOA can implement emergency self-help remedies and has the right of trespass. The CDD does not. In the event of an infestation, the CDD can send a letter saying it needs to be taken care of now. However, the association can engage Luke Brothers while they are already there and coordinate with them to spray.

Ms. LeMenager stated I have been swimming early in the morning and a renter who used to rent from us who no longer lives in Harmony was also there with their children and used the pool key. I am sure other renters have left the community and have not returned their pool keys or boat dock keys. Will there be a re-keying happening?

Ms. Snyder stated when my renters leave, I charge them if they do not return the key and they always have. I know we have to pay \$25 to get a new one.

Mr. Berube stated at \$25, they may choose to pay it and keep the key.

Mr. LeMenager stated the solution is to get rid of the keys and have an access card that expires. If you want to control access and people will leave over time, you use an access card that you have to swipe for access. That is the real long-term solution.

Ms. LeMenager stated I wanted to bring that up because people who no longer live here are using the facilities. Regarding the homeowners trimming the bottom of the trees, if there is a large turnout at the budget meeting, you might want to think about sharing some of your bullet items at the budget meeting and through word of mouth. I want to share with the landscaping company that I am thoroughly impressed. I have seen them fertilize and I never saw the other company fertilize. Since they started, I saw one of these gentlemen six times around the community, and I saw the other company twice in a year. I am impressed with their oversight of the community.

Mr. Jason Shepelrich asked regarding the tree replacement, what is the proper mechanism to request a tree replacement within the CDD area?

Mr. Evans stated notify the District manager and he will direct the landscaping company to replace the tree. You can notify the manager through the website. They may have already noticed it because they made a list of trees that need to be replaced.

Mr. Shepelrich stated there was a lot of discussion about chinch bugs on District property and homeowner property. There is an infestation of chinch bugs at the former school property. I have not seen anyone spraying there and I do not know how to get that addressed.

Mr. Qualls stated if that property is owned by the school District, we may be able to work out some sort of interlocal agreement. The District cannot spend public money on private property, but we can talk with the school and see if we can work something out.

Mr. Moyer stated Mr. Bob Nanni, who used to be your District manager, is now the head of the Osceola County school facilities. He is familiar with Harmony so maybe we just need to make a phone call and let him know that he needs to get something done out here.

Ms. Kassel stated I think they are also watering too much. One zone is being watered for hours at a time every day.

Mr. Evans stated we will direct the manager to contact Mr. Nanni with these two issues.

Mr. David Leeman stated you said the chosen aquatic company had very high remarks. Does that include the environmental that they will spray fewer chemicals in our ponds than in the past?

Mr. LeMenager stated I have no idea.

Mr. Leeman stated I thought environmental was one of the reasons you selected the company for aquatic plant maintenance.

Mr. LeMenager stated comparing all the companies and the actual documents they provided in terms of the marks, Bio-Tech clearly had higher marks than all of the other companies.

Mr. Leeman stated one of the criteria was that they be more environmentally sound than the previous company. Are we going to be spraying fewer chemicals than the previous company did?

Mr. LeMenager stated I do not believe we will.

Mr. Qualls stated one of the criteria was for an integrated pest management. In my review, the chosen company included a comprehensive integrated pest management plan. Though there was some discussion about criteria for Florida Friendly practice, that was removed because there were no criteria to refer the bidders to.

Mr. Moyer stated Bio-Tech included four pages of their integrated pest management.

Mr. Leeman stated the attorney mentioned that the HOA handles amenities. It is my understanding that Harmony is set up differently and the CDD does handle amenities like the pools and parks, instead of the HOA.

Mr. Qualls stated it is a difference of nomenclature. Amenity is an HOA term. The District's term is public facilities. It is a matter of terminology.

Mr. Leeman stated in the dog park, the hedges that are behind the pavilion, if we allow them to grow a bit higher, it will shade the benches in the afternoon. It does not have to be throughout the whole park, just in that section.

Mr. Haskett stated we can look at that.

SEVENTH ORDER OF BUSINESS

Adjournment

Mr. Evans stated our next meeting will be for the budget hearing and will be August 27, 2009, at 6:00 p.m.

The meeting adjourned at 10:45 a.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman