

MINUTES OF WORKSHOP HARMONY COMMUNITY DEVELOPMENT DISTRICT

A workshop of the Board of Supervisors of the Harmony Community Development District was held Thursday, February 24, 2011, at 4:30 p.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present from the Board were:

Robert D. Evans	Chairman
Mark LeMenager	Vice Chairman
Steve Berube	Supervisor
Kerul Kassel	Supervisor
Ray Walls	Supervisor

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young vanAssenderp, P.A.
Brenda Burgess (<i>by phone</i>)	Moyer Management Group
Todd Haskett	Harmony Development Company
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Evans called the workshop to order at 4:30 p.m.

Mr. Evans called the roll.

SECOND ORDER OF BUSINESS

Discussion of Recreation Center Access Policy

Mr. Qualls stated this is a workshop to discuss policy. This is not a rulemaking workshop, and there is a significant distinction in the notice related to the requirement for public participation and those types of things. In a rulemaking workshop, the public has an opportunity to be heard. In this particular workshop, the public does not, but it is always at the discretion of the Board whether or not to receive public feedback. Another thing that is important to remember is that a policy is just a policy. It is a piece of paper that gives direction on what the Board would like to see. It is not enforceable in the manner that a rule is. We always advise that policies are good but rules are much better. Depending on the outcome of this workshop, it may be time to advertise a rulemaking workshop and update the rules.

Mr. Moyer asked is it possible or even preferable in some cases to adopt them as policies, operate for a period of time to see if those policies need to be amended in

anyway, and then at a later date go through rulemaking, based upon your success or failure with the policy? Is that appropriate?

Mr. Qualls stated yes, it is appropriate and I think there is some wisdom in doing that. The advertising costs involved would be much lower in doing it only once, and you can test the policies to be sure they work. It is sometimes difficult, and therefore, important to make sure people are aware of the policies. I see policies referred to by Board members in the minutes, and I have never seen those policies. It is important that if this rises to the level of a written policy, that the public is made aware of it and then you can truly be testing the effectiveness of the policies. There is a lot of wisdom in doing that.

Mr. LeMenager stated I have already expressed to Mr. Moyer that I really did not understand what we were supposed to be doing here today in this workshop. When I look at last month's minutes on pages 22 and 23, I thought the concept of this was to publicize it in Harmony Notes and an email blast, for example, with a placard that actually says the nature of this workshop, so that we can have a nice crowd of people to give us their feedback. As a point of fact, Mr. Haskett recommended that this workshop be held next month and not this month. I am not really sure what we are doing here.

Mr. Berube stated I remember Mr. Haskett's comment about that, and I think it was related more to putting a formal policy together as well as the timing, because we did not know the timing then of what was going to happen with the gates. I am sure the background work is happening for the gates, but to date, there have been no changes to the gates. I think Mr. Haskett's commentary was that two meetings from then we will have more of the physical modifications in place, but I think this workshop got moved up earlier so that we can get our discussions today into the Harmony Notes. In order to do that, their deadline for material is March 7, 2011, for publication in April.

Mr. LeMenager asked so we are discussing what we want to put in the Harmony Notes to tell residents what is about to happen and to make them aware of it?

Mr. Berube stated yes. My interpretation of what we are trying to do today is to try to develop a rough set of guidelines so that we can share them in the Harmony Notes and look for the response from the residents to see what the commentary is, similar to what Mr. Moyer mentioned to testing the policies. If there were 40 residents in the audience tonight, plus the five of us Board members, addressing these policies, this will be a very long meeting.

Mr. LeMenager stated they can each speak for three minutes and share their comments.

Mr. Evans stated I agree with what all of you have said. It is my understanding that we are trying to come up with a broad outline for the administration of recreation center cards. That is really what this discussion is about because we are not the first to go through this. There may be some procedures that other people have used that they liked and some they did not, and we are trying to find out what works best for us. This is a discussion about how would we address some of these potential issues that may arise and to come up with something that will be fair and amicable.

Mr. Moyer stated we have not even come to a conclusion on how many cards we are going to issue per family, whether or not we are going to charge for the cards, and other basic things that I think the Board ought to have some consensus on before we go live with this program.

Mr. Berube stated we need to start with the cards. Are we considering biometric cards that have a finger print impression?

Mr. Haskett stated not at this point.

Mr. Evans asked are we doing cards with a photograph?

Mr. Haskett stated yes.

Mr. Evans asked we can program when each card expires?

Mr. Haskett stated yes.

Mr. Evans stated if someone signs a one-year lease, we can program their cards to expire at the end of that lease automatically without trying to track them down. If they renew their lease, they can contact us to reactivate their cards and extend the date.

Mr. Berube stated we have not finalized everything regarding cards with the photograph.

Mr. Evans stated that is part of our discussion for this workshop. What is the information that Mr. Haskett just distributed?

Mr. Haskett stated it is a compilation of various rules that I found through other associations around the country and how they implement their system and their rules, as well as what some communities charge for their cards. My suggestion was the District will provide two cards per address initially and if the house is sold or leased, those cards

will be deactivated and the new owner or tenant would then pay \$25 per card from that point forward.

Ms. Kassel asked if the former tenants give their cards to the owner or sent them to the CDD office to have new cards issued, there would not be a cost?

Mr. Berube stated yes, there will.

Mr. Haskett stated there should be since there will be administrative costs of processing everyone's paperwork who come in for new cards. If you go with the photograph on the access cards, those cannot be transferred to a new owner or tenant.

Mr. Evans stated the cards are not reusable.

Ms. Kassel stated in the past, the amount that was paid was a deposit in case you lost the key. Keys can also be transferred from person to person. We had a deposit system rather than a fee system. If you lost your key, then you lost your deposit and then you had to pay a deposit on a new key.

Mr. Haskett stated in looking through the policies that I received, I did not see any of them mention a deposit for their access cards. They instituted a fee or a charge.

Ms. Kassel stated that is not how it is in our accounting records. It is shown in our books and on our balance sheet as a liability.

Mr. Berube stated that is correct; we have \$875 in key deposits.

Mr. Haskett stated if someone wants their \$25 deposit back, then they should return their key in order to receive it.

Mr. Berube stated there are a number of these policies that I found online, as well as what Mr. Haskett provided to us. Most started out generous as we are contemplating doing and then they started restricting it, stopped issuing free cards, limited the number of cards people can have, and charged everyone for all cards issued so that it does not get out of control. That is what I have read. I think Mr. Haskett is suggesting that we issue the first two at no cost and then charge a fee for any additional cards. When you read the policies for Brighton Lakes CDD, everyone purchases all their cards and no one receives free cards.

Mr. Walls stated I like this, but it gets us away from pictures on cards, which I like, also. If you issue two cards per address, then those two cards remain with that address. Then you do not have to worry about a family of four with two teenaged kids. Your household has two cards and you pass them around your family members as you need to.

That gets us away from people having to travel 90 minutes to two hours round trip to go to Celebration to get their pictures taken. I want to go with the option that gives us the most security with the least hassle. If you sell your house and you get your cards from the previous owner, I do not see why you should have to purchase new cards. The cards will still work. If you do not get your cards from the previous owner, then you can purchase new cards.

Mr. Berube stated therein lies the problem. If the previous owner takes his cards with him and moves to St. Cloud and his cards are still active, he can use his card to use our pools anytime he wants. That is how this conversation started. Without having some form of identification or tracking system, the cards will end up everywhere, just like the keys. The only way of eliminating that is to have all the cards be deactivated after a certain period of time. We will have the ability to do that for tenants with a one-year lease where the card is deactivated after 366 days. We could have everyone's card deactivated 366 days from the date of issue.

Mr. Walls stated if every home has only two cards, someone else could come and get more cards for that house and that will trigger something is going on at that address. You could never have more than two outstanding per household if we limit it to two cards per address. If someone contacts the District for new cards because they just purchased the house, then we will know the house was sold. Obviously they will have to show proof of ownership, but there will never be more than two cards outstanding per household.

Mr. Berube stated that presumes that the new owner will request his own cards.

Mr. Walls stated if he does not, then you still have only two cards active for that address. The people who live there now will not be able to use the facilities until they get their access cards. It will be controlled in that manner.

Mr. LeMenager stated the point Mr. Belieff made last month is that if we do not put a picture on it, there is really no way of knowing they are authorized card holders.

Ms. Kassel stated I agree.

The Board recessed for 20 minutes.

Mr. Evans stated there is a series of things we need to discuss before we move to the next issue. Are we going to have a picture? Are we comfortable with the hardware and what it is going to be? Now it is the utilization and policy we need to discuss as to what kinds of incidents may come up. For an implementation date, we are targeting May 1,

2011. Then it will be a matter of reviewing the procedures for a month. Some people will say that they already paid a deposit for their key or they have a key already and why do they need to go through this process again and pay money for something they already have. There is a high probability that question will come up. Mr. Berube makes a point that a lot of these keys have been replicated, but it is also my understanding that all the keys that we generate are stamped Do Not Duplicate. One idea that was being discussed is if you have a valid key, you can just exchange it. If you have a valid key, then you paid for it or somehow ended up with one. If you have a valid key and you exchange it for a card, then you exchange it at no cost.

Mr. Berube stated many people have already paid their key deposit since we have \$875 in key deposits but we have issued 1,000 keys. That translates to \$25,000.

Mr. Evans stated if we take the position that we will exchange a valid key for an access card at no cost. If you lost it, threw it away or gave it away, then an access card will cost \$25. That will get the original keys returned and it satisfies the argument that they have already paid for this. Keep in mind that the property owners are the ones who are paying for the facilities. Even if there is a renter, that owner is still paying for this whole system. It is their right to pass on that privilege to the renter or have the renter pay for it. We could institute a program that says we will exchange an access card for a valid key. If you do not have a key, perhaps you never received one to begin with. Perhaps you never really used the facilities but now you decide you want to use them. With this new system, it will cost you \$25 per card.

Ms. Kassel asked is that \$25 a deposit or a fee?

Mr. Evans stated that is the next question. The photograph access cards are not reusable except for the date because we will be able to program the date of expiration. When a card is issued, there is a cost that is not recoverable. If it is a key, I can give you my key that is stamped and it is reusable, which lends itself for holding a deposit. Since the access card is not reusable, should it be a fee?

Mr. Berube stated yes.

Mr. Walls stated it is only non-reusable if there is a picture on it.

Mr. Evans stated that is the comment I raised in the beginning. Are we comfortable with the cards being the ones with the photograph so that you can validate them?

Otherwise someone can request 10 keys, saying they have a large family, but yet distribute them to everyone at the school.

Mr. Walls stated they cannot do that if you limit the number of cards to two per household. My problem with the picture is with regard to children or people moving into your home; it is constantly changing. I do not like the idea of charging people, even first-time users who move in, to access facilities that they are paying for. I have a fundamental problem with that. It seems like pictures will have a lot of issues that we will have to work through, including addressing age limits. If you just limit it to two per household, then those are your keys.

Mr. Berube stated to address your concerns, we already have an age limit and we have a problem with age limits already. Ashley Park has a minimum age of 18 but the minimum age for the Swim Club is 16.

Mr. Walls stated for a family with five children, we will need to issue an additional five cards, one for each kid.

Mr. Berube stated no, children cannot be at the pools without an adult.

Mr. Walls asked what if they are over the minimum age limit? I am looking at this as a potential administrative nightmare. You can two per household or you can have 10. Which one is easier to administer?

Ms. Kassel stated administration in issuing the cards is one thing and enforcement of the policies is another thing entirely. If we do not have photographs, then you really cannot enforce the policies.

Mr. LeMenager stated frankly, that is the whole reason we came up with this solution. If we are not going to put a photograph on the access cards, then we can just keep the keys and not do this at all.

Mr. Walls stated you cannot replicate a card like you can a key. If you limit the number of cards that are out there, that limits the number of people accessing the facilities.

Mr. LeMenager asked then how are we any different than we are now?

Mr. Walls stated I can go to Home Depot and copy my key and give it to anyone I choose. If I have only two access cards for my house, then I am going to keep those cards and not give them to anyone else. If I give them away, then I cannot access the facilities.

Mr. Berube stated the genesis of this has been the summertime over the past couple years on the weekends with the pools being overrun with people and watching people drive to the pools off U.S. 192, park in this parking lot and come up to the gate with a key and get into the pools. We know many of them do not live here. We have implemented policies on the signs that say you must have a valid key and photo identification. When our employees walk through there, most people simply say they did not bring their identification. If they produce a fake key, Mr. Belieff is good about confiscating them. Whereas if they have an access card with their picture on it that they must have with them, it is very easy for our employees to identify them as residents. There are no excuses. The card that will get you through the gate is also your identification and it is all on one card. People will not be able to say they left their photo identification at home. I understand this may be a hardship for some people. What irritates me is when we receive complaints on the weekends that the pool is overrun with people and you know they do not all belong here, and we have no way of policing it. That is how we got to this discussion.

Mr. Evans stated if we agree to have cards with photographs, for the sake of conversation, now we need to discuss how we are going to issue them and how many to issue. Both of you brought up points about kids. Are we going to issue cards to anyone under the age limit to have unsupervised access? Are we only going to issue these cards to adults, 16 and older, 18 and older? That means we will not issue a card to a 12-year-old kid who is supposed to be supervised when he comes to the pool.

Mr. Walls asked so a kid who is 13 or 14 cannot go down to the lake and fish?

Mr. LeMenager stated yes. The policy that we voted on says that children may fish unsupervised at the lake. We did not assign an age to it but simply said "children" and we said it will be up to the parents to decide. That is the rule for the lake.

Mr. Evan stated that is why I am getting back to the age criterion. We have three different ages for the lake and the two pools. I am not suggesting an answer, but I am raising an issue that needs to be thought through. This will impact the ultimate number of cards that will go to a family.

Mr. Berube stated I think we can fix that. There will be some individual programming at each of the gate readers.

Mr. Haskett stated there can be two different access programs at the readers.

Mr. Berube stated that means we can have a different age limit and can issue cards for kids where the gate reader at the lake can be setup to allow access for kids who are 12 but those cards will not open the pool gates.

Mr. LeMenager stated that is correct; we could easily do that.

Mr. Evans stated we could regulate access for anyone under the minimum age for the pools. Is it 16 or 18?

Mr. Berube stated the signs indicate both.

Mr. LeMenager stated in our written rules somewhere it indicates it is 16.

Ms. Kassel asked why would you issue cards to kids under 16? They cannot use them to get into the pool anyway.

Mr. LeMenager stated they can fish at the lake.

Mr. Walls stated so now I have to drive my 12-year-old to Celebration to get his picture taken.

Mr. Berube stated no, for the initial switch to cards, we will have that done over a couple weekends in Harmony.

Mr. Walls asked what if he is 11 now and will not turn 12 until next year?

Mr. LeMenager stated that is a different issue. We can raise that with the developer to see if they want to keep doing this at the sales office.

Mr. Walls stated I would like a system with limited cards rather than trying to administer what age you can be to access different facilities.

Mr. Berube stated if your son wants to go to the lake and he is 12, he can take your card and use it to get through the gate and no one will care.

Mr. Walls stated that is what I am saying. What does it matter if his picture is on the card?

Mr. Berube stated for use at the pools.

Mr. LeMenager stated the point is, as Mr. Belieff said at our last meeting, he can challenge someone, and they have to show him their card and their picture has to be on it.

Ms. Kassel stated that is primarily for the pool.

Mr. Evans stated that has been our number-one objective.

Mr. LeMenager stated you are correct.

Mr. Evans stated until you have face-to-face review, or the perception of face-to-face, you have no control over it. Once you start checking identification or cards, a big part of

the problem will go away because word will spread pretty fast. The keys will not work anymore. Let us continue this path of discussion. You have an access card with a photograph on it. We have the ability to program that card for restricted access because of age and to allow access for fishing if they are 12 through 15. At 16 years old, they get total access. That will dictate how many cards a family needs because it depends on how many members a family has.

Ms. Kassel stated you can limit it to two or four cards per family and if they want more beyond that, they can pay for them.

Mr. Evans stated that is getting into the economics part of the issue. As far as limiting the number to a family, we are not doing that. A family may have three kids over the age of 12.

Mr. Haskett stated I think it is important to note the reason I suggested limiting it to four cards is the entire system has a limit of 8,000 users. That is a limit industry wide.

Mr. Berube stated we are nowhere near that right now.

Mr. Haskett stated that is correct, for now, but some households will have five or seven family members.

Mr. Evans stated that is more the exception to the rule. We may not need a rule to limit the number of cards. As much as people are out here, they may only need two or three cards. I do not believe you will even average four cards, but it is somewhere in that range. That being said, still on this same discussion, let us address Ms. Kassel's question. What do we charge? Do we say if you have an existing, stamped key that you can exchange it at no cost?

Mr. Berube stated yes, up to two.

Mr. Walls stated I do not understand the exchange part.

Mr. Berube stated we do not know how many people have paid for keys and how many they have.

Mr. Walls asked what does it matter? If you own your house, you should have keys already.

Mr. Evans asked you want to give them two cards outright at no charge?

Mr. Walls stated yes, that is what I envisioned.

Ms. Kassel stated perhaps we can issue a certain number of cards at no cost. For a family who wants six cards, they can have four free cards and then they purchase the other two.

Mr. Haskett stated we included the initial purchase of 1,500 keys in this proposal.

Mr. Evans stated I am thinking long term. If there is going to be an inherent cost, then we are going to have to replace these keys.

Ms. Kassel stated we will just have to add that to the budget.

Mr. Berube stated there are other communities who have dealt with this issue before us. When cards are issued at Brighton Lakes, the two for the original home owner were free and any others had to be purchased. Now, however, no one receives free cards at Brighton Lakes. All cards have to be purchased. People will figure out a way to get around the rules. If we do not charge for them, they have no value to the resident.

Ms. Kassel stated I think we can do that later but not for the initial transfer to access cards.

Mr. LeMenager stated I am in complete agreement with Mr. Evans on that.

Mr. Berube asked switch two keys and receive two access cards?

Mr. LeMenager stated however many keys they have can be exchanged. No one will show up with eight keys for their house.

Mr. Walls stated kids were not required to have keys. I have two keys for my household when I moved in.

Ms. Kassel stated there was no deposit. You simply received the keys without having to pay anything.

Mr. Walls stated so now if my kids are old enough and I want to have them in the system, I have to pay for them to have an access card simply because I do not have keys for them.

Mr. Haskett stated if you decide to have everyone turn in their keys to receive an access card to move forward with the new system, and if everyone is not in the system yet, then no one will have access. The way we designed it is they can use their keys up to the point where everyone has an access card. Then we remove the key lock and we switch to the card reader.

Mr. Berube stated the easy solution is they show us the key to receive their access card. When the key locks are removed, then they simply throw away their key. It will not matter anyway.

Ms. Kassel stated so we will need Mr. Druckenmiller or someone be available on successive Saturdays for a couple months to issue cards.

Mr. Berube stated no.

Mr. Evans stated Mr. Haskett is raising a timing issue. For two weeks prior to the effective date, we will issue cards to residents in exchange for their keys. They will not be able to use the facilities during that time, so on the day before the card system is activated, there will be a last-minute rush to get keys.

Mr. Berube stated Mr. Haskett said that there will be a key lock and a card reader for a short period of time.

Mr. Haskett stated that is correct.

Mr. Berube stated that addresses the question of a big rush at the end.

Mr. Evans stated my only concern is that we have these deposits. If the position is that everyone gets two keys free, then we do not have to worry about the deposit unless someone raises an issue. The first two cards are free and then they cost \$25 for additional cards.

Ms. Kassel asked do we want a limit of four cards?

Mr. LeMenager stated I prefer a cost of \$10.

Mr. Moyer stated the Board needs to carefully consider the cost. If you look at the Brighton Lakes policy, they charge \$10. The first thing residents are going to say is we are taking advantage of them because they have researched this and other communities are charging \$10 and why do they have to pay more at Harmony. If we have a good answer for that, then that is fine. If we do not have a good answer, you should reconsider that.

Mr. LeMenager stated I do not think we have a good answer. This is already a fairly expensive community.

Mr. Walls stated another thing to understand is the actual cost for the card.

Mr. Haskett stated they average \$4 to \$5 per card.

Mr. Berube stated we will also have a printer included in the initial budget, but there will be ongoing maintenance costs for the printer. The costs for that include the printing

materials and a head cleaner. You can figure the cost to print the card at \$5 total, which is the card and the cost to print it.

Ms. Kassel stated that does not include the label.

Mr. Evans stated Mr. Walls raises a good point. All residents are already entitled to access, and it is a very valid point. They are paying for these cards through their assessments.

Mr. Berube stated we already discussed issuing two for free.

Mr. Evans stated residents are already paying for all of these cards, but at the same time, you do not want any single family taking advantage of a lot of cards over another family. It is only a few dollars. What is driving this is the price. If they cost \$10, then it is not really expensive. Is \$10 reasonable for cards after a certain number of free cards? We decide on the number, whether it is two or whether it is four, and any additional cards beyond that will cost \$10. That cost is to try to recoup some of the future cost of replacing these cards for future residents.

Mr. Berube stated it also makes sure people are not throwing them away.

Mr. Walls stated I want to be sure we are not making money because that is not the point. The point is to recover our costs.

Mr. LeMenager stated then we can charge \$5.

Mr. Berube stated the real point is that if you do not assign a dollar value to it, then people will not care and they will lose them. Once you have your limit of free cards, then you pay for any extras.

Mr. LeMenager stated there are two issues here. The first issue is your first card: should you have to pay for your first card, and if so, how much?

Ms. Kassel stated I do not think we are beyond that.

Mr. LeMenager stated the second issue is, if you lose one, do you have to pay to replace it, and the answer is absolutely yes. We make that clear. I have no problem in charging \$25 for a replacement. I like Ms. Kassel's idea of four free cards per household and \$10 for additional cards and \$25 for replacements.

Mr. Evans asked what is the difference between an additional card and a replacement?

Ms. Kassel stated an additional card is for a different family member and a replacement has the same person's picture if you lost your card.

Mr. LeMenager stated we need to take your picture again so that you have a valid card.

Mr. Walls asked but if someone needs a new card and the cost is \$10 no matter whose picture is on it, why are you charging them more for a replacement?

Mr. Berube stated this is why you need to limit them to two free cards. We are forgetting about renters, which is about half of our community. The property owner should get his two free cards. If the owner is turning over the rental every six, seven or 12 months, we will be issuing cards at the end of each lease term. If we do not put some limit on free cards, then we will be issuing cards all the time to renters.

Ms. Kassel stated we are not saying that we are going to issue free unlimited cards. It sounds like we have narrowed it down to deciding between two and four.

Mr. LeMenager stated there is a way to address that that Mr. Evans alluded to. We have one set of rules for getting started. There are another set of rules when we are up and running. We have this issue of exchanging a valid key for an access card. If a family has two keys now but they have six kids, that is fine and we will set them up the first time, but educate them as to the ongoing rules. We are not trying to give anyone a hard time to get started, but then there is a different set of rules to address new cards. Perhaps two free cards is not a bad idea.

Mr. Evans stated to address Ms. Kassel's point, we are a family-friendly community, which means we welcome the parents and the kids. I am leaning toward four free cards and \$10 for each additional card thereafter.

Mr. Berube asked what age to issue a card to a kid?

Mr. Evans stated 12 years and older.

Ms. Kassel stated we can still charge \$25 for a replacement card. I agree with Mr. Berube and I have experienced how other people, including myself, do not value something that comes at a low cost. If it is \$10, it is no big deal to replace it if it is lost.

Mr. Walls stated it costs us \$10 no matter if we are replacing a card or issuing a new one. If they want to pay \$10 over and over again, it does not matter to me.

Mr. Evans stated they will have to drive to Celebration and get a replacement card.

Mr. Berube stated whether it is \$10 or \$25, I think we just set the number. We need to determine the number of free cards per household. Does that vary if it is owner occupied or renter occupied?

Mr. Walls stated I think it should.

Mr. Evans stated no, there should be no difference.

Ms. Kassel stated if new renters come in, the old keys that were issued at \$10 to the former renters are deactivated and the new renter brings in a lease to show that they are residents and can receive cards.

Mr. LeMenager stated in all candor, we are not legally allowed to differentiate between owners and renters. We are not a home owner's association. We are a governmental body. If we have owners who are not registered voters, who cares about them? I do not like being that blunt, but we answer to the voters, whether or not they are owners. I did not design the town, but we have to play the cards we are dealt.

Ms. Kassel stated I cannot agree with that.

Mr. LeMenager stated I am just pointing out the legality.

Ms. Kassel stated I do not know that it is legal that we represent only the voters, which is the letter of the law, but the spirit of the law is that we represent the owners in the community.

Mr. LeMenager stated absolutely not.

Mr. Berube stated we represent the people who care about their community, and there is a high number of people who do not care, which is disconcerting. We need to decide on two or four free cards per house.

Ms. Kassel stated I would like Mr. Qualls to answer this question because I think it is important.

Mr. Qualls stated the baseline thing to remember at all times is that because we are managing infrastructure using funds from municipal bonds, Federal law says that you cannot restrict access. Whatever the rules are, you need to have a mechanism for residents and non-residents, owners and non-owners. There can be different sets of criteria so that everyone can use the facilities.

Ms. Kassel stated I was asking a more general question based on Mr. LeMenager's comment, voters versus owners. Mr. LeMenager indicated that as a CDD body, we need to represent the voters, versus the owners of the community.

Mr. LeMenager stated residents would perhaps be a better word for me to use.

Mr. Moyer stated yes. You can make the argument that for a renter, imputed in the rent is the payment that the owner makes to the CDD for that property's taxes and assessments.

Ms. Kassel stated Mr. LeMenager made the comment that if they do not vote, then they do not matter. I was disagreeing with that.

Mr. LeMenager stated that is not the point I was making. To the extent there is an investor who is an owner, someone who does not live here, that is not our problem. This body does not care. This is a body that is only for residents.

Mr. Berube stated while I think we should be more restrictive, I hear most of the arguments and I am willing to allow four free cards per house, no more.

Mr. Evans stated we may need to order more cards, but not every house will need four cards.

Mr. Berube stated we will probably only have 200 people who need to exchange keys for cards. We have enough cards for now.

Mr. LeMenager stated we have about 345 single-family homes here and Ashley Park is over 100.

Mr. Berube stated we have 531 addresses in Harmony.

Mr. LeMenager stated that sounds about right. Not all of them will need cards.

Mr. Evans stated the issue we need to decide is if we are going to issue two or four cards at no charge initially. It is a one-time free offer.

Mr. LeMenager stated initially, I think we give the whole household free cards.

Ms. Kassel stated I think we issue four free cards and charge \$10 for every additional card.

Mr. Walls stated I agree giving free cards to the entire household.

Mr. LeMenager stated there are two sets of rules: initial transfer to cards, and ongoing. For the initial issuance, if a family has five kids and they have been living here for three years, what are we going to tell them about changing the rules? Are we going to require them to pay \$30? We cannot do that.

Mr. Evans stated the issue is that initially we are going to limit the household to (1) two free cards and they pay for additional cards, (2) four free cards and they pay for additional cards, or (3) free cards for the entire household.

Mr. LeMenager stated we will be able to do this on a couple days here in Harmony. If you do not show up, then you fall under the ongoing rules and you can drive to Celebration and get your cards.

Mr. Berube asked what about their budget for two adults and five kids?

Ms. Kassel stated I do not think so. What about the mother-in-law who lives with them? Are you going to restrict her? I do not think so.

Mr. Berube asked what are you going to do when someone shows up and says 15 people live in their house?

A Resident asked why are you looking to change what the rules already state about having two keys per house?

Ms. Kassel stated because the keys are exchangeable; the cards are not.

The Resident asked why are you now considering giving every kid in the household a card for access? Why not stay with the same system that people are used to, where they get two cards?

Mr. Walls stated that is my point about needing only two cards if there is no picture on the card.

Ms. Kassel stated four of the Supervisors prefer to have pictures on the access cards.

Mr. Berube stated the access levels vary depending on the child's age. We are looking at the first two, or some number, of cards are free.

Mr. Walls stated I am going to go on record and say that I am against having pictures on the cards, but it sounds like the rest of the Board is in favor of that option.

The Resident stated we can separate the two items and have two access cards without pictures, but then require separate identification cards.

Mr. Evans stated then we lose the whole objective of why we are doing this.

Mr. LeMenager stated I agree.

Mr. Evans stated let us stay on target about the number of free cards: two, four or some other number.

Mr. Berube stated there needs to be a limit.

Mr. LeMenager stated I agree. For the original issuance, they should all be free.

Mr. Berube stated everyone seems to be worried about what the residents are going to do, but remember we are dealing with a small segment of the population who will sign up

for this and an even smaller segment of the population that will have more than four people in their house.

Mr. Walls stated hopefully people will start purchasing new houses.

Mr. LeMenager stated Mr. Berube's argument is perfect. The number of houses with more than four people is trivial. It will not cost them anything at the initial issuance. If there are six people in the house and they are all over the age of 12, then we will take six pictures on picture day and give them each a card.

Mr. Qualls stated I did hear comments about children must be under adult supervision at the pools. If you keep that in mind, the adult needs the photograph on their card and they have to supervise their children. That might address some of your issues. If you want to open it up to children, I might need to review some of the rules regarding such things as a lifeguard is not on duty. For a framework issue, remember that the number one job of this Board is to manage the infrastructure. If everything can build off maintaining the infrastructure, that should be pointed out.

Ms. Kassel stated that is the purpose for the photographs.

Mr. LeMenager stated yes, that is the whole reason we are doing this.

Mr. Evans stated it also identifies who is causing problems. If someone is throwing chairs in the pool, we simply ask to see his card, and we have the right to make that request. You can look at the card and identify who that person is.

Mr. Walls asked could you not do that if the card simply had the address of the household?

Mr. Evans stated you do not know if that face matches that house.

Mr. Walls asked does it matter? Your card is associated with your house. If it has been given to someone who has been causing problems at the pool, we can deactivate your card.

Mr. Berube stated I support going with unlimited cards for residents of the household on the initial issuance.

Mr. Evans asked will we issue them over a period of 30 days?

Mr. LeMenager stated we have a lot of special events coming, and I am sure Mr. Bill Fife will come up with something.

Mr. Berube asked can we have this organized in time for the Dark Sky Festival?

Mr. Evans stated no. For the first issuance of access cards, we will issue unlimited cards to the residents, and they have a certain amount of time to get their cards. At the end of that timeframe, whether it is 30 days or 60 days, going forward, what is the procedure?

Mr. LeMenager stated it sounds like we limit them to four free cards and \$10 per additional card.

Mr. Berube stated yes.

Mr. Qualls stated I caution you to define “unlimited” cards, to avoid someone requesting an exorbitant number of cards.

Mr. Berube stated it is only the residents in that house.

Mr. LeMenager stated you do not get a card if you do not show up to get your picture taken.

Mr. Walls stated I may choose to bring my brother, my cousin or friends and say they live with me.

Mr. LeMenager stated they have to provide proof of residency, such as a driver’s license.

Mr. Qualls stated as I contemplate drafting the policy that the Board will consider for a future rule to be adopted, I recommend “unlimited” means one per resident at each household. Is that an accurate definition?

Mr. Berube stated yes, one card per resident at each household.

Mr. Evans stated for each resident over the age of 12. What if we say that is our policy but there is a grace period for the waiver of the fee for the first 30 days? Our policy will be four free cards and each additional card will cost \$10. Whether the card is replaced because it was lost or because there is a new resident, it will cost \$10. However, we are allowing a grace period. We are not changing the rules. All we are doing is authorizing a grace period during the first 30 days for the implementation of this change-over for your kids, your mother-in-law or whomever is a resident to receive free cards. Will that work mechanically?

Mr. Berube stated yes.

Mr. LeMenager stated that is a great idea. We have one set of rules but we allow a grace period in the beginning to give everyone time to get their new cards.

Mr. Berube asked do we want a grace period of 30 days or 60 days?

Mr. Evans stated during that grace period we publicize when they can come somewhere on site to get their cards, and we try to get as many of these cards issued as we can. That addresses the issue of making it resident friendly by showing the effort to come to them and make it easy for them to get their cards at no charge. They need to prove they are a resident of Harmony, such as a driver's license. Even if you are a renter, you are a resident and must provide proof that you live here to receive the cards.

Mr. Berube stated a renter still has to change the address on his license and they must have a lease, so we can see adequate proof of residency.

Mr. Evans stated whether a family has two kids or five kids, there will be so few large families over four people that it will not matter. Going forward from then on, after the grace period, when a new resident comes in and purchases a house, they are allowed up to four cards at no charge and beyond that, whether it is an additional card or a replacement card, it is an additional \$10. The cost of administration is the same no matter the reason for a new card.

Mr. LeMenager stated that is a good place to start.

Mr. Berube stated the bottom line is that each resident over 12 years old in the household will receive a free card if they are obtained during the first 60 days.

Mr. Evans stated no, our policy is four free cards and each additional card is \$10. We are simply offering a grace period on the cost of the cards in the beginning. If one family has five members all over the age of 12, after this grace period ends, you will receive four free ones but you will have to pay for the fifth one.

Mr. Berube stated yes, I agree.

Mr. Evans stated it is not a rule change; it is a policy change. The rule is what we described of four free cards and each additional card costing \$10. The policy the Board can approve is a grace period of 60 days or however many days that we publicize where we will waive any additional fees after the four original cards.

Mr. Walls stated I like that. I think we have to be careful with the grace period. This looks like it will be a summertime project, and we have a lot of residents who go north for the summer.

Ms. Kassel stated that is true, but they are not going to pay anything anyway because generally they are only couples.

Mr. LeMenager stated if you think about it, if they cannot produce a Florida license, if they are true snowbirds and keep their license in their home State, they are not actually residents.

Ms. Kassel stated that is not correct. They have a deed and utility bills indicating they live here. What about children? What kind of identification will you require for children ages 12 and up?

Mr. Berube stated the parents have to bring them.

Ms. Kassel asked what if parents bring in other children from St. Cloud?

Mr. LeMenager stated that is a risk.

Mr. Berube stated I agree it is a risk, but they cannot get into the pools until they are 16, which is the big problem we are trying to address.

Mr. Evans stated if they breach the rules, their cards will be deactivated.

Mr. Berube stated that brings us to the next level, which is the security cameras. We can time the cameras to the gate readers and find out by time who is coming in and out. No one even has to monitor it because we can tie the two together.

Mr. Moyer stated our policy will allow guests anyway, so there is less of an incentive to do that. Children can always bring their friends from St. Cloud and the parent has to be there in order to use the pools.

Mr. Evans stated that is correct. We are trying to discourage parents from using the pool as a babysitter. Children under 16 cannot gain access through the gate and if they do, then they have their parent's card. If someone breaks these rules for unauthorized access or knowingly allow someone to get in who is not authorized, we deactivate the cards.

Ms. Kassel stated we need to notify the residents that children cannot use the parents' cards.

Mr. Evans stated once we get our rules defined, we will have an overview of the rules and explain the grace period, the fees, and how it works.

Ms. Kassel stated that should be given to people when they get their cards.

Mr. Evans stated we can do that, too. They are going to have to sign for their cards.

Mr. Walls stated we need to explain the penalty for unauthorized use.

Mr. Evans asked is there some kind of waiver or receipt of acknowledgement that they will sign so we can track it?

Mr. Qualls stated yes. There is a requirement now in your current rules that an agreement must be signed before people can access the pool.

Mr. Berube stated there is a document that must be signed indicating you have received the keys and a waiver of liability and other documents. Most of that work is already done.

Mr. Qualls stated a lot of what you are doing is included in the rules. I think the way to implement the grace period is when you have the rule development workshop, choose an effective date that is at some date in the future. Then you have your policy which is being discussed today that up to that effective date when the rules are in effect, that will accomplish your grace period, and you will educate people about that through your policies.

Mr. Evans stated upon the effective date, all the rules go into effect. We need to say that on the effective date, the grace period begins. Otherwise, we have no rules during our grace period. If you start the procedure and you have a grace period, and then your effective date is after that, then these new rules that we will be implementing will not be applicable. The effective date is when these rules apply; however, at the discretion of the Board, we will offer a grace period. The only rule we are changing is economics. We are just saying that we will not charge any fees for the first 30 days. After that 30 days, nothing changes at all. The only thing that changes during the first 30 days is the price, and then we are consistent throughout the rules.

Mr. LeMenager stated it sounds like we want to make this effective April 1, 2011, because we are going to issue cards prior to May 1, 2011. We will have a period of dual access.

Mr. Qualls stated this is a policy workshop. There is no authority in Chapter 190, Florida Statutes, to enforce policy. After you have this policy, then you have to go through a rule development workshop that is advertised and the public is allowed to review a draft of the rules and comment on the rules, followed by a rulemaking hearing. After the rulemaking hearing, then the rules go into effect. We are looking at a minimum of 30 days.

Mr. Evans stated maybe not because we already have rules in place that address use, children and specific ages. Does the power governing the access need to be done by rule or can it be a policy?

Mr. Qualls stated it needs to be a rule. If you want a Statute citation giving you the authority to enforce this, then it needs to be adopted by rule. There is nothing in Chapter 190, Florida Statutes, that gives you any authority to enforce a policy.

Mr. Evans stated a rule is necessary for the enforcement procedure.

Ms. Kassel asked what are we changing related to the rules?

Mr. Qualls stated not very much. You are increasing the number of access cards. The rules already address children but we will clarify that to be 12 and under. Even if you want to make one change, it has to go through a rule development workshop and rulemaking hearing.

Mr. Berube asked what constitutes resident identification? Adults should have a driver's license or a Florida State-issued identification.

Ms. Kassel stated not necessarily. They will have a deed. They may be home owners here but this is not their primary residence.

Mr. Berube asked what about two utility bills?

Mr. Walls stated you may own a house here but reside in Michigan.

Mr. Evans stated we need proof of ownership or residency.

Mr. Berube stated that needs to be defined, also, because someone has to administer this program. Someone could simply want to provide a business card that they had printed at Staples.

Mr. Evans stated that is not proof of ownership or residency.

Mr. Berube asked what is?

Ms. Kassel stated a driver's license, a deed, utility bills, passport, or a copy of the lease.

Mr. Qualls stated there is a big difference between ownership and residency. Case law shows that residency is made up of a variety of factors. In order to prove residency, you need several things that link you to a specific place. Such items include a driver's license, voter registration, and things of that nature. Ownership can be proved simply through a deed.

Mr. LeMenager stated we do not give things to owners; we give things to residents.

Mr. Berube stated we can receive any combination of two things, including a driver's license, two utility bills, a copy of the lease, or a deed. As far as children, do they all get a school-issued identification card?

Mr. LeMenager stated yes.

Mr. Berube stated we can ask for the school identification.

Mr. Moyer stated they will not have that if they are home schooled.

Mr. Evans stated I would like to address Mr. LeMenager's comment about residency and that we are not issuing cards to owners but only to residents. If you own property here but live in Michigan and come to Harmony during the summer, you still have all the rights and privileges of access, even if you are not a full-time resident. To vote for members of this Board in the elections, you must be a full-time resident. To have rights and privileges within this District is based on property ownership.

Mr. Qualls stated that is correct. If you want to leave it at residents, then we simply define what this Board means by resident. We will lessen the standard for what case law would define.

Mr. Evans stated I am not looking for a legal definition of residency. There are two classes of people that can receive cards. If you own property in Harmony, you will get a card. It is a cumulative total after this grace period. If residents own a home here but live primarily in Michigan, anyone who lives in their home in Harmony can get access cards. One class is the owner including out-of-State owners, and the second class is a local tenant. The owner can provide proof of ownership by producing a tax bill. The tenant who is a resident living here can provide a copy of the lease and bring identification that he is the person named in the lease. Those are the only two other things you need. You must have a driver's license that says you are who you say you are. Then you need a tax bill or a deed, but a deed may not necessarily be current. I could have a deed even after I sold the property. We do not have to be too scientific, but there is easy information they can provide.

Mr. Qualls stated it can be one document or another.

Ms. Kassel stated it can be a passport, as well.

Mr. Evans stated that does not prove ownership. That just says you are who you say you are.

Ms. Kassel stated that can be for residents.

Mr. Evans stated you can write in your address in pencil on a passport.

Mr. LeMenager stated we are a simple CDD. There are rules for when you apply for your driver's license and other documents. What constitutes a residence? I am not sure why we are discussing this as a CDD.

Mr. Qualls stated the reason it is being discussed is, if you open it up only to residents, a lot of people would not qualify. It sounds like we want to address owners and renters as the class who get cards for free. Keep in mind that there is another set of rules for non-residents and non-home owners. Right now, the rules have a fee of \$1,000 that they need to pay to have access to the facilities. This is all regulating, not restricting access.

Mr. Evans asked do you have enough direction to draft the rules?

Mr. Qualls stated yes, especially with the good work that Mr. Haskett has done, as well as the minutes of this workshop. I will provide prior to the next meeting a redlined version of the rules and what we have changed for your review. This will be the starting point and there will be plenty of opportunity to change and edit it to your liking.

Mr. Moyer asked do we need a rule workshop as part of the rule development?

Mr. Qualls stated yes, if you want any ability to enforce these, there needs to be a rule.

Mr. Moyer stated we can have the rule development workshop the date of our March meeting and schedule the public hearing for the April meeting to adopt the rule. That will keep us on the basic schedule of May 1, 2011.

Mr. Qualls stated there is more advertising required for rulemaking, whereas a regular workshop is seven days in advance. Anything else you want to do in addition to those requirements is at the Board's discretion.

Mr. Berube stated I will include a section in the next Harmony Notes to alert people to the fact that we are discussing something, without giving any specificity.

Mr. LeMenager asked should we advertise the proposed new rule?

Mr. Berube stated I do not want to provide it as firm policy yet because we do not know. To get an article in for the May issue, the deadline is April 7, 2011. We will have had our rule workshop by that time, and the next issue will provide the details. In two or three consecutive articles, they will know what is coming and what the timeframes are. That one-month delay is tough.

THIRD ORDER OF BUSINESS

Other Business

Mr. Qualls stated in reviewing the rules from time to time, I notice some things that need to be changed. May I take the liberty to address some of the older rules and get them updated? Every time you change the rules, you need to have a workshop. The more we can do at one time, the more cost efficient it will be.

Mr. Evans stated yes.

FOURTH ORDER OF BUSINESS

Adjournment

The workshop adjourned at 5:55 p.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman