

# MINUTES OF MEETING

## HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, October 27, 2011, at 6:00 p.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum 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.
Greg Gologowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Mike McMillan	Luke Brothers
Larry Medlin	Bio-Tech Consulting
Shad Tome	Harmony Development Company
Residents and members of the public	

### **FIRST ORDER OF BUSINESS**

### **Roll Call**

Mr. Evans called the meeting to order at 6:00 p.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 September 22, 2011, Regular Meeting**

Mr. Evans reviewed the minutes of the September 22, 2011, regular meeting and requested any additions, correction, or deletions.

Mr. Berube stated page 8 where Mr. LeMenager is talking, the next to last line should read, "the meter idea is terrific and a fabulous improvement" rather than "comment."

Ms. Kassel stated it probably was "compliment."

Mr. Berube stated I think it was something other than "comment."

Mr. Walls stated I think he was talking about what you were saying.

Mr. Berube stated if he is comfortable with it the way it is written, that is fine with me.

Mr. LeMenager stated I do not remember what I said.

Mr. Evans stated we will leave that one as it is written.

Mr. Berube stated page 10, the next-to-last line reads, "Mr. Berube stated no." I did not make that statement. Someone else may have said it in relation to the key deposit, but I did not.

Mr. LeMenager asked should the answer be "yes" anyway?

Mr. Berube stated I do not know if it is "yes" or "no," but I did not answer the question.

Ms. Kassel asked shall we just delete that line?

Mr. Evans stated yes.

Mr. Berube stated I imagine Mr. Moyer would have answered that question.

Ms. Kassel stated but he is speaking on the next line.

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to minutes of the September 22, 2011, regular meeting, as amended.

### **THIRD ORDER OF BUSINESS**

### **Audience Comments**

Ms. Pam LeMenager asked have the crepe myrtle trees been trimmed? I noticed that they now have a full crown, but the way they have been planted, they are very close to the sidewalks, or sand oaks or other trees, or the curbing. The roots will grow out as far as the crown grows. I am concerned that will cause more repair on sidewalks in the coming years if they are left to grow that way, or that we will have trouble with the other trees that are close to them if they continue to be allowed to grow into the trees.

Ms. Kassel asked is there a particular location?

Ms. LeMenager stated throughout Harmony. The park next to your house has crepe myrtles growing into the sand oaks. It is the same situation with the park behind our house. From the school to the roundabout to go towards St. Cloud, there are groups of three in certain locations, and all of those are within three to four feet of the sidewalk, but the crown is almost to the point where it is shading the sidewalk. If that is how it is above the ground, the roots will be the same underneath, which means the roots will grow under the sidewalk and push the sidewalk up. I just think that is something to consider when the trees are trimmed, to cut back costs on needless repairs to sidewalks and the needless removal of other trees, including crepe myrtles, because they have gotten too big for their

placement. When they were originally planting, they had the sharp cutting done. Now they are left to basically grow naturally.

Mr. Berube stated I agree with you on the sidewalk damage, and we will have this problem throughout Harmony. I have sycamores near my house, and they are breaking up sidewalks all over town.

Ms. LeMenager stated in front of your house, you are responsible for your sidewalk. In the parks, the CDD pays for sidewalks. Is that not the case?

Mr. Berube stated the CDD pays for sidewalk repairs throughout the community.

Mr. Evans stated that is correct.

Mr. Berube stated not only is it a problem with the sidewalks but there are roots in the grassy areas. I suspect that is why many people are removing grass and putting in mulch and various other xeriscaping that we see. The tree issue is something we will have to wrestle with because the roots are coming up and they are damaging a lot of sidewalks. Perhaps other things will be damaged, as well.

A Resident stated in reference to sycamore trees, you cannot keep grass underneath them, and they are pushing up the sidewalks. The bigger they get, the more damage they do. The sidewalk on Brackenfern is really bad. I live on Beargrass and I resodded my front yard underneath my tree four times, but there is too much shade for grass to grow. You either need to remove every other sycamore tree, or remove them all. There is too much shade and too many leaves. It will cause a lot of problems in the future.

Ms. Kassel stated all the trees will cause problems with grass growing underneath them.

The Resident stated you can keep grass under oak trees, but not sycamores. As was mentioned, people are just starting to put down mulch, and I do not think that looks very good if the whole street is covered with mulch.

Mr. Evans stated that is a good point.

The Resident asked may I remove my tree?

Mr. Evans stated not if it is a CDD street tree.

Mr. Berube stated it is not your tree.

The Resident stated that is what I thought, but it is causing me so many problems. I have trimmed it back. There is a tree about 20 feet next to it, and the canopies are touching my house and they go straight up. I get no sunlight at all.

Mr. Berube stated we will be discussing trees in an extensive manner either at this meeting or one very soon. There are some things that need to be done with the trees. I hear your concern about the roots and the sidewalks. We will discuss it.

A Resident asked is this the forum to discuss the change in the Ordinance for multi-use facility? There is a meeting on November 7, 2011.

Ms. Kassel stated that is the Harmony Development Company, not the CDD.

The Resident stated they are changing the Ordinance to use Harmony as a multi-use facility. I do not know what that means.

Ms. Kassel stated that is a developer issue. You would need to address it at the County meeting; it has nothing to do with this body.

The Resident asked is anyone aware of what the purpose is of changing the Ordinance?

Mr. Tome stated there are two things that were done with this PD amendment. About 18 months ago, the County staff worked with us to create a new land use map that basically created an overlay so that our Development Order map, which shows the entire DRI in regard to the way it is colored and where we can build residential, commercial, and industrial, was done in such a way that colored it to match our flexibility to be able to move around zoning. The PD amendment was designed to be able to make our map match the future land use map so that they mirrored one another. You have to go through that administrative step to be able to do that. Staff cannot just unilaterally do that. We needed to receive Planning and Zoning approval, which we did on October 6, 2011. On November 7, 2011, this item will be before the County Commission for their approval. The second thing was to put standards in place across the entire DRI as it relates to residential, commercial and industrial for setbacks, heights, use types, and those kinds of things. What happened prior to that is every time we wanted to develop a parcel, for example, Parcel F across from the Community School, we would have to go through a Comprehensive Development Plan (CDP) process to get to a Preliminary Site Plan (PSP) process. Then we go to an Engineering Improvement Plan (EIP). There were a bunch of steps, and it was a time-waster going through Planning and Zoning, then the County Commission, and so on. What this will do is a G-size lot or an F-size lot or an E-size lot, all the size lots we have in the community, the setbacks will be the same for the front, sides, and rear, and the heights will be uniform. What this does for us is allows us to skip

the CDP process and go straight to the PSP, which will then be approved by staff, and then we can get EIP approval from the County Commission. It speeds up the process. It took something that was uniform and made the document much less cumbersome. The part you might be noticing about a mixed-use scenario is, on the south side of U.S. 192, there will never be residential units; it will always be something other than residential, such as commercial or industrial, including retail. The County wanted to work with us to allow us to call it non-residential mixed use. That means the parcel can have industrial, commercial, retail, any of those things without the necessity to go back each time we choose to develop one acre. If that one parcel was zoned industrial but we now want to use it for retail, we would have to go back through staff and all the County approvals. This new designation will classify it as non-residential and allow us to do whatever we want to with it, as long as it fits into those categories: institutional, industrial, retail, commercial.

The Resident asked is there no master plan that says we are in a mixed-use area, and if there is a vacant lot over here, someone can build a 7-Eleven?

Mr. Tome stated no. We do have some flexibility within our Development Order and the DRI already. Along U.S. 192, today it might be shown as residential land use, but we could decide to put in some sort of neighborhood commercial building, which might be more fitting in those areas instead of putting a detached product right up next to the highway. We do have some of that flexibility. But there will not be a 7-Eleven built right next to your house.

The Resident stated on the agenda for that meeting, there are a bunch of churches listed and it is explained what they are requesting. We are always told if we want to find out, then we need to go to the meeting. It is held at an inappropriate time for people who work unless you take a day off. I appreciate you sharing what your request is for.

A Resident stated I have a comment on the landscaping in the median along U.S. 192 in front of the entrance. It looks great. I do not know who is responsible, but it looks great.

A Resident stated yes, it looks very nice.

Mr. Berube stated the Harmony Development Company provided that work effort.

A Resident asked has anyone heard any updates from Toho Water Authority regarding our neighborhood's drinking water?

Mr. Berube stated it is not an item on our agenda but I do have some information.

The Resident stated I am interested in an update, if they are trying to fix it or if they are just letting the water pour out. Who is paying for that water?

Mr. Berube stated I will address that question a little later in the agenda, along with some other related information.

#### **FOURTH ORDER OF BUSINESS**

#### **Subcontractor Reports**

##### **A. Landscaping – Luke Brothers**

Mr. McMillan reviewed the landscaping report as contained in the agenda package and is available for public review in the District Office during normal business hours.

Mr. McMillan stated we are gearing up now to apply mulch. We will start the process earlier than we did last year. This work includes removing any mulch that is too deep in beds, curbing out next to sidewalks or streets so that it is not overflowing. We will do a little each month, and we will be coordinating this effort with Mr. Haskett. We are starting to see some signs with weeds in the turf due to the cooler weather, and we are now able to start spraying those with a little heavier application rate. We will continue with that until there are no weeds in the turf. One thing we have discussed with Mr. Haskett is next spring, we will be applying a pre-emergent in the turf areas so that there will not be as many invasive weeds in the turf next summer. When I first started, the number of employees in the field was a popular discussion item, and I have been working on that issue with Mr. Haskett, as well.

Mr. Haskett stated the number of people has been fluctuating. They were down to about 10 employees three to four weeks ago, but they have had a steady flow of potential employees being interviewed. I have seen 12 employees now, so they are maintaining their staff level, and their services have not wavered. They are keeping up with the pace right now.

Mr. LeMenager stated I am aware of the correspondence you had with my wife, Ms. LeMenager. She raised an interesting issue. Given that the CDD has taken responsibility for the trees along the boulevards and specifically the trimming of them, what do we do now that some trees are getting so healthy that they are growing into houses? I believe we are fortunate enough to have probably the two healthiest trees in front of our house and next door, and the branches now touch our houses. If we have taken the position of trimming trees, that is also a part of the tree issue.

Mr. Haskett stated Mr. McMillan came to me after he received Ms. LeMenager's email. I told Mr. McMillan that if the tree is touching someone's house, then that home owner should take that responsibility to prune up the tree to protect their own investment. Every other year when we come through and perform street tree pruning, then it can be addressed at that point. I do not think the District wants to get into the habit of checking people's homes every six or 12 months to make sure a tree is not growing into it.

Ms. Kassel stated if that is going to be the policy, then we should let the home owners know that is the policy. Otherwise, they have no idea or they think we are going to take care of it because it is our responsibility. When we do not, then they get an attitude about how we are not taking care of our responsibilities. It has been a long time since we have distributed a document that informs people of the policies and guidelines and where to access things. I think it is time to do that again, and I think it would be a good idea to send that out and include something about trees hitting your houses and that the CDD will be coming around at a certain point in time to perform tree trimming, but if the home owner wants to address it earlier, provide them with the appropriate direction.

Mr. Evans asked is our policy that the District has the right but not the obligation to trim these trees to begin with?

Mr. Qualls stated it is not necessarily a policy of the District. That is the language in the governing documents between the home owners and the HOA. The CDD maintains horizontal infrastructure. The governing documents say that the home owner is responsible for maintaining those trees that are located next to the homes in that right-of-way. That is part of the deed restriction that the home owners agreed to when they purchased their homes. I am looking now to see if there is a policy related to tree trimming, but I am not aware of any specific policy.

Mr. Evans stated I do not recall that we modified the policy at all. We were just making the decision about whether or not the District would step forward to do tree trimming in some of these areas.

Ms. Kassel stated we have discussed this issue at previous meetings. The consensus seemed to be, because we wanted a uniform look to our trees, that we wanted the CDD to deal with it. I do not want to take on the additional expense, but I am reporting what I remember from previous discussions over the last few years.

Mr. Berube stated we have shuffled it around in many different directions.

Mr. Evans stated the discussion was, is the CDD responsible to maintain or to assume the responsibilities of the individual home owners. That was the direction this discussion was going, because now you are placing the burden upon all of the property owners to take responsibility for a few people who are not fulfilling their responsibilities. Is the District trying to take on those additional responsibilities?

Ms. Kassel stated my understanding was that the District was not taking on the responsibility. We are not taking it on as a permanent obligation, but the policy was that we were going to take care of the trimming of the trees as well as replacements. We have actually paid for the replacement of some trees.

Mr. Berube stated we have replaced a number of trees that have died.

Ms. Kassel stated there is a difference between saying it is the District's obligation to take care of the trees versus the District chooses to take care of the trees.

Mr. Berube stated if the District took on the task of trimming the trees for whatever reason, it seems to me that we would be spending money for aesthetics, which I am not sure is why we need to do that. I understand the need for aesthetics, but I do not know how much we do purely for aesthetics.

Mr. Walls stated I would classify tree trimming as basic maintenance. People are walking down our sidewalks, and they could hit branches from these trees, which happens often.

Mr. Berube asked can we discuss this issue later in the agenda or include it on next month's agenda? Or shall we finish this discussion now?

Mr. LeMenager stated I think it is worthwhile to discuss. Who trims the trees in Celebration? Does the CDD take care of that function?

Mr. Moyer stated we had this same discussion after the 2004 hurricanes. Technically they have the same deed restrictions. It is not the District's obligation to take care of the trees, but we started doing that maintenance after the 2004 hurricanes, and we continue to maintain those trees between the sidewalk and the curb in the rights-of-way throughout the community.

Mr. Berube asked does the CDD also provide the landscaping services in all the sidewalk easements?

Mr. Moyer stated yes.

Mr. Berube stated so that is a different situation where Celebration CDD is mowing all the grass along the sidewalks, not just the outer parkways, whereas in Harmony, we are mowing just the outer parkways and now we are discussing trimming trees in a non-service area.

Ms. Kassel stated we did receive a bid from Luke Brothers for landscaping on the interior streets. Considering the appearance of so many of those areas, perhaps we want to revisit that issue.

Mr. Berube stated I do not disagree.

Mr. LeMenager stated we would not be able to do it now because of the mulching activities.

Mr. Qualls stated because I think this is an important matter that will keep coming up again and again, you should consider the hierarchy. First, is there a legal obligation? No. Second, is there a policy? There is not a written policy. We can review the minutes to see if there is an incipient policy which is something the Board has been doing that turns into a policy. In order to have consistency, I would advise discussing this in a workshop forum so that you can lay down the guidelines, everyone can provide their input, and you can develop the policy. This is the reason you go through that process, so that everyone is involved, and what results in the end is a policy that everyone can refer to, and it is the rule of the District. That is my advice so that this discussion and this debate can be resolved and then people know what to expect in coming years.

Ms. Kassel stated we should invite some experts to that workshop so that it can be productive. None of us are tree experts. We should invite people who are experts in various areas about trees.

Mr. Berube stated Mr. Pete Lucadano should be invited because he is an arborist. I am sure A Cut Above would be interested in attending to share their opinions.

Mr. Berube stated my wife and Mr. Walls's wife are co-chairs of this year's Relay for Life event. I reached out to several of our vendors, and Luke Brothers was the first to respond with a very generous donation to the Harmony Relay for Life. I pick on them all the time, and I fully expected them to deny my request. Mr. Lucadano was very accommodating and we received his generous check in less than a week. Toho Water Authority also responded with a donation of bottled water for this event. I have not heard from any of the rest of our vendors.

Mr. Golgowski stated at the last meeting, the Board discussed flow sensors and the valves associated with them and whether or not it was cost effective to retrofit our system with those. The question was asked if other communities have been in our similar situation and have done some analysis on that question. My task was to locate some of those communities. Mr. Aaron Smith owns and manages Inside Irrigation and he has been working with Mr. Mike Walker quite a bit. Mr. Walker recommended him to us for some additional thoughts. I distributed a handout from Mr. Smith.

Mr. Smith stated your situation about flow sensors first came to my knowledge a couple months ago. I know you had Mr. Walker attend a meeting as well as a representative from Rain Bird to discuss the Maxicom system. As you are well aware, Mr. Walker monitors a portion of your irrigation system through the use of a computer-controlled system called Maxicom. One of the questions that came up was the usage of flow sensors. Mr. Walker is an expert in monitoring, but I am an expert in how you facilitate and problem-solve issues like this, where you are considering retrofitting your current system and what it would take. I discussed this with Mr. Walker, and it seems there are some gaps as far as what is existing, where the conduits are, where there is communication, is there room to add these flow sensors, is there room on the controllers, and other questions I had. Mr. Golgowski asked me to address your question if there is any savings to be had by adding flow sensors. I work all across the State of Florida, for the City of Port St. Lucie, for Bellalago in Kissimmee, for The Villages, as well as across the nation including the State of Texas. I work a lot with Rain Bird as well as other manufacturers to arrive at the best solution. For me to say that you will save x amount of dollars by installing flow sensors is hard to substantiate. One of the things I was asked to provide to you was the presentation that I provided to the City of Port St. Lucie. They were in a situation where they put together a Maxicom system. They had to justify to the citizens of Port St. Lucie why they paid so much for their Maxicom system. There are two things that Maxicom can do. One, it can water based on weather conditions, which is when you hear the term “envirotranspiration” rate. The second amazing thing about Maxicom is how it responds to flow. It is so intelligent that you can run 600 zones overnight and if five of them were over or under their flow amounts, it will flag those zones. The City of Port St. Lucie uses two people to operate the Maxicom system for the entire City. One is the manager and the other is the technician. The system is so fine-

tuned that they are able to focus on only those zones that were flagged. They perform bi-monthly inspections. Because they are able to monitor the amount of flow and where the water went, they were able to save a tremendous amount of money just in sheer manpower alone. Anytime there is a leak, the system shuts it down. If there is a break in the middle of the night, the flow sensors let it know something is wrong and the system is shut down. You can set the parameters for the hours someone is paged with that notification.

Ms. Kassel stated we already have the Maxicom system but we do not have flow meters. You are talking about a Maxicom system with flow meters?

Mr. Smith stated yes. Mr. Golgowski asked me if there is a study that says there is a community that had Maxicom and was later able to justify the addition of flow sensors. I personally do not know of any systems that went to Maxicom that did not have the flow sensors as part of the installation, so it is hard to justify it from that angle. What I can tell you is that those systems that have been managed and monitored with flow sensors have saved a tremendous amount of money if they fully utilized the capabilities of Maxicom. That is the difference. If you are simply going to add flow sensors but not change the way you do operations, then it probably would be hard to justify because you are relying on the fact that there is a break. I would argue that you cannot prove what you cannot measure. I imagine right now you send people out every day to turn on the irrigation to see if there are problems. That is a tremendous use of manpower, when the Maxicom system can do that every night as part of the irrigation cycle. As you will see in the report and the presentation, I put a lot of those costs together to give you an idea of some of the savings. It is not just if there is a mainline break, but it is also saving on manpower, fertilizer, water, energy, and so many things that the system can do that can save money. Mr. Golgowski asked me what it would take to put this together. I cannot answer that without looking at the system. I only know what I have been told. I came here in the capacity of an expert for this irrigation system.

Mr. Berube stated we currently have 18 meters, which are the beginning of the zones. From there the system branches out into the individual zones, and there are 453 individual zones, scattered over 40 or 50 acres. If we wanted to know whether or not the communication wires were installed unless we go wireless, and everything else we have right now, what it would take to install these flow meters?

Mr. Smith stated I discussed that question with Mr. Walker. Is it a simple matter of saying that you have 18 points of connection or controllers? Then it is really simple. From what I understand in looking at the as-builts Mr. Golgowski provided and other data, we think we know where the controllers are., we think there might be a pipe and wires, but there are no definites. We do not know with certainty where the controllers are, whether or not there is conduit or pipe, or where the conduit runs from Point A to Point B. I suggested to Mr. Walker, based on the information he shared with me, that we can put together an estimate for a comprehensive analysis that would include master valves, meters, communications, and so forth. The problem is that I or someone like myself would have to come out here and physically look at each one of those and confirm if there is a sidewalk or a street between here and the controller and determine if will we need to do a directional bore. That would take the better part of several days and then we would prepare a report. I told Mr. Golgowski that it could cost up to \$5,000 to put together that analysis. The only way we could be competitive about this is to make it up to \$5,000. We might be able to figure it out in a day, but it could take over a week, especially if we need to bring in some ground-penetrating radar.

Mr. Evans stated we are still in the evaluation process, but every bit of information that we gain is helpful.

**B. Aquatic Plant Maintenance – Bio-Tech Consulting**

Mr. Medlin reviewed the monthly aquatic plant maintenance report as contained in the agenda package and is available for public review in the District Office during normal business hours.

Mr. Medlin stated this month's treatment of the ponds was focused on exotic eradication. The high water levels allowed them to take off, so I have focused on keeping those out of our buffers and the planted areas. The high water levels, however, do make everything look nice. They are starting to drop and will make it easier to treat around the pond edges. I just checked the planting ponds in the back, and the water levels seem to be at their normal levels. So I think we can go ahead and schedule those plantings. I will put that together in the next couple weeks, and I will communicate with Mr. Golgowski what days we will be doing the plantings.

Mr. Evans stated I know we have discussed this previously. Does it make sense to install those plantings this late in the season?

Mr. Medlin stated I talked with my planting adviser, and he said as long as the plants are not too dormant and have not been frosted out, they should be fine. I have done plantings almost year-round, and it seems to work. As long as we can get plants that are healthy and green and growing, when we put them in the ground, they should be fine.

**C. Dockmaster/Field Manager – Buck Lake Boat Use Report**

**i. Buck Lake Boat Use Report**

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

Mr. Haskett stated Mr. Belieff told me last week that the solar boat is not functioning again. Something is wrong with the controller and perhaps the battery.

Mr. Berube stated yesterday he mentioned the small pontoon boat was out of service, but he did not mention the solar boat.

Mr. Haskett stated we pulled the small pontoon boat because the controller is not working on that boat as well. He is going to repair it.

**ii. Fuel Usage Chart**

Mr. Haskett reviewed the fuel usage chart as contained in the agenda package and is available for public review in the District Office during normal business hours.

Mr. Haskett stated I am still reviewing receipts for Mr. Belieff's fuel usage. There may be a clerical error on my part of about 7 to 10 gallons of fuel that was used for a rescue boat. This chart will improve and be more accurate for the next meeting, but we are using it to monitor fuel usage.

Mr. Walls stated I asked Mr. Haskett about this chart because it shows 60+ gallons for the rescue boat, when it should use only a couple gallons for every mile of travel. It is not a gas hog, and it is being looked into going forward.

Mr. Haskett stated that is correct.

Mr. Berube stated I asked Mr. Belieff about that yesterday, and he indicates that he purchases the gasoline. As it shows on the chart, they have seven five-gallon cans. He turns in his receipts frequently without writing the purpose on the receipt. It would probably be easier to assume that since Mr. Belieff is purchasing the fuel, it is not going into the boat. I suspect that fuel is going for other things. We now have two mules, as well as a blower, a weed eater, and a pressure washer. My first thought was that is a lot of fuel in that boat, but I believe Mr. Belieff when he said a lot of that fuel went to other places. I accept that answer because he has never lied to me before.

Mr. Haskett stated that is true. If you look at the fine print at the bottom of the page, but Mr. Belieff and Mr. Druckenmiller complete a fuel usage chart. So when they turn in a receipt going forward, the chart will state specifically what the usage was for.

**iii. Debit Card Usage**

Mr. Berube asked is the total of debit card usage reflected on this? I did not notice a chart for debit card usage in this section or in the invoices.

Mr. Haskett stated I did not see that, either.

Mr. Berube stated we had it last month but not this month.

Mr. Moyer stated Ms. Fazeela Khan is back from maternity leave and she probably did not understand she needed to include that information. I will make a note for her to follow up.

**iv. Estimate for Sailboat Repairs from Lake Fairview Marina**

Mr. Haskett stated I submitted this in early October but it missed being included in the agenda. Mr. Belieff took the sailboat to Lake Fairview Marina. I instructed him not to do any repairs on it until we received an estimate. Their estimate is \$1,410.72. The majority is for routine maintenance. The largest item was the sail cover. In my conversations with Mr. Belieff, the sail cover will protect the sail.

Mr. Berube stated cleaning is listed for three hours at \$40 per hour. We have two staff members who can probably perform the cleaning.

Mr. Haskett stated that is correct.

Mr. Berube stated unless it is required maintenance, I do not see it as a good investment of our money to clean this boat when we have people who can do that task.

Mr. Haskett stated I will find that out.

Mr. Berube stated I investigated the sail cover, and it costs \$850 to ostensibly protect the sail. A brand new sail for a boat of this size, which I measured at about 22 feet, is \$765 delivered. A sail cover might be nice to have, but it seems crazy to spend \$850 to protect a \$765 sail.

Ms. Kassel stated it appears that we already have a sail cover because we are repairing one. The estimate refers to repairing the stitching on the sail cover.

Mr. Berube stated that is correct; I think we already have a sail cover. I would be fine with this because everything else looks fine. The two things that stand out are the cost of the sail cover and the cleaning. The sail cover might be really nice, but I really do not think we need it. I might be missing something. I went to [www.sails.com](http://www.sails.com), and the sails

average \$500 to \$700. I just cannot justify spending \$850 for a \$765 sail, and I do not think we need anyone else to clean it when we have our staff. I am fine with everything else.

On MOTION by Mr. Berube, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the estimate from Lake Fairview Marina dated September 23, 2011, for sailboat repairs deleting the sail cover at \$850 and the cleaning at \$120.

**v. Miscellaneous Field Items**

Mr. Haskett stated we are still trying to get on schedule with the sidewalk grinding. Hopefully that work effort will happen during the month of November. That will address some of the street tree/sidewalk issues, which I have recognized on Beargrass and Brackenfern. In those areas, we may have to replace some sidewalk panels due to the sycamore trees, which Celebration CDD has had to address with their sycamore trees in their Town Center area. We continue other routine maintenance on other various items. We did get the Bobcat through a governmental contract with the Pasco County Sheriff's department.

Ms. Kassel stated we received an email with that invoice, which was a couple hundred dollars higher than the \$7,000 we approved.

Mr. Berube stated kudos to Mr. Haskett on that item. When we budgeted for that job, we figured \$12,000 for the mule. Between the lower price and the trailer, it will only be about \$8,000. So we are \$4,000 ahead of schedule toward our goal of being revenue neutral for that employee package. It is working very well so far.

**FIFTH ORDER OF BUSINESS**

**District Manager's Report**

**A. Financial Statements**

Mr. Moyer reviewed the financial statements, which are included in the agenda package and available for public review in the District Office during normal business hours.

Mr. Moyer stated the financial statements are through the close of fiscal year 2011. There may be some closing adjustments as there usually are in this process. For the most part, I think you are looking at our financial position for the fiscal year. We received \$19,000 in revenues that exceeded our budget. On the expenditure side, there were a few line items that were over budget that the Board is aware of, notably irrigation, and the

reasons for that overage. When you take all of it together, we came in under budget at \$58,000 plus the \$19,000 in additional revenues, so we will be adding about \$78,000 to fund balance. I think the Board did a very good job in terms of managing the finances of the District.

Mr. Berube stated we have more invoices coming in that will reduce that number.

Mr. Moyer stated that is correct; there will be adjusting entries.

Mr. Berube stated on the first page of the report and on the cover page, it refers to October 31, 2011.

Mr. Moyer stated that is incorrect; it should be September 30, 2011.

**B. Invoice Approval #138 and Check Run Summary**

Mr. Moyer reviewed the invoices and check summary, which are included in the agenda package and available for public review in the District Office during normal business hours, and requested approval.

Mr. Berube stated there is an invoice for \$8,000 from the Harmony Development Company for irrigation.

Mr. Haskett stated that is for the improvements that were made with the turf along U.S. 192 in July. The irrigation had to be expanded for those improvements. The developer donated the turf and the labor. The cost was \$1,000 per zone, which was the recommended number of zones for that area. The charge to the District was \$8,000 out of the \$43,000 that the developer spent on the remaining improvements.

Mr. Berube asked did we discuss this and get told that this bill would be forthcoming? I do not recall.

Ms. Kassel stated I do not remember.

Mr. LeMenager stated I do not either. I remember that I made a comment about how the natural look was not working, and then the next thing we know, these improvements were done. It looks wonderful, and the audience commented earlier how nice it looked.

Mr. Tome stated those are two different areas. That comment was made for the median at the high school entrance, which is not bad at all. The discussion about the improvements related to this invoice was reflected in the minutes, and as part of our due diligence, we will review them. I believe it was in the July workshop when the Board discussed the budget and knowing that you were going to be under budget, there was discussion about the fact that the west entrance did not have the same look as the main entrance and that it needed some enhancement and other things. At the same time, we

were receiving bids to also do some further enhancements on the east side of the east entrance because there were a lot of areas with lime rock that occurred with the widening of U.S. 192, and the sod would never do well in that area. Mr. Walls may have been the one who suggested we need to do something in that area, and as I recall, a figure was suggested in the range of \$8,000 to \$10,000.

Mr. LeMenager stated that sounds familiar.

Mr. Walls stated I was talking about the landscaping at the other entrance, such as the trees.

Mr. Tome stated those things happened, as well.

Mr. Walls stated I think the only thing that happened there were some annuals. That is a totally different issue.

Ms. Kassel stated I do not think any of us remember having a discussion about this. It seemed to come from nowhere since we had not heard anything about it previously.

Mr. Berube stated I am not questioning your veracity or the fact that it got done. It was needed. I just do not like surprises. I thought about our previous discussions and I could never remember it.

Mr. Tome stated I am sorry you see it as a surprise. I do not see it as a surprise based on the fact that the conversation was in the minutes prior to the work being done. We will go back to the minutes to clarify. If there was a misinterpretation of that, then shame on us. There has been a delay in getting it to you because we did not provide it to you when it happened. It has been paid for quite some time, since August.

Mr. Evans asked these improvements were done on CDD property?

Mr. Tome stated yes.

Mr. Evans asked you had to extend the irrigation lines?

Mr. Tome stated yes.

Mr. Evans stated it was an improvement that went on CDD property that the developer coordinated.

Mr. Tome stated that is correct.

Mr. Evans stated in addition to that, the developer paid for the landscaping.

Mr. Tome stated the total was about \$50,000, which included all of the new sod and irrigation. There was some work that needed to be done on the east side, which we decided to do at the same time. We also brought in some soils from the dirt pile that we

have to amend the soils in that area because it was high and rich in lime rock that was providing a bad pH level. There was a lot of sod installed and a lot of irrigation work that was done at both entrances. At the time, the discussion was focused on the west entrance because that is the one that most residents go in and out of and see on a regular basis, as well as the Community School. The developer seems to be more focused on the east entrance because that is our window that drives everyone to the Sales Gallery.

Mr. Walls stated I do not disagree with the fact that it needed to be done. But I do not think all of us forgot that it was mentioned at a meeting. My issue is that it was not mentioned because I do not remember it. Seeing it now precluded us from deciding if we wanted to spend that money on that improvement. If that was something we wanted to do, it disallowed us from going through the bid process and selecting a contractor.

Mr. Tome stated we do work like this for the District every day.

Mr. Walls stated I understand, but we did not go through the official process, and I see a problem with that.

Mr. Tome stated the fact that the developer paid \$50,000, I would not think you would have a problem with an \$8,000 invoice.

Mr. Walls stated I am not giving you a hard time about the invoice; I am giving you a hard time about the process. I am not saying that it did not need to be done. But if we are going to spend \$8,000 of the public's money, then the Board needs to make that decision openly.

Mr. Tome stated we believed that you did make that decision. If we were wrong in that, for \$8,000, we will not pursue the discussion and it will be our lesson learned.

Mr. Berube stated we learn a lesson all the time when we do this. I am fine with the invoice, but the problem is the surprise. We get better as we go along. I would ask that when you are going to do something like this, just make it specific and tell us. Say that you might spend \$10,000 on irrigation as part of an overall project. If the cost comes in at \$8,000, then we are happy. I do not think any of us remembers the conversation. It is an improvement on CDD property. I am fine paying this invoice if we get something out of it. We are all friends here, but just tell us what you are thinking and what the downside might be. I have no problem approving this because I think we can all trust each other.

Mr. LeMenager stated it is pretty rare that all of us catch the exact same thing and all of us have the same reaction, which was surprise.

Mr. Tome stated I think the length of time it took to provide that to you contributed to that. If we had worked more diligently on the invoice when the work was done after the discussion that you had, it would have been clearer.

Mr. Berube stated I am fine with just the generality of you saying you are going to do some improvements, the landscaping will belong to the CDD, the cost will be in the range of \$8,000 to \$10,000 for the CDD and the rest will be the developer's donation.

Mr. Evans stated a lot of discussions that we have are very lengthy, ongoing conversations. Sometimes our minutes are 50 pages, and we discuss some of these issues to death. I do not remember everything that was said or approved, but I do remember we had some conversations relative to these enhancements. Some things were discussed as to who is paying for the enhancements in the median. We later had a conversation about the FDOT agreement. We have a lot of discussions that are actually being implemented by Mr. Tome, Mr. Haskett and Mr. Golgowski who make these things happen. Sometimes we give them very clear direction, and sometimes we do not. The other aspect is they, on their own, pay for the vast majority of these enhancements that are for the entire community's benefit.

Mr. Berube stated 60% of that comes from them.

Mr. Evans stated it could be more than that. If Mr. Tome says that he believes they had the authority to go forward and do this enhancement, I accept that. He would not do it otherwise. Whether or not we were unclear, I do not think Mr. Tome is just trying to collect \$8,000 from us. His time is far more valuable and he would not do it.

Ms. Kassel stated I do not believe any of us think that.

Mr. Evans stated the fact is, we have the benefit. If we were voting on this issue today for \$50,000 worth of enhancements at a cost to us of \$8,000, would we accept it?

Mr. Berube stated yes.

Ms. Kassel stated that is not the point, though.

Mr. Evans stated I understand the point. We made our point. To go back and say we do not believe you until you provide minutes from a meeting, I would be offended by that.

Ms. Kassel stated I do not believe we are saying that either.

Mr. Walls stated that is not what I am saying.

Mr. Evans stated what I am saying is, we just received \$50,000 worth of benefits for a cost of \$8,000.

Mr. Walls stated that is awesome.

Mr. Evans stated we need to decide if we want to challenge the invoice for about \$.18 on the dollar for the value received, or do we say “thank you” and send them a check.

Ms. Kassel stated no one is challenging the invoice. We are just asking about it and we are simply requesting that in the future, we would like to be notified when they are planning on doing something so that it does not come as a surprise.

Mr. Tome stated I cannot think of a time in the past when we have done something like this. It is a rarity.

Mr. Berube stated it does not happen often.

Mr. LeMenager stated that is correct; it does not happen often. We are just all surprised.

Mr. Tome stated we thought in reviewing the minutes that we were all in agreement for this work.

Mr. Walls stated I very much appreciate what you do and I appreciate the enhancements and improvements. But let us not forget that they are in business to make money, and they do these improvements to make money. They wanted to do these enhancements and I appreciate it. I am not criticizing that, but I am merely talking about the process. I am 100% certain that if we look back in the minutes, we did not discuss this \$8,000 expenditure.

Ms. Kassel stated we did not actually really talk about what was going to happen there. We complained that it did not look good, and then the developer took action, which we were happy about.

Mr. Tome stated that was already in the works to be done.

Ms. Kassel stated it would be helpful for us to know when things are being planned on CDD property. Please, just let us know or let Mr. Moyer know or have Mr. Haskett include that in his report.

Mr. Evans stated I think we all get the point and I think it is a very good point.

Mr. LeMenager asked what was the invoice regarding Mr. Steve Boyd attending a meeting for \$584 for FEMA flood maps?

Mr. Moyer stated we received notice of that meeting, and I asked Mr. Boyd to attend that meeting. If FEMA changes your flood maps, you will have more problems than \$600. I wanted him to attend that meeting and monitor it to make sure that the County and FEMA were not changing flood map elevations to put our property in a flood zone when, in fact, it should not be.

Mr. Evans stated because if they do, to go back and amend that flood zone, they changed the regulations and now it will require an environmental impact study.

Mr. Moyer stated I authorized Mr. Boyd to do that work on the District's behalf.

Mr. Walls stated I know Woolpert has many clients in Osceola County and in Central Florida. Would you check to see if we were the only person who requested that he attend that meeting?

Mr. Moyer stated yes.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the invoices as presented.
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**C. Public Comments/Communication Log**

Mr. Moyer reviewed the complaint log as contained in the agenda package and available for public review in the District Office during normal business hours.

Mr. LeMenager stated I think this is the wrong log. I know my wife had a lot of communication with your office in previous weeks, but the log only goes through September 9. That does not seem right. I think it is last month's log.

Mr. Moyer stated it should be more recent.

**D. Website Statistics**

Mr. Moyer reviewed the website statistics as contained in the agenda package and available for public review in the District Office during normal business hours.

**E. Acceptance of the Audited Financial Statements for Fiscal Year 2010**

Mr. Moyer stated the auditor states on the first letter that "the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities in each major fund of the District as of September 30, 2010." That is referred to as a clean audit opinion, and it means that the records that we provided to the auditor as of September 30, 2010, did, in fact, fairly represent the financial position of this District. There is a lot of good information in these audits in terms of assessments and bonds and things of that nature. In the back of the audit are

some required reports, either by Florida Statute or rules of the Auditor General. The first deals with internal control, and they state, “we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.” On the issue of compliance with rules, laws, ordinances, covenants, and bond covenants, they state, “the results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.” The management letter is the auditor’s opportunity to bring suggestions forward to the Board on how to improve our financial reporting that may not be a material weakness, but sometimes they do have recommendations in that regard. They did not have any such recommendations. On page 26 under paragraph 8, they report that the District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes. Saying that another way, we are not in a state of financial emergency.

On MOTION by Mr. Walls, seconded by Mr. Berube, with all in favor, unanimous approval was given to accept the audited financial statements for fiscal year 2010 and to authorize staff to file it with the appropriate State agencies.

**F. Acceptance of the Audit Engagement Letter from Grau & Associates to Perform Auditing Services for Fiscal Year 2011**

Mr. Moyer reviewed the engagement letter from Grau & Associates to perform auditing services for fiscal year 2011, in the amount of \$7,500.

Mr. Berube stated we paid \$8,500 this year for the audit, so it is lower than we expected.

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to the engagement letter from Grau & Associates to perform auditing services for fiscal year 2011, in the amount of \$7,500.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

**i. Agreements**

Mr. Qualls stated I distributed an email on Tuesday that I will start doing on a regular basis as a preliminary report on items that I am responsible for. I want to thank everyone for the thorough review of our invoices and for communicating with us as to those. The

better the communication is, the better we can serve you. The FDOT agreement relating to the landscaping, the District has had an agreement with FDOT for several years to maintain the landscaping. The developer wanted to work with the District and FDOT to enhance and add to that landscaping. FDOT required that there be an interlocal agreement between the District and FDOT. That agreement has been completed. The other agreement with the developer is for them to cover the cost of the landscaping and the cost of any additional landscaping. It is a separate agreement between the District and the developer. We brought that to the Board for consideration at the last meeting, which you approved, and it has been executed.

**ii. Credit on Invoice**

Mr. Qualls stated I have also given a credit for two hours for the duplicate charge relating to a memorandum that I sent twice.

**iii. School Science Project in the Ponds**

Mr. Qualls stated Mr. Golgowski called me regarding a school in the area that is doing a project called How Green Is Your Community. They would like to do some science experiments in the ponds that are maintained by the District. My advice, which is in accordance with your adopted rules, is that this would be a special event. There is an application process, and part of that process requires that there is a waiver and a hold-harmless agreement. I drafted such an agreement and sent the draft to the Board for your review. It is a standard agreement and says that if something happens to the kids when they are out in the ponds that they will hold the District harmless. The District does have sovereign immunity, but there is a limit on sovereign immunity, and sovereign immunity can be waived by the Legislature. It is always a good idea to try to eliminate tort lawsuit whenever possible. I will need to do some additional work with Mr. Golgowski to finalize it. I saw a draft letter dated today, and I would ask that we get in the habit of citing the rules and say to the school that it is great they are coming out but we have these rules that need to be followed and there is a hold-harmless agreement that has to be signed by the parents.

Mr. Berube stated we let this same school use the Swim Club for swimming lessons. Do we have a hold-harmless agreement when they use the pool?

Mr. Qualls stated yes.

Mr. Berube asked is it signed by each individual parent or by the school?

Mr. Qualls stated it is signed by the School District and the CDD.

Mr. Berube asked why do we not have a hold-harmless agreement from the school for swimming lessons but we are asking for one from each individual parent? I understand the need for it, but we are changing the way we are doing it. It is the same school.

Mr. Qualls stated we are going about it in a different way. We are not really changing any policy that is in place.

Mr. LeMenager stated Mr. Berube makes a great point. How would we ever enforce it? There will not be anyone on our staff who will look at all applications to be sure each kid has a hold-harmless agreement signed by a parent.

Mr. Qualls stated the District Manager in conjunction with Mr. Golgowski will do that. The kids have already filled out the application as I understand it, so we know the kids who are going to participate. Now they need this hold-harmless agreement to be signed by their parents.

Mr. Golgowski stated this is a science project for the science fair, and it is three students. Their parents will be accompanying them.

Mr. LeMenager stated I was not aware it was only three kids.

Mr. Walls stated I do not have a problem with this. What Mr. Berube mentioned about their use of the swimming pool, can the school sign a waiver of liability for parents?

Mr. Qualls stated I will refresh my memory, but I met with the attorney for the School District, and we went through the process to get an agreement in place to allow the swimming lessons to happen. It is an interlocal agreement between two governmental entities. The idea is since the school has the ability to provide swimming lessons and since the District has the ability to maintain pools, then the school can come onto the property and provide swimming lessons in the District's pool, since they can access it anyway. It was a different agreement since we thought it would be easier and it would be an ongoing annual process, rather than requiring every student every year to provide it. Anytime you have attorneys representing government entities, there is a process, and that is how it is.

Mr. Berube stated I am not questioning the need for it, but it is a different process from anything we discussed previously. To Mr. LeMenager's point, I want to know who is going to monitor that every kid who goes into the pond or near the pond has this hold-harmless agreement.

Mr. LeMenager stated it is only three kids.

Mr. Berube asked have you vetted this science project regarding the biology of what they will be doing in the ponds?

Mr. Golgowski stated they are sixth graders and they are looking at the algae growth in ponds. They will compare four ponds that are being treated each month versus one pond that gets no treatment, which is their control pond. I am looking forward to the results of their project.

**iv. Amendment to the Scope of Services for Luke Brothers**

Mr. Qualls stated since the Board has decided to restructure the contract with Luke Brothers, which is well within the authority of the contract, I have been working with Mr. Moyer, Mr. Haskett and Mr. Lucadano to make sure we are all in agreement as to the scope of services when it comes to irrigation. As long as the District Manager is in agreement with Luke Brothers as to what happens when there is a break and determining who is responsible for the break and how to address it, this should not be an issue. I think we are very close to resolving this scope of services.

Mr. Evans stated we approved sending the 60-day notice to Luke Brothers at our last meeting.

Mr. Qualls stated that has been done.

Mr. Evans asked is it your intent to have an amended and restated agreement to be executed on that effective date that defines the revised scope of services?

Mr. Qualls stated that is one way to handle it. I also think that the contract is broad enough that if the need for services changes, this can be done within the existing contract. It will just be important. Perhaps we can reference just this new scope of services, but this is the third time that the scope of services has been amended. I do not think there needs to be a formal resigning of an amended contract. I revised the scope of services to be sure everyone is in agreement with this change, which was at the request of Luke Brothers.

Mr. Evans stated the reason I brought it up is because we had a change previously and now we are making another change, while we still have a period of time on their existing contract, with the intent that the provisions of this contract, as you are drafting, would be the same contract that we would utilize going forward when we rebid this contract, whether it is with Luke Brothers or another company. Is it in our best interest to have an amended and restated agreement that we are not extending but we are just cleaning it up? It is more of a housekeeping item. Either we do it now or we do it later.

Mr. Qualls stated I do think that is the cleanest and best way to do it. I just do not think it is necessary. It will just reference the new scope of services and have a different date. The rest of the terms will remain the same, but the cost would be changed as well. Then we would have a clean record of it.

Mr. Evans stated it gives us a clean record, and it is easy to monitor and track. But it will also be the blue print going forward when we get ready to bid this work.

Mr. Qualls stated it is a very thorough and very good scope of services, and I think it is a good idea to have that memorialized.

Mr. Berube asked did we give them their 60-day notice?

Mr. Moyer stated yes.

Mr. Berube asked did we build in any flexibility?

Mr. Moyer stated November 30 is the date we are targeting as their effective date.

Mr. Berube stated we are already at the end of October, and from what I read today, the job is not even posted yet.

Mr. Walls stated but we have the staff member who will be doing the job.

Mr. Tome stated the bigger question is who will be the new maintenance person.

Mr. Berube asked will we be able to complete everything by November 30?

Mr. Haskett stated yes, I think we will. The November 30 date is more than 60 days, and Mr. Lucadano preferred to have the effective date at the end of the month rather than have to prorate their fees.

Mr. Berube stated as long as you think Mr. Druckenmiller can handle both jobs, and Mr. Belieff can help cover.

Mr. Haskett stated yes, we will be fine.

Mr. Evans asked does it make sense to have an amended and restated agreement dated December 1, 2011, but not change the termination date?

Mr. Qualls stated yes. If the Board wants to approve that now, then it will not need to come back to you for approval in its final form at the next meeting, even though the next meeting is in just a couple weeks. We are very close to a final agreement, and they have an understanding about the change. It is just a matter of getting it executed.

On MOTION by Mr. Walls, seconded by Mr. Berube, with all in favor, unanimous approval was given to an amended and restated agreement with Luke Brothers, as discussed.
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**B. Engineer**

There being nothing to report, the next order of business followed.

**C. Developer**

**i. Bobcat Company Invoice**

Mr. Haskett stated I forwarded this invoice to the Board for your review. I submitted the original invoice to Coral Springs for payment, but they did not want to pay it since according to the minutes, I said it would be \$7,000. I normally do not use exact numbers and I believe I said “around” \$7,000. The total ended up being \$7,323.24

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to the invoice from Bobcat Company in the amount of \$7,323.24

Mr. Moyer stated the auditors appreciate these kinds of actions because that is internal control that accounting will not pay an invoice because they did not have authority.

**ii. Tree Trimming**

Mr. Haskett stated I am working with Mr. McMillan on a street tree proposal for a certain number of trees based on what we have budgeted. I think they did a great job last year with their street tree canopy cleanup. The trees look great now. This year we need to do the interior streets and trim the sycamores and the shumard oaks. We are close to an agreement on a number that I will bring to the Board for your next agenda. I would like to see this work done before December.

**iii. BrightHouse Invoices**

Mr. Berube stated we have two bills from BrightHouse that we receive every month. I understand one is for each of the swimming pools. At this point, we do not have an internet connection at the dock.

Mr. Haskett stated we do from the generosity of the developer.

Mr. Berube asked will that bill need to be paid by the CDD?

Mr. Haskett stated no, it will run from a router at the Enrichment Center down to the control unit.

Mr. Berube asked at this point, these internet lines are for camera access?

Mr. Haskett stated they are primarily for the security card access system so that we can change, add and delete information in real time, as well as the security cameras.

Mr. Berube stated we are paying \$125 per month for each of these lines. That is a huge line for what I perceive to be a very small need. I wonder when BrightHouse offers

internet access at 2 Mbps x 512 Kbps, why are we paying for 15 Mbps x 2 Mbps at this high dollar amount? Maybe there is a need for it. why do we have this big of a line for this limited use?

Mr. Haskett stated we need to have a static IP address, and that was the best deal we could get by ordering commercial static IP addresses. If we can save money and go to a different program, I have no problem with that.

Mr. Berube stated on the page for BrightHouse's Commercial Solutions, we are almost at the top of the list as far as you can go with pipeline size, and the 2 Mbps option will be probably \$50 per month rather than \$125.

Mr. Haskett asked does that option include a static IP address?

Mr. Berube stated nothing is listed about static IP addresses, but that should not matter because we are paying for those separately.

Mr. Walls stated they charge \$4 or \$5 per month for those static IP addresses.

Mr. Berube stated I am not saying there is anything wrong with this bill, and perhaps we do need it, but it seems like it is very high.

Mr. Haskett stated I will look into it.

Mr. Berube stated when you look at one bill for \$125 per month, in the overall picture, it is not very much, but this will be going on forever.

## **SEVENTH ORDER OF BUSINESS**                      **Supervisor Requests**

Ms. Kassel stated Mr. Berube mentioned that the new job position was not posted yet. I want to know what is happening with that.

Mr. Moyer stated I discussed that a little prior to the meeting. This is an inherent weakness of big companies. It is a process that they go through. Once the decision was made, they need to verify that the Board, in fact, did approve the amendment to Severn Trent's contract to cover the costs of the employee before they hire the employee because they do not want to get stuck paying for an employee that we are not going to reimburse them for. That is one step. Then they have a series of steps where they post it internally so Severn Trent employees who are interested can apply for the transfer. Of course, that will not happen on an entry-level position because most employees at Severn Trent are above that level. The bottom line is, it does take 60 days to work through this process.

Ms. Kassel asked where are we?

Mr. Moyer stated based on what Mr. Berube and the Severn Trent staff just sent through, much to my chagrin, they posted the advancement for Mr. Druckenmiller to move into the irrigation technician spot. I do not believe they have posted the other position internally.

Mr. Berube stated yesterday I spoke with corporate HR to Ms. Jennifer Perott. What Ms. Maria Fuentes, out of the Celebration office, said to me is that she included Ms. Perott's contact information just in case we need to speed her up. This has been floating through the Severn Trent system for 30 days. This is my second follow up on that.

Mr. Moyer stated there will be a point where, when we have all had enough of this "big business" protocol, if I have to hire the person, then I will hire them through my company.

Mr. LeMenager asked then why do we need Severn Trent? Does Mr. Moyer's firm provide all these services?

Mr. Moyer stated I have a contract with Severn Trent.

Mr. Berube stated what we are learning is that it takes more than 60 days every time we want to hire a new employee. When we do this again, then we will look out 90 or 120 days.

Ms. Kassel stated I know we mentioned perhaps having a workshop to discuss trees, but I want to understand what Celebration's experience has been with their trees near their sidewalks and curbs. How long has Celebration been in existence?

Mr. Moyer stated 1994. The situation in Celebration is terrible. Whoever the landscape architects are for all of these wonderful new communities used exactly the same plant palette. Everything you are talking about is a problem everywhere. In Baldwin Park, we have a problem with the types of oaks that they installed. The magnolias are a problem. It sort of goes with the territory. It is part of the business that we are in as far as managing all of this infrastructure.

Ms. Kassel stated what I will want to know by the time we have our workshop is what are they doing about it. What has their response been?

Mr. Moyer stated their response is that they do a lot of sidewalk grinding, as we have done in the past. When there are areas where grinding is not the answer, they replace the sidewalk panels. It is so significant in Celebration that we have two employees that do nothing but grind and replace sidewalk panels.

Ms. Kassel stated I wanted to comment about the issue from last month with the FDOT agreement. Because there was a discussion about trust, on my part, it was not a matter of trust at all. I trust that our staff is doing what you need to and what is the right thing. For me, it was only a matter that I felt I was not doing my responsibility that I am legally required to do as a CDD Supervisor to approve an agreement that I have never seen. I just wanted to share that on the record, that it was not a matter of trust, but it was simply that I felt I was not doing my responsibility properly if I approved an agreement that I never reviewed.

Mr. Qualls stated you are correct. FDOT is not my client; you are my client and I respect all of you, and that will never happen again.

Mr. Walls stated I discussed this with Mr. Qualls and I am happy with his explanation. I trust him.

Mr. Berube stated I have some material to distribute regarding water issues. There are several things going on with Toho Water Authority (“Toho”). I went to a Toho meeting last night, and some of us are aware that there has been a pilot project running out here for the last six months having to do with water quality. They have managed to get the water quality within DEP specifications, so they have complied with the Consent Order. As of September 30, 2011, they finished the Consent Order and they have to make a motion forward as to what they are going to do. The current water treatment process, as it exists, will not be a good long-term solution. They hired an engineer, which is the same engineer that came up with this process, to produce a cost/benefit analysis report that is due to DEP before November 30, 2011. It will come down to one of four things: ozonation treatment, chlorination aeration, a charcoal filter, and reverse osmosis. They posted ozonation as the top choice. I spoke in favor of that because I have had experience with ozonation in previous residences. It is a good water treatment process. Toho has experience with it because they have one plant already that has ozone-treated water. In December, a decision should be made by the Toho Board as to what water treatment we will have here. Any one of the four choices will probably produce better water than what we have now. As part of that meeting last night, they discussed what they are going to do with meter charges. I researched this a few months ago when we were discussing flow meters and the potential return on investment of installing flow meters on Maxicom. As you analyze the bills, we are oversized on a number of meters. Virtually all of our meters

are oversized in flow capacity. The problem with that is you pay for that flow capacity every month. The good news is, the potable water and sewer charges have been revised, and they have all decreased. This chart shows all our meters and how many we have of each size. Under the "Current" column is what we pay for that meter right now. Under "Revised" is what the revised price will be. The potable and sewer charges are decreasing significantly. The flip side of that is, the usage that goes through that meter is increasing. They will lower our meter charges significantly, but the more you use, the more you will pay, and it is not a linear scale. As you increase your usage, your bill will increase substantially. The good news is that most residents' bills will decrease substantially because we were the highest price. Now we will be equalized with the rest of Toho's customers. Under "Resized Dollars" shows what it will cost to resize each meter. The savings per month is shown in brackets at the end. The bottom line of all this analysis is, if we reduce the meter sizes, it will cost \$12,200 to change all 18 meters. Our monthly savings is \$1,231, so the payback period is 10 months. On the negative side, we may have to incur some landscaping costs because the meters that are above ground are surrounded by plant material. Toho will have to get to those meters, so we will need to remove some of the landscaping and potentially put it back. Perhaps that is the time that we upgrade the plantings that are around those meters. I think there will be 10 meters that are above ground. I have no idea what the landscaping costs might be, but I would estimate it at \$500 each meter. Even including those costs, our payback is less than two years by downsizing the meters. These savings will then continue into the future forever. Another negative is, with the irrigation, when we downsize, we need to consider the irrigation and it will need to run in smaller periods of time. When you reduce the meter, we still need to get a lot of water through the meter, but we have 18 reclaimed meters with 453 zones. If there is not enough flow at some particular time, it should just be a matter of resetting Maxicom and spreading out the run time on those zones so that the meters can handle the flow. Under "Revised Bills," the reclaimed meter fee is increasing. I show the numbers with question marks, and those question marks will be the revised rates. The meter fees for reclaimed water are increasing 7%. That has not been finalized by Toho yet, but it is very likely they will increase those fees 7%. Remember that 40% of our water bills are meter fees, 40% is water usage on reclaimed meters, and those numbers vary a little. We pay as much for the meter fees as we do for reclaimed water.

Ms. Kassel stated we are not even getting reclaimed water.

Mr. Berube stated that is correct; there is not enough reclaimed water to go around. If we want to proceed with this, Toho is ready. It is hard to figure the payback period because of the landscaping, but just in relation to the meters, it is 10 months. It seems like a relatively easy thing to do.

Mr. Moyer stated I think Mr. Berube has done a great job with this. When you start talking about reducing meter sizes, I sense there was a reason for the meter size in the beginning. I would like Mr. Boyd to review that and tell us whether or not there will be any problems with reducing the meter sizes, just to make sure there will not be a problem.

Mr. Berube stated I thought about that, also. When you look at our bills over a period of time, there is a graph on there that shows what our usage is. Mr. Boyd is welcome to look at it, but I already did the background work looking at flows between a 3-inch meter and a 2-inch meter to see what the capacity restriction would be. We are nowhere near what our average daily flow is over a year's worth of use. The potable and sewer use are primarily at the pool. Those meters are way oversized for some reason, and I do not understand why. I am sure they were thinking future capacity, and perhaps they did reclaimed the same way. At this point, we are pretty well built out.

Mr. Moyer stated I can guess at the pools, and it has nothing to do with use; it has to do with fire flow. That is not unusual, and those are probably considered commercial buildings. That is why those meters are oversized.

Mr. Berube stated that sounds reasonable. That is why I did all the background work that I could do. I think we get everyone's comments.

Mr. Walls stated I think it is excellent work. I think we should have an expert sign off with his approval, and if he approves, then we can move forward and save some money. I appreciate the time Mr. Berube has spent on this project.

Ms. Kassel stated thank you for your time.

Mr. Berube stated we have other utility bills that have various problems with taxes and the way they are figured. I have already sent some of them through Ms. Burgess, and she has talked to OUC, who responded with what I would call gibberish. We are paying taxes on certain bills that we should not be paying. I think Mr. Moyer has also been following the email exchange. That includes all of our phone bills. We have three land line phones for Maxicom and we have three Century Link phone bills. All of these

phones should be doing basically the same thing, which is dialing into the weather station through the Maxicom controller.

Mr. Moyer stated that sounds right.

Mr. Berube stated I believe all three of these phones lines are doing the same thing, but we are paying three different amounts to Century Link every month for three virtually identical phones. All three lines have different plans assigned to them. One has a long-distance charge, one has a presubscribed line charge, and one has a subscriber line charge interstate. It does not make any sense. Mr. Haskett did a good job with BrightHouse, and we pay no taxes on those bills. But Century Link and AT&T have all the taxes. As I read the law, we should not be paying at least some of these taxes, and we need to get this straightened out. They are small amounts of money, but it has been rolling on for quite some time.

Mr. Moyer stated we are not exempt from some taxes, and some taxes we are exempt.

Mr. Berube stated I understand that. There are all kinds of fees and charges.

Mr. Evans stated that sounds like a task for the manager's office.

Mr. Moyer stated that is correct.

Mr. Evans stated we have made him aware of it and he already has the authority to proceed to correct it.

Mr. Berube stated in time, it adds up to a lot of money.

Mr. Evans stated excellent work; very informative.

Mr. Berube stated last month, Mr. Walls asked about OUC meters that show zero usage. Looking back, there is usage every once in a while, but they use so little usage in an average month that it is not 1 kilowatt hour. About twice a year, those zero meters do click for 1 kilowatt. Those bills include \$10 for the meter and \$.42 for electricity. But we will not be able to change those since we cannot downsize those meters.

Mr. Walls stated I want to thank the audience for attending our meeting and staying to the end.

A Resident stated I want to thank the Board for the job you are doing. I am listening to all your discussions, and I can sleep easier at night, knowing that you are working on our behalf. Are the reports that were distributed public information?

Mr. Moyer stated yes, and it is all included in our website.

Mr. Berube stated it is [www.HarmonyCDD.org](http://www.HarmonyCDD.org). You can look at the Agendas page. All of our agenda packages and all the documentation for these meetings are included for the past five years or so.

The Resident stated this information is extremely important.

Mr. LeMenager stated we had a very large crowd tonight, especially at the beginning of our meeting.

The Resident stated we are on the Board for the Ashley Park Condominium Association, and some of the problems you are dealing with, we will be facing, as well. We are here for interaction to find out how you address issues and how we can try to cover our needs, as well. We appreciate the information.

Mr. Walls stated I know I give staff a hard time quite often, but I really appreciate what you do.

Mr. Haskett stated we feel likewise.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

The next meeting will be Thursday, November 16, 2011, at 9:00 a.m.

The meeting adjourned at 10:45 a.m.
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Gary L. Moyer, Secretary

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Robert D. Evans, Chairman