

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, February 23, 2012, 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 (<i>by phone</i>)	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 Golgowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Mike McMillan	Luke Brothers
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 January 26, 2012, Regular Meeting

Mr. Moyer stated these were just emailed to the Board. Ms. Burgess was ill for most of the month and we did not have them in time to include in the agenda package. They will be in the March agenda package for the Board to approve.

THIRD ORDER OF BUSINESS

Audience Comments

Ms. Jeanna McGinnis asked do you know where we stand on the No Fishing sign on Bracken Fern?

Mr. Haskett stated no, I do not.

Ms. McGinnis asked is the Board seriously considering taking Luke Brothers and the turf contract out to bid or where do you stand with that? I think their service is deplorable and has been for some time.

Mr. Evans stated that is a topic we will be discussing at tonight's meeting.

Ms. Pam LeMenager asked is it possible for Ms. Burgess to make a notation at the beginning of the minutes to indicate what items were discussed? Then when someone looks back at the agendas, it is easier to get through them. For example the canopies at the playground, that could have been placed at the front of the notes saying the Board discussed canopies on page 7. There is nothing like that in the agenda packages. When you are at home wondering when the canopies were approved, we have to look back through three or four agendas.

Mr. Walls stated I believe the agendas on the website are searchable.

Ms. LeMenager stated that would be great. I usually just look at the hard copies from previous meetings.

Mr. Walls stated that might help in your searching.

Ms. LeMenager stated something else I wanted to bring up, in the last budget meeting, you discussed power washing the sidewalks. You purchased a power washer and then you found out there were not enough water sources in order to do the sidewalks. I do not believe anything has happened on that so that the sidewalks can be done. That will be another expense that the Board will need to consider. With the trees, there will be a lot more sidewalk grinding because of the roots and the placements of the trees. I understand there have been some large expenses that have not really been divided out throughout the year, but it looks like the budget is not looking fantastic at the moment. If you approve anything to beautify, I would ask you to keep in mind that you are going to have some large expenses coming up. If you want to keep the mindset of not increasing our assessments, at the end of the year when you have money left and consider projects to use that money, for possibly you should save that money for the next year for that year's expenses. Harmony will be one year older at that time.

Ms. Kassel stated we do put aside an amount for reserves every year to address that question.

Mr. Walls stated it is hundreds of thousands of dollars.

Ms. LeMenager asked can those reserves be used on general upkeep?

Mr. Moyer stated yes.

Ms. LeMenager stated that is fantastic.

Mr. Alan Santacruz stated I had a situation with Mr. Thomas Belieff. I addressed it with Mr. Haskett that Mr. Belieff has been harassing me and was trying to score some

drugs from a neighbor of mine. I spoke about this with Mr. Moyer. I went to my neighbor's house and spoke to his wife to address the situation because Mr. Belieff called and asked them if he could buy some marijuana. My neighbor said he does not do that, and Mr. Belieff said that he heard from his neighbor [me] that he could get some there. I have never had an agenda for anyone, but I have had a problem with him. I had a problem with him about three weeks ago when I was fishing. I went fishing with another resident who lives on Schoolhouse Road, and we went fishing with our two boys. We wanted to use the fishing poles, and Mr. Belieff gave us one fishing pole. He could have had the courtesy to give us enough fishing poles. We have been having an ongoing situation with him, so much so that my family and I feel uncomfortable with him. I went around to a couple residents to sign a petition to have Mr. Belieff fired. Mr. Moyer was very respectful and came to my house to talk with me about this situation. I feel very negative the way Mr. Belieff is treating me and others. There are some residents at tonight's meeting who signed the petition to have him fired. I think it is time to take some action toward him. One of the residents said Mr. Belieff was trying to buy some marijuana that he heard from me where he could get it, which is not true at all. I feel very bad that Mr. Belieff did that to one of my neighbors. I try to get along with all of my neighbors. It seems the only person I have a problem with as of now is Mr. Belieff. I do not know how to address it anymore. I was out walking a couple days ago and he started calling me names. I just stayed quiet about it. I feel very uncomfortable with him around. I spoke about this issue with Mr. Haskett and I met with Mr. Moyer. We have a problem with stray cats in my neighborhood and no one is owning up to it. They are just all around my house and around the block on Bracken Fern. Those are my two issues.

Mr. Evans stated relative to the stray cats, the HOA made a decision last night to pursue a removal program for the stray cats for the next couple weeks. I am not sure when that will be implemented, but we will attempt to get the stray cats under control. Regarding your first issue, I appreciate that you took the proper channels to address this directly with Mr. Moyer. I would like to hear what Mr. Moyer has to say about the matter.

Mr. Moyer stated what Mr. Santacruz indicated in terms of my meeting with him is correct. The situation that we currently are faced with is he said/he said, which on either side is not corroborated by anyone. I talked with Mr. Belieff, and he indicated he never

did any of the things he is being accused of. I have no reason not to believe what Mr. Santacruz and his neighbor are saying, but in order for me, personally, to discharge Mr. Belieff, I am going to need to have something more than “someone said something about someone else.” That is third party information, and none of it can be documented. That decision ultimately, however, does not lie with me. That lies with Severn Trent Human Resources, who has procedures and protocols in place to deal with these types of things. That is their responsibility, not mine. They have been made aware of the situation. As far as the issue of Mr. Belieff having future dealings with Mr. Santacruz, what I told Mr. Belieff today was that when Mr. Santacruz wants to take out a boat, then Mr. Belieff needs to get Mr. Druckenmiller or the new hire to accompany him to do that. I do not want Mr. Belieff to be with Mr. Santacruz alone, at least in the foreseeable future. If Mr. Santacruz does not abide by the rules, then I want it documented by a second person so that we do have some facts. In this particular case that he is referring to, there is a third-party witness that the boat was returned late. It was supposed to be returned at a certain time, and it was not. Mr. Santacruz had the boat reserved, was using it, and came back 22 minutes late. The suggestion was that we suspend his privileges for using the boats for 60 days. I do not believe I am going to do that. Where we are is, I have a letter prepared that I will send to Mr. Santacruz tomorrow that says I have verified that he was, in fact, late in returning the boat and if it happens again, under the rules of the District which are cited in the letter, then we will suspend his privileges. That is where I am in this process. I think it is probably the fairest position to be in at this time.

Mr. Berube stated we need to remember that going back a year or so ago, there was a situation regarding Mr. Santacruz and Mr. Belieff where Mr. Santacruz had some beer in a cooler and was trying to bring it on the boat. Mr. Belieff got involved in that and stopped him from doing that, which created at that time a little bit of “bad blood” between the two. I do not think the situation was ever smoothed over, and I think we need to think back a little ways and look at the bigger picture of the history between the two parties before we take any stern action in any direction.

Mr. Evans stated I appreciate Mr. Santacruz taking the direction that he did by going to the manager and talking with Mr. Moyer about the issue. Mr. Belieff is an employee of the management company, and the District hires the management company, so there is a series of channels. The management company will look into any accusation made against

any of their employees on any basis. They have to make that determination, if it is a he said/she said situation or whether it is a conflict of personalities or something else we just do not know. I do not think anyone likes to rush to judgment on anyone or any side. I was not first-hand privy to any of the conversations, and I do not know if any of the other Board members were either. We are at the point where you brought a situation to our attention, and we are not trying to say he did or he did not, or you did or did not. That is not the position of any of the actions that are taken here. What is clear is at the very least, there is a personality conflict between Mr. Santacruz and Mr. Belieff. That happens; that is just nature. There will be times when you get along great with people and some who just rub you the wrong way. Sometimes you just cannot explain it. I think what we can do in this case is the situation that Mr. Moyer suggested by having Mr. Santacruz interfacing with someone other than Mr. Belieff to address your needs as a resident and for Mr. Belieff's sake, too. I really do not want to get into a he said/she said argument, and I do not think it is productive. I think we follow Mr. Moyer's suggestion by having Mr. Santacruz interface with someone other than Mr. Belieff to move forward with your needs for utilization of the boats.

Mr. Santacruz stated regarding the first incident with Mr. Belieff, I have it documented with the Osceola County sheriff. There was no beer involved. Mr. Belieff first came to me when I moved here two-and-a-half years ago and went fishing with my brother and my father. He proceeded to say he wanted to check my tackle box. I was ready to let him do that, but my brother and my father said he should not because he is not law enforcement. We called the sheriff's department, and I have it documented. I did not make a big deal about it back then and I let it go because I was new to the neighborhood and wanted to give him a chance. It has just been an ongoing situation with Mr. Belieff. We had a problem a couple weeks ago and he called the sheriff on me for no apparent reason for a fishing pole that he lent to me. Instead of him being at the dock to receive me when I returned, he called me and said he was not going to be there and said I should close up, take the fishing pole with me and return it to him the next day. My wife went to West Palm Beach and had the fishing pole in her vehicle, so I told Mr. Belieff that she will be back Sunday night and I will return it then. He was really upset over that. He tried lunging at me, and I was going to defend myself. He called the sheriff, and we both ended up going our own ways. On New Year's, my neighbor came to me and told

me about the situation with drugs, trying to get drugs from my neighbor saying that he heard from me where he could get them. I do not even have a relationship with Mr. Belieff.

Mr. Evans stated we have already heard what you have had to say. From a beneficial standpoint as far as moving forward, we need to put those incidents aside. I am not downplaying anything that you have said, but we want to move forward. There is obviously a conflict. Whatever the basis or foundation there is for that conflict, it simply exists. I do not think anyone has to dispute it. I think the actions that Mr. Moyer is suggesting should be beneficial to both you and those others who may have a personality conflict with Mr. Belieff. We have alternative personnel that you can work with. That is the direction that we would like to go in.

A Resident stated I am new to the community, but my family has been to the dock with Mr. Belieff. He is not a nice person, and I will sign that petition. I think you should send out an email because everyone I have spoken to during the seven months I have lived here does not like him. He is rude to everyone.

Mr. Walls stated I cannot speak to what anyone has said, whether or not it is true. I dislike that these comments are going to be in the minutes unsubstantiated. I have lived here for six years and most of that time I was not a member of this Board. Mr. Belieff has been nothing but a stand-up guy toward me and my family. He has never said a cross word to me. He has accommodated me at all hours whenever I want to take the boat out within the time limits.

Ms. Kassel stated I would agree with that. Before I was a CDD Board member, he was always very pleasant and accommodating. He was always nice to me. It is always curious to me when I hear people say something to the contrary.

Mr. Glen Becker stated I have lived here seven-and-a-half years, and I have the highest possible praise for the way Mr. Belieff has done his job. He has been extremely accommodating.

Mr. Evans stated so you see the dilemma we are in. There are some residents who get along great with Mr. Belieff and some who may not. If you do have an issue, regardless what it is, if you would like to interface with someone else, I am sure that we can accommodate you because we do have other staff who can help utilize the boats.

FOURTH ORDER OF BUSINESS

Subcontractor Reports

A. Aquatic Plant Maintenance – Bio-Tech Consulting

i. Results from Science Project

Mr. Golgowski stated a few months ago, the Board authorized a science investigation on our ponds. Miss Megan Bell is a student at the community school and has prepared the results of her study of our ponds. She started with a small group on this study but ended up completing it on her own and did an excellent job. I was privileged to serve as a judge in some of the preliminary reviews of all the science projects. We have some great talent coming from the school, and Miss Bell is one of those people.

Miss Bell stated out of the five ponds we reviewed together, pond 33 had the most amount of biomass growing in it with the average total of the sample being 188.1 grams.

Mr. Evans stated that was the pond that had the most.

Miss Bell stated that is correct.

Mr. Evans asked over what period did you conduct these tests and at what frequency did you take your sampling?

Miss Bell stated we performed them in one day. I did three, and they were performed in the fall. It would be a more accurate sample testing by doing it in the spring or the summer because algae grows faster and is more productive than in the winter and the fall.

Ms. Kassel asked which pond had the least amount of algae?

Miss Bell stated pond 27, which had 7.5 grams of biomass.

Mr. Evans asked did you determine any correlation or similarities among the ponds as to what may be causing the difference?

Miss Bell stated if there is direct sunlight, if they are around houses, if they get pollution or if there are any micro-organisms living in the ponds.

Mr. Evans asked so you are saying the ponds that have more houses draining into the ponds had more algae growth?

Miss Bell stated no, they had less algae growth.

Ms. Kassel asked how is the sun related? Is there more or less algae for ponds getting a lot of sunlight?

Miss Bell stated they had more growth.

Mr. LeMenager stated that makes sense, but it does not make sense that ponds around houses had less algae.

Mr. Walls stated unless the houses are blocking the sunlight.

Mr. Evans asked what was the problem you wanted to identify?

Miss Bell stated to determine if the untreated ponds had more or less biomass than the treated ponds.

Mr. Evans asked what was your hypothesis?

Miss Bell stated treated ponds may contain less biomass than untreated ponds.

Ms. Kassel asked what were your results?

Miss Bell stated my hypothesis was incorrect.

Mr. Evans stated that is exactly how you find out. You start off with an assumption or a belief, you look at the data, and you believe your data. Sometimes your data and findings turn out to be something different than what you originally thought.

Mr. Berube asked what do we mean by “untreated?”

Miss Bell stated untreated ponds do not have chemicals inside them to produce less biomass.

Ms. Kassel stated your hypothesis was that the treated ponds, which are treated to have less biomass, actually have less biomass. But that was proven wrong since the treated ponds have more biomass.

Miss Bell stated that is correct.

Ms. Kassel stated this is where her alternative hypothesis comes in. It may be that these ponds are treated because they have a tendency to have more biomass, and therefore, they need to be treated.

Mr. Berube asked when you are looking for biomass, are you looking for dead plant material?

Miss Bell stated yes.

Mr. Berube stated treating plant materials with chemicals and killing the plants adds biomass to the water. Is that the final conclusion?

Miss Bell stated yes.

Mr. Evans asked did you attempt to identify the types of biomass?

Miss Bell stated we tried but we could not figure it out very well.

Mr. Evans stated this was a valiant effort, very well thought out. You provided good exhibits. They are very well organized so we can follow along with the problem, the hypothesis through to the conclusion, including your graphics, and the degree of your data. I think it was very well done.

Miss Bell stated thank you.

Ms. Kassel asked do you think the community is green? I see the title you have is “How Green is Your Community?”

Miss Bell stated I do not really know.

Mr. LeMenager stated you can be honest; it is called candor, not rudeness.

Mr. Evans stated anytime you prepare a report, you have an analysis. As your career advances in whatever direction you choose, people will be making decisions based on your research. They will look to you to be able to present those findings very factually. It could be a major component part of the decisions that are being made on a larger scale. When you present something to them, they are looking for you to do away with all the sugar coating. Either you like it or you do not, and if you do not like it, here is why. Either you support it or not, and here is why. They will respect you greatly for being very blunt and very straightforward. Never be bashful when you prepare a report that shows your findings. It is up to them to decide from that point going forward what decisions they will make and how they treat that data. Then your presentation is pure, and it simply provides the information. The decision makers will then go forward from that point. Never be shy about telling the truth. What are your overall thoughts and opinions based on the conclusion of your analysis?

Miss Bell stated ponds near houses are not really green because there is so much pollution going into them, probably from the chemicals coming from the houses draining into the ponds. When you look at the ponds that are not near anything, either just by trees or the golf course, they are greener.

Mr. Evans asked in your analysis, did anyone explain to you the function of these ponds and why they are here? Did they get into the purpose of these ponds? When you get into your analysis, sometimes people will ask if you considered a particular aspect. What happens when you have ponds that are close to houses, those ponds are capturing all of the runoff because there are more roads that serve those houses, so there is more surface area of roadways. Oil and rubber and other materials are on the roadways and end up getting washed into the ponds that are closer to the homes. You also get a hodgepodge of fertilizers and treatments from the houses. Some under fertilize and some over fertilize, some have too much pesticide and some have less. There is not a lot of consistency to the level you may have. At the golf course they have a totally different

approach to it. So you will actually get more contaminants. Those ponds are designed to catch all of that and filter it. That supports your finding, that because those ponds collect more rain water from highly impacted areas, they will support exactly what your findings are. So you were correct. It was an excellent report. Thank you for presenting it to us.

ii. Monthly Highlight Report

Mr. Golgowski 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. Golgowski stated with the warm weather, we are getting a little more algae growth because there has been more pollen on the water surface. I have not heard anything happening out of the ordinary.

B. Landscaping – Luke Brothers

i. Monthly Highlight Report

Mr. McMillan reviewed the monthly 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 the Board approved the tree trimming proposal last month, and that work has been occurring this week. We are about 50% complete. The residents have been doing a good job as far as following the signs and not parking on streets where work is happening. There have been only three trees that have not been able to be trimmed because of cars being parked underneath, and we are keeping an eye on those. The crews should be working through Saturday. We are going into our final month for mulch, and we will make sure we complete this work on time for the remainder of the property. We are performing the spring trimming of the grasses next month. A lot of the flowering shrubs should be able to grow better with the annual trimming of the azaleas and other plants of that nature. In March, we will be mowing the turf three times pursuant to the contract. We have been dealing with the mild winter and it has been warm this week so everything has been growing.

Mr. Evans asked when your crews are trimming the trees, what are they using for tools?

Mr. McMillan stated power pruners, chain saws, and hand saws.

Mr. Evans asked what kind of oil are you using?

Mr. McMillan stated chain oil for the motorized tools.

Mr. Evans stated when you are using the chain saws and power tools, you can use an olive oil because it is an antiseptic. When you cut the branch, you are putting a chemical on that fresh cut on the trees. If you cut a tree limb and that tree is diseased, you will be transferring that to other trees as you prune them. If you clean out the chain saw or pole saw and use a cheap olive oil, it should not be any more expensive than the oil you are using now.

Mr. McMillan stated it should be less expensive. I will check on that.

Mr. Evans stated it serves as an antiseptic for those trees. My neighbor is an arborist and he just shared that information with me.

Mr. LeMenager stated regarding the mulch, you did a very nice job on the park by my house. I did not check all the other alley parks, however. We have put a lot of mulch immediately next to the roadway. That will all end up in the drains. We have a problem behind our house right now with mulch blocking the drains and the water can get to a foot deep. There needs to be some sort of restraint next to the roadways. Probably the most important infrastructure we maintain here is our water drainage system. It went through Hurricane Faye with flying colors despite the fact we had about 72 hours of constant rain. I must admit with all the mulch we have now, I am concerned what might happen the next time we have a similar rain event. I might suggest putting down more of a barrier to keep mulch from going down the drains.

ii. Contract Renewal

Mr. Berube stated I have said this before but I will say it again. I have heard from at least four residents over the past couple months regarding services from Luke Brothers, and they are not happy with it. I heard Ms. McGinnis comment on her lack of confidence in their ability. When we go over the entire Luke Brothers package, we are getting to three years having them as our landscape contractor. We have had three different onsite managers. We have had plenty of different support staff, and all of their laborers have had a lot of turnover. We have been promised 14 people on their crews, and they do not have 14 people here. In most recent months, they have had eight. In addition to our project, they are doing work for the developer and the townhomes, and they have done some work for builders. In my opinion, the work is sloppy. Even as I read every monthly report, they are always behind. When you read our contract, it is very specifically written where they are supposed to be proactive in applying chemicals for fertilizer, weed control, pest control, fungus and others, they are always behind. In fact, when I read the

February report, some of the things it says is they will be mowing the property the week before they are shut down. That shut down was at the end of December. Another line reads that shrub pruning will be completed throughout January. Another line reads all weeding will be completed by the end of January. This is the report for February, and he is indicating items from one and two months previous. It goes with the sloppy aspect of the landscaping and the lack of detail. Recently there was a green stripe put down in the middle of the road, and it is a half mile due to landscape paint. The list goes on and on. I will reinforce what Ms. McGinnis said tonight and what I said last month that I think we need to go out to bid for this contract and see what happens. I am not happy with it.

Mr. Evans stated I know Mr. Berube has been dissatisfied with the quality of work, and I do not think that is a secret. Do you feel that they need to be replaced and that a new company will be the solution, or just an alternative?

Mr. Berube stated I do not know. Mr. Haskett works closely with this contractor, and it seems Mr. Haskett spends a significant portion of his time keeping Luke Brothers on track. I do not know that replacing them is the right solution. We could conceivably go from bad to worse. We could also go from bad to better. I do not know that. But we have had three onsite managers. The managers are always on a learning curve. The laborer staff turns over frequently, so they are always in a learning curve. Over time, we realized they were not doing a very good job with trash collection and doggie pots, so we removed that from their contract. We also realized over that same period of time that they were not doing a very good job with the irrigation, so we removed that from the contract. I just wonder how much more we can piece out of the contract before there is nothing left. It is coming up for renewal later this year. I do not know what the right move is, and I realize we could go backwards. I do not know that we can continue forward on this path and have it be workable.

Mr. Evans stated that is why I wondered if it was an alternative or a solution. I think you answered this yourself, that the alternative is to put this contract out for bid and hire someone else. But we do not know that we will get anyone who is any better or worse. Maybe we need to look deeper into where the problem lies. I think at any time in any industry, you have a labor force that is hands-on labor and is in the field of this nature, whether it is Luke Brothers or REW or anyone else. There is a common thread of trying to find people to keep on your payroll and maintain that staff and keep them trained at the

price you can afford to pay them to be competitive in the marketplace to do the work. I think we all understand that. Maybe we need to look deeper. Are our expectations unreasonable? That is a good question to ask, but it is a hard one to ask. We want this community to be the best, but are we nitpicking? Maybe not, but maybe a little bit here and there. Are we being reasonable with our expectations? Are we looking more at the number of people that the contract says they should have here or the work product being generated from the people who are here? I am not taking one side or the other. These are some of the things that we need to have a very open and candid conversation about, what are our reasonable expectations, whether it is Luke Brothers or anyone else, regardless of what the contract says. Are our expectations reasonable? I am trying to lay the groundwork for future discussions.

Mr. Berube stated without being argumentative, we have had this discussion with Luke Brothers management before. When we get to the point where we are aggravated, usually Mr. Pete Lucadano comes to a meeting with a nice binder with a remedial plan. We have had five of those remedial plans. Those plans go back 30 or 45 days. Everything gets spruced up and looks nice and pretty, and then we go downhill. That has been the pattern. The last time, we were clearly promised 14 people on site. We had that many for a little while, but not for very long. Then they added the townhome contract that same week. I realize we do not pay them by the hour, but the number of people they have here just does not get it done. I know there is disagreement on the Board as to what looks pretty and what does not, but at some point, when you look around carefully, it does not look good and I am getting resident comments. One resident at the meeting said it clearly; she does not like what they do, and this is not the first time I have heard that. Maybe I am too picky. Mr. Evans made a comment about how many people they have here versus what they can afford. We already know we are paying 5% too much because Mr. Lucadano offered a 5% discount to get a contract extension. We know there is an extra 5% in there already because starting this year, he was willing to reduce it by 5%. Clearly, they can afford to keep us.

Mr. Evans stated that may have been prior to the increase in fuel costs.

Mr. Berube stated that may well be. I am just going with what people are telling me and what I see. I am not happy with the level of service. When you analyze our progression of events here, it has not been pretty.

Mr. Walls stated I have received comments from residents, as well, who are not happy with the way things look. I tend to agree with a lot of what Mr. Berube said. I brought up quality of work issues several times at several meetings. The question I ask myself is, am I happy with the service I am getting. The answer is generally no, for the reasons I have raised in the past. To me, we brought that up with Luke Brothers, and I keep asking myself the same question and giving myself the same answer that I am not happy with the service we are getting. I understand what Mr. Evans is saying about looking deeper, but I think we have done that. Now we have to try something else. Hopefully it works but if not, we will try something else. I would like to see this Board come to a consensus so we can move forward if we are going to bid out this work. We can make that decision tonight or perhaps next month after further discussion.

Mr. LeMenager stated if we do an RFP, we will spend tens of thousands of dollars to switch to another company. You have to do a cost-benefit analysis. We had a nice exchange on the Yahoo users group a couple weeks ago. Someone was talking about the leaves falling or the giant trees. It got to the point where someone suggested replacing them with palm trees. That is great, but who is going to pay for it? If we go down that route, we will spend a lot of money, including legal counsel services. You need to factor that into the cost. It is still a matter of dollars and cents. We are a relatively small community. The budget is pretty high and the amount we pay for assessments is outrageous. The question to the residents is, how much more outrageous do you want to pay to the CDD?

Ms. McGinnis stated there is money in the reserves.

Mr. LeMenager asked what happens when we have a hurricane?

Ms. McGinnis stated as a resident whose tax bill is primarily driven by that hefty CDD assessment, I expect to be able to look around this community and see what I am getting for that money. Right now, as you drive down the main streets, they do a good job because that is what people see immediately. But Cat Brier between the golf course and Cat Brier looks awful. I know what you are saying, that people get off on tangents with leaves and everything else. I am talking about very simple aesthetics of dead grass, trees that are not mulched, and ant mounds up to your calf. It is simple things that are not addressed.

Mr. LeMenager asked what month are you talking about?

Ms. McGinnis stated I am talking about right now.

Mr. LeMenager stated we are in the middle of February. It is winter in Florida, and the natural color of Florida is brown.

Ms. McGinnis stated I do not have fire ant mounds up to my calf in my backyard. It does not matter if it is February or September. There are certain maintenance items that they should be addressing and they are not. As a resident who pays CDD assessments, all I am asking is why. I guess a better question is, how did we get here in the first place? If I recall, we recognized a cost savings when we put this out for bid last time, and the previous landscapers did a nice job. We put it out for bid, we saw a cost savings, and you get what you pay for. This is what we have. You are correct that we might get something worse as we move forward, but if we never try, then we will never know. I wish that I could in my business give sub-par service to my clients and have them continue to pay me.

Ms. Kassel stated I wonder if it is possible to amend the contract in some way, if Mr. Lucadano is amenable, that Luke Brothers incurs a penalty when they are not able to keep up to schedule or if they do not comply with their contractual obligations. I wonder if that might not work.

Mr. Walls stated my only issue with that, is you still have a problem with your landscaping, whether they pay a penalty or not, or they do not get paid as much on their invoice. I would rather just have the job done right. If it costs a little more to do that, it is what it is.

Mr. Evans stated we bid out this work, they have a fixed price, a lot of their internal costs have increased for fertilizer, sod, fuel and other things, and they are impacted just like everyone else, but they are locked in on their price. Either they try to do the best they can with what they have or they go out of business. We can say that we do not care, they have a fixed price and we have established this level of excellence. If they cannot satisfy or accommodate that level that we anticipated economically, the reality is that it will just not happen. I do not know their internal balance sheet when it comes to this project. I do not know if he is making money or losing money.

Mr. Berube stated I am likely to think he is making money because he offered a 5% discount.

Mr. Evans stated sometimes that is just to keep his staff working.

Mr. Berube stated that may well be, but that is not really the point and it does not address the issue we are discussing. We have had repeat complaints about Luke Brothers and their up and down cycle for the entire time they have been here. It always results in a fancy remedial plan with promises to do better and have more people on site and they will be working harder to make it look good. It looks good for a little while and then it goes right back to the situation we have now. That has been our history and I do not expect it to change.

Ms. Kassel stated because they have the capacity to make it better for a period of time, then that gives us the evidence that they can do it.

Mr. Evans stated that is a good point. That is very valid.

Ms. Kassel stated this is why I suggested, since we know they can do that, if we can have some kind of penalty incurred. It is obvious in looking at the report that there are things that are behind. In looking at the contract, there are things that are not complete yet. If we can do something like that, then we might be able to get to a more consistent look.

Mr. Evans stated the ultimate penalty is already in the contract, with the ability to terminate for breach or failure to perform. We can also terminate at will. In summary, a lot of people believe the issues stem from a shortage of manpower. Manpower is an economic derivative of how much time and resources that Luke Brothers wants to commit. Will more manpower solve the problem? What is the issue? The complaints have never changed; they are always the same ones. Sometimes things are good and sometimes there are a lot of unhappy residents.

Mr. LeMenager asked are there a lot of unhappy residents? I appreciate that we hear from a few people, but I do not hear a giant groundswell of the majority of residents who live here saying we need to do a lot more.

Mr. Walls stated I am unhappy, and I was elected by the residents to vote on these issues. That is my opinion. I have heard from several others, including Ms. McGinnis, who have said the same thing. If I look around and I am not happy, then I have to base my vote on that as well as the people who have spoken to me.

Ms. Kassel stated I would like to hear what Mr. McMillan has to say in response.

Mr. McMillan stated I have been working with Mr. Haskett on this throughout the winter season. Things go dormant and do not grow as much, so the labor force goes

down. Before that happens, I work with Mr. Haskett to get approval. As we are getting into spring, we have hired more people. We have 10 right now, and we are interviewing more people. Some look promising and we want to hire them, but they opt to receive an unemployment check, not that you need to necessarily know that information.

Mr. Evans stated we do, because it is that way in a lot of industries.

Mr. McMillan stated fortunately for this year, my core group of people has been here since I started in April 2011. I cannot speak for anything that happened before that time. We are going into the growing season with a good core group of people who can train the new staff the right way. When I came here last year, there were 13 or 14 or 12 people, up to 15 or 16 depending on how it fluctuated, and I was training all of them. The only learning curve I had was what expectations that the CDD wanted, and let me provide that service. We are looking at getting up to 13 right now. Applicants are out and some of them have come in. I know they will be detrimental just in talking with them about their knowledge and past history in talking with previous employers. It is nothing from Luke Brothers. I work with Mr. Haskett on this. It is important to get the right people in place. Things will happen. I look at the property and I see issues, but I am looking two and three months down the road, and I am happy with the direction we are going.

Mr. Evans stated one of your challenges is finding capable, quality people for what you can afford to pay them, when they compare that from what they can make from unemployment.

Mr. McMillan stated there was one specific example on that, but it is mainly looking for people to come in and they do not have landscape experience. They need to be paid to the level of their knowledge when they are looking for work.

Mr. LeMenager stated I think I might comment on the other side of the discussion. Mr. McMillan has indicated with some agreement, the staff is down to eight. I am very sorry that was absolutely not my understanding of the arrangement. You were going to stay staffed over the winter. To a certain extent, we can go back the past couple of years that this is the standard Luke Brothers February discussion.

Mr. Berube stated that is exactly right.

Mr. LeMenager stated if you are saying that you knowingly reduced staff over the winter, to me that is a breach of contract because that was not the deal. I am on the other side of the issue with that because I am sure that is what Mr. Lucadano said and we

certainly made that point. The core of the problem with all landscape companies, not just Luke Brothers, is you cut back a lot of staff in the winter because you do not have as much to do and that is when you get behind.

Mr. Berube stated keep in mind that at this same time, they picked up work for the development company, the townhomes and to a lesser degree, some of the new home builders. Let me remind you that two months ago we received 10 months' worth of invoices, which spans most of Mr. McMillan's timeframe here, that were in dispute for 10 months, \$15,000 worth of invoices. Much of that was irrigation, but if you look at those bills, a lot of it was for other landscape issues. Those invoices were in dispute for 10 months, meaning there was some sort of a battle. To me, that says a lot. Though Mr. Haskett is rather accommodating toward Luke Brothers, he had a big issue with all those bills and they appeared all of a sudden. There is a bigger problem here than just the staffing. It goes on and on. I am afraid if we continue down this road, we will have this discussion over and over again.

Ms. Kassel stated I would like to hear what Mr. Haskett has to say.

Mr. Haskett stated we continue to have this conversation and discussion month after month. Whatever the Board decides to do, I will support that.

Mr. Evans stated we talk about the pains and problems, but we have not discussed the solutions. I have not heard anyone offer a viable solution yet. I have heard suggestions to rebid it and find someone else. Will the next person be in the exact same situation because they are using the same labor pool, if one of the bigger issues is trying to get quality people, some of whom would rather stay at home than go to work? Maybe, I do not know if that is the solution to our problem. If Luke Brothers has taken on more business than they can handle with the current staff they have and they are having a problem raising more staff, that is an issue for Luke Brothers. Mr. LeMenager and Mr. Berube do raise good points. The RFP that was bid and the contract that was entered into was done so with eyes wide open. Everyone read the specifications and the obligations that were discussed at great length. It should not come as a surprise to you. I think the Board has been very lenient and we have tried to look at it from different perspectives. You will hear us debate multiple perspectives. Our only job is to write the check. We have defined what we expect from you, and we fulfill our obligations in making payments. We go over and above our obligations with the development company

providing Mr. Haskett's assistance to oversee the contract in a lot of capacities and provide you with day-to-day responses, where a lot of communities do not provide that. You may be out there on your own and all you get is a complaint section all the time. We have Mr. Haskett, who has intimate knowledge of this community and of your challenges and of our objectives, who interfaces with you on a day-to-day basis. I think the District has gone well overboard in trying to help you do your job. We need to see the effort from Luke Brothers to correspond to that same level of effort.

A Resident asked has Ms. Kassel's suggestion been adequately discussed? It sounded like an intelligent idea.

Mr. Evans stated one of the things you run into with any kind of construction or management contract is the determination of that penalty. A lot of it is subjective. I may say the grass is brown, but they will say it is because of something that happened with the irrigation that they had no control over because someone else turned the switch off. Then you get into a constant finger pointing on micromanaging certain aspects. In the construction industry, it is the same thing. You have to make the determination of choosing the horse, and you ride it. No contractor or subcontractor is ever going to do a job perfectly. It just does not happen. So you select someone you think you can work with, who is responsive and respectful and tries to constantly do a much better job. Therein lies the issue that we have here. Is Luke Brothers going over and above to try to accomplish the scope of what we have asked them to do? There is a lot of dissension here as to whether they have or not. That is what we are trying to determine. We can sit here and complain all night, but it does not provide a solution. That is what we want to get to, what is a viable solution. The Board can only do so much. We can sign checks and draft agreements, and we can hire and fire. That is what we can do. We have gone over and above that with assistance in an effort to provide the best level of care for the infrastructure, including the landscaping. We are really going out here to make sure this is taken care of.

Mr. Berube stated I believe they do not pay enough to attract and maintain quality people, and that is going to be one of their core values. I think they turn a lot of people, and it will continue down that road because that mindset is not likely to change. An example of that is, we hired our third employee away from them which may or may not have contributed to this. We were not paying a huge amount of money, but he jumped at

the chance, so apparently it was more money. That is my thought and we probably should not go down that road, but I think as long as the pay scales are where they are, and I could be wrong, but I do not think they pay enough to attract and maintain people. That is my opinion, having been involved with contractors before. When there is a lot of turnover, it usually comes down to money. Mr. McMillan kind of alluded to that when he mentioned that people can make more money on unemployment, which pays \$295 per week.

Mr. Evans stated it is not just his industry; it is a lot of industries that are out there. Without covering the same ground multiple times, as we have tonight, we are still looking for a solution, which lies in your lap. We have done all that we can do. The other option we have is to find someone else and start over and hope that we do not have the same problem. Luke Brothers is in the driver's seat because you have the ability to make changes on your side to deliver a better product that we believe we should be entitled to. It is now up to you to decide what to do. I have a feeling at the next meeting, hypothetically, there will be a vote to go out for an RFP to be put together. We already have the draft.

Mr. McMillan stated all I can say is that by the next meeting with me looking forward and being optimistic, I know there will be a significant increase in the quality of the landscaping coming out of the winter. It will be cut, clean and dry, not so much with Mr. Lucadano coming in with binders for you but there will be a quality product by the next meeting.

Mr. Evans stated so by the next meeting, there will be more answers and fewer complaints.

Mr. Walls stated I do not know what the will of the Board is, but I would tell them not to waste their time on that. We have been down that road. I have been here just over one year and we have done that several times since I have been here.

Mr. Berube stated I do not want another plan; I want more action.

Mr. Walls stated I would rather they focus on the job we have asked them to do. I do not want them to come up with any plan, just do the job we hired them to do.

Mr. McMillan stated visually, you will see a difference by next month.

Mr. Evans stated I am in full agreement with Mr. Walls; we want to see the efforts for what we pay for.

C. Dockmaster/Field Manager

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.

ii. Field Activities

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

Mr. Haskett stated the Lakeshore Park restrooms are about 90% complete. There are some extra things to be done, such as the doors which we are going to modify instead of replacing them. They are a little rusted, but we think we can work with what is there and recycle them and not spend a lot of money on commercial doors. The floors were redone, so it should be good for another 10 years. We had a budget of \$4,000 and we are at under \$1,000 right now.

Mr. Walls stated they did a great job.

Mr. Haskett stated the staff of three men we have are a good group of guys who work hard and stay on task.

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 we received 49% of our non-ad valorem assessments, and last year at this time, we collected 47%, so we are pretty much where we expect to be at this time of the year, given the history of the District. Generally on the expense side, even though we have had some major projects and some line items are well over budget, the bottom line is in total we are only \$11,000 over budget at this time. Some of that overage is caused by annualizing the budget and our expenditures are happening earlier in the year than in one-twelfth increments. Given the projects that we have undertaken early in the fiscal year, we are doing fine.

B. Invoice Approval #142 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 for Century Link, there are still two monthly bills, and we used to have three. Sometimes there is a timing issue with those. We installed the wireless communication system for Maxicom. Where do we stand with the Century Link bills? Have the two phone lines that should no longer be needed been disconnected? What is the status?

Mr. Golgowski stated we are going to be dropping the line that connects to the Swim Club; that was picked up by the wireless service. Mr. Mike Walker was having some trouble communicating with that, and we were not sure if it was in the wireless system or something else, or if it was with his system since everyone else seemed able to connect with it. We are proceeding cautiously in disconnecting that line because of that issue, but at this point, it looks like we can disconnect it. I meant to do that today, and I will schedule that for tomorrow.

Mr. Berube stated the invoice from Robert's Pools for the Swim Club indicated a full month of service, but the pool was down for at least two or three weeks. Why would we pay for full service in January when he did not have to do anything to that pool?

Mr. Haskett asked was that a bill for January?

Mr. Berube stated I believe so. We received a bill for full services for January as well as for February, since they bill us ahead of time. Either way, we paid for services we did not receive when we had an empty pool. I think this month's agenda package showed a bill for five weeks in January.

Mr. Haskett stated I will look into it. I have their latest bill in my computer waiting for my approval, and I will get it adjusted if it was not considered.

Mr. LeMenager stated I want to point out on the bill for attorney that we had the situation of the unpaid CDD assessments. We have been convinced that the bond portion is not really missing or that there is no way to account for it. We have an offer from Severn Trent to make up the \$11,000 we missed for operations and maintenance. We have a legal bill for \$6,000, perhaps our highest legal bill in one month ever, and who knows what the bill will be for this month.

Ms. Kassel stated not all of it was due to that issue.

Mr. LeMenager stated a large part of it was.

Mr. Berube stated presumably we will eat up our \$50,000 in what we might collect in assessments and pay it in legal bills.

Mr. LeMenager stated we are at the point where we are going to have a net loss for this. When we ask the attorney questions, we spend a lot of money.

Mr. Berube asked how many questions did we really ask the attorney? Most of it has been looking through old emails and correspondence. To Mr. Qualls's credit, he jumps in and tries to help, but all that assistance has cost us a lot of money and has not gotten us very far.

Mr. LeMenager stated our budget for the year for legal services is \$23,000, and we just spent \$6,000 in one month. If we do an RFP, we will spend \$50,000 for legal services this year. Do keep that in mind.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the invoices, as presented and discussed.
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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.

Ms. Kassel stated the fountain was running again this morning at the dog wash.

D. Website Statistics

There being none, the next item followed.

E. Photocopying Analysis

Mr. Moyer stated in response to a question, we provided a breakdown of the copying costs that some of you thought was high. The suggestion from staff deals with a way to disseminate these invoices without putting them in the agenda package if there is a more efficient way to do that.

Ms. Kassel stated some of us get them by email. They are not in our agenda packages. Are we being charged for invoices in our packages that we should not be paying?

Mr. Moyer stated the breakdown is for exactly what is charged.

Mr. Walls stated I asked this question because things are moving toward electronic dissemination. We receive these agendas via pdf files, and that is where I do most of my research, looking at the pdf copy that is available online. We are spending about \$6,200 annually to print these agenda packages. This month's package was worthless for me because of the additional information that was sent out.

Mr. Berube stated I agree; there were no minutes and no invoices.

Mr. Walls stated I am happy to make a small investment in a tablet or a personal computer where we spend \$1,000 or \$2,000 to save \$4,000 or \$5,000 every year in printing these agenda packages.

Mr. Berube stated last year, I was involved with Toho Water Authority (TWA) and checked on how to become one of their Commissioners. They issue each Commissioner an iPad or laptop at their choice for use specifically for that purpose of receiving agendas and invoices. Everything comes electronically and you bring the iPad or laptop to the meeting. There is no more FedExing of paper or copying charges. It all becomes electronic and you read it on a screen. That has its pluses and its minuses. But even if we spend \$1,000 per Supervisor on an electronic medium that becomes part of the job, it would still be less than what it costs to print and copy them. You would not have to spend \$1,000 on either a laptop or an iPad, but probably a total of \$2,500 for everyone.

Mr. Walls asked is this something to consider? I am in favor of doing something like that. I think it would save the District money. I am a technology person and it would be easier for me than having all this paper.

Mr. Evans stated they can break, and I have all my paper copies in boxes that will always be there.

Mr. Walls stated all these packages are also online on our website and we can access them from several places. I do not know if any other District has any type of electronic medium that they use.

Mr. Moyer stated it is certainly going in that direction. Baldwin Park Supervisors do everything online, not that the District bought their laptops because they all had laptops. That was not a big deal; they just show up with their laptops at the meeting.

Mr. Walls stated I am fine with that, also.

Ms. Kassel stated I already have an iPad.

Mr. Walls stated we can purchase one for Supervisors who do not have their own, but it is cheaper.

Mr. Moyer stated I agree.

F. Discussion of November 2005 CDD Assessments

Mr. Moyer stated Mr. LeMenager summed up this item earlier. I think the analysis and the materials that were provided indicate that on the debt service side, the debt service payment was, in fact, made and for operations and maintenance, it was not. The

numbers are a little different after truing all that up. It is now about \$13,000 rather than \$11,000.

Mr. LeMenager asked is the offer still open from Severn Trent to pay that?

Mr. Moyer stated yes.

Mr. LeMenager stated I think we should accept their offer.

Mr. Walls stated I emailed Mr. Moyer earlier this week and said that I did not agree with anything in this memorandum. It boils down very simply for me. The developer paid their assessments based on the methodology that was approved. Other property owners paid their assessments based on the methodology that was approved. Some property owners did not pay their assessments based on the methodology that was approved. Those who paid and did not pay impacted what the developer paid pursuant to the methodology. No matter what the developer paid, they did not cover the bills for those individual properties. That is just not true. What you are saying is that Mr. LeMenager, Ms. Kassel, Mr. Berube and I can say that we are not going to pay since the developer will pay, which is ridiculous. That does not make sense in any logical fashion at all. Mr. LeMenager has already stated that he did pay his assessments in 2005 and 2006. To say that the developer covered some individual bills is just not correct.

Mr. LeMenager stated I do not think that is what they are saying.

Mr. Walls stated that is what they are saying.

Ms. Kassel stated we are making the distinction between the assessments being paid versus the bills being paid. They are two different things. However, at this point, Severn Trent is willing to pay the assessments that were not paid by the people who were supposed to pay them.

Mr. LeMenager stated only the operations and maintenance portion.

Mr. Walls stated it is only a portion. What they are saying is the developer trued up the amount that was owed for the principal and interest piece of the debt payment. In my view, that does not cover the bills for those individual properties. They should have gone out and collected from those individual properties in 2005 and 2006, but they did not.

Mr. Berube stated I agree.

Mr. Walls stated that money should have gone into our funds, had they eventually collected it, and it should have been adjusted from future payments that were made from that fund to cover principal and interest for the debt service. None of that ever happened.

None of this is against Mr. Moyer because I think he does a great job. My problem is with Severn Trent and how they handled this. I am very disappointed from a customer service perspective. A few weeks ago, we received a letter from Mr. Bob Koncar that said he was going to attend our February meeting to discuss this issue. He is not here tonight. I feel like they have spent more time trying to come up with an excuse than to come up with a viable solution.

Mr. Berube stated I agree.

Mr. Walls stated unfortunately, we are six years after the event. We cannot go back to these property owners with a straight face and say they owe us money; we just cannot. Severn Trent needs to step up and pay these bills, not just the operation and maintenance but also the debt service portion.

Mr. Berube stated I agree. Just because the developer stepped in, the bottom line is, we sent out bills totally nearly \$50,000. We collected a small piece of that and the rest did not get paid until the developer paid it. If we are going to do this right, we need to collect it from the right source, whoever that is, and give those excess funds back to the developer. We are talking about doing things right, above board, and clean. We are willing to accept some sort of a settlement, simply because we received our money from the developer and Severn Trent will pay for part of it. I really do not think it is right. I have a hard time accepting it. I agree with Mr. Walls that we have not seen Severn Trent management here. We received a letter from Mr. Koncar, which was condescending, at best. I do not like it. I do not want to accept the fact that we received the balance of the \$50,000 from the developer, so therefore, it is all good. It needs to go back to collecting from the right place and giving it back to the developer. We asked them for payment because we needed money. It all started with Severn Trent six years ago. No matter how you sugar coat this, we are trying to put lipstick on a pig, and you cannot do that. I realize mistakes were made, but you need to own up to them, which they have, but so far they have not been willing to pay for those mistakes.

Mr. Walls stated I want to clarify what I said. The developer paid based on their assessment methodology. The money was not paid by the developer. They paid what they owed based on the methodology. Some other people did not. When the money comes back, if we were to collect that money at a later date, that money would have gone back into the fund. Assessments that would have been determined in the future would have

taken that money into account. It is not that someone is owed money and someone paid money that they should not have; people paid based on the assessment methodology and some people did not. That is my problem.

Mr. LeMenager stated I am in complete agreement with Mr. Walls and Mr. Berube that I think there has been a smoke-and-mirrors job done here. However, if I am listening to Mr. Walls and Mr. Berube, I am hearing we should shoot off our nose to spite our face and spend another \$6,000 for our attorneys to figure out how to resolve this. We have received an opinion from our attorney on this. The whole thing is great, but how would you go back and actually prove that these people did not pay? It sounds as though there is no basis for doing that. I think we have a nice pragmatic solution, so let us draw the line. Is it right? No. I am in complete agreement with Mr. Walls and Mr. Berube that it is not right. But I do not want to use up our entire \$13,000 just to end up paying the attorney to sort it out. We received a solution. Is it a great solution? No. Is it good way to proceed pragmatically? Yes, absolutely. I do not disagree with Mr. Walls and Mr. Berube, but we have to decide how much we are going to fight.

Mr. Walls stated I would like to hear an opinion from Mr. Qualls on the latest memorandum from Severn Trent that says the developer paid the bills for these individual property owners.

Ms. Kassel asked did they pay the assessments or did they pay the debt service? To me, that is two different things. If they paid the debt service but not the assessments, then we would have the money in the CDD funds for those assessments.

Mr. Moyer stated at the end of this discussion, you will end up right where you do not want to be, and that is filing foreclosure against 19 properties.

Mr. Walls stated that is not true.

Mr. Evans stated that is the only recourse we have.

Ms. Kassel stated that is not what Mr. Walls is saying.

Mr. Walls stated I am asking Severn Trent to step up and say they made a mistake and they are going to pay the bill.

Mr. Moyer stated I would be glad to be the conduit to pass that message to Mr. Koncar.

Mr. Walls stated I would appreciate that. I am not sure that I want to do business with people who are making excuses.

Mr. Moyer stated Mr. Koncar is going to say that under the normal course of business back in 2005, what happened is exactly what was anticipated pursuant to the developer funding agreement in 2005. That is the way business was done.

Mr. Walls asked did the developer pay pursuant to the methodology at the time?

Mr. Berube stated no, not if you say that the fact that we sent out 19 bills that did not get paid is the expected course of events. They did not get paid and we never did anything with them after that time, and that is where this problem begins. No matter where the money ultimately came from, the fact is, bills were sent out once, they did not get paid, and there it stopped. That is the mistake, and that is what we are discussing. Yes, we received the money from someone else, but that was the mistake that was made, and that is the bottom line.

Mr. Evans stated here are your options. Your sole source of legal recourse is to try to pursue recovery from those 19 lot owners.

Mr. Berube stated no, we can pursue recovery from Severn Trent.

Mr. Evans stated no, you have not been economically harmed other than the operation and maintenance assessments. Severn Trent is prepared to pay that. You have no standing to go prosecute these 19 owners. That is the only legal recourse you have. You can say it is not fair all you want, but you will end up spending a lot more than \$5,000 or \$6,000 in legal fees to start to draft a complaint against whomever you are complaining. The solution is on the table.

Mr. Berube stated my feelings are clear. I think Severn Trent made the mistake.

Mr. Evans stated they admitted that they did. So the issue is, Mr. Moyer has been very straightforward. There has been no smoke and mirrors. There was an accountant who made a mistake, period. If no one in this room has ever made a mistake, then stand up because I want to see you. They made a mistake. When it was discovered, they stepped up to the plate and said they were trying to figure this out as fast as everyone else is.

Mr. Walls stated I have a fiscal year 2005-2006 invoice with a January 17, 2012 date on it.

Mr. Moyer stated that is because her computer will not print anything out that does not have the current date on it. I asked the same question. It does not make any sense to me, either.

Mr. Walls stated I feel like you have come up with a lot of excuses.

Mr. Evans stated no, he has not. That is just when you go back to print it out, it prints out the current date on it.

A Resident stated I think they should at least pay our legal expenses for having to look into this issue.

Mr. Evans stated all we needed to do before everyone went off on a lynch-mob mentality is to ask Mr. Moyer what happened. That is all we had to do.

Mr. Walls stated that is exactly what we did.

Mr. Evans stated and we incurred a lot of legal fees on this mentality of wanting to lynch someone. He is our manager and they are the accountants. All you need to do was go to him and acknowledge his 40 years of experience and the fact that he has more knowledge on this than anyone in the country. We found out we had a problem, and all we had to do was ask Mr. Moyer to look into this for us. Then he gives you the answer but it also cost \$6,000 in legal fees.

Mr. Walls stated I absolutely did that when we started discussing this. The answer is baloney.

Mr. LeMenager stated I would like to put this to a vote.

Mr. Walls stated I would like to hear an opinion from the attorney about the developer's claim that the developer paid the individual assessments for these properties.

Mr. LeMenager stated no one said that.

Mr. Qualls stated I am not going to speak on that.

Mr. Walls stated that is what this memorandum says.

Mr. Qualls stated I understand and I have read the memorandum. We were not consulted when the memorandum was drafted. Our firm has called Mr. Stephen Bloom and we asked some technical and legal questions because there are terms that can be defined either way. I really hesitate to comment until I understand what the intent of the author was in setting forth certain things in this memorandum. That is where we are as a law firm. I am not prepared to opine on this memorandum because I am not exactly clear what some of the statements are supposed to mean.

Mr. Evans stated I come back to Mr. LeMenager's point. We have a solution before us that makes the District whole.

Mr. Walls stated that is absolutely not correct.

Mr. Evans stated then you have to show me the evidence that supports and validates enough that you are willing to take to a courtroom and attach to a complaint that says you want to pursue foreclosure on those 19 owners, that you were damaged and that you have the right to pursue that action.

Mr. Walls stated I am absolutely not going down that road.

Mr. Evans stated that is the only recourse you have.

Mr. Walls stated Severn Trent has already said they made a mistake.

Mr. Evans stated they admitted it.

Mr. Walls stated they said they will pay the operations and maintenance portion, but then they came up with some crazy reason why the debt service has somehow been paid already, and it has not.

Mr. Evans stated if you are sure it has not, then show us the evidence.

Mr. Walls stated if they are willing to pay the operations and maintenance, then they should pay the debt service. If the developer entered into an agreement with these individual property owners to pay their bills, did these people report that as income to the IRS?

Mr. Evans asked if you have not been economically damaged and you are the plaintiff—the District would be the plaintiff—any time you are going to try to take action against anyone, you have to show damages. The burden is upon us. The preponderance of the evidence lies with the plaintiff. When we come forward before the court and we put forth a complaint, we will say that we have been damaged, here is how, and we can prove that we have been damaged.

Mr. Walls stated absolutely, we do not have the \$30,000+ in the account that was never collected.

Mr. Evans stated you do not know that.

Mr. Walls stated I absolutely know that. They have nothing that shows that the individual bills to the individual property owners were paid.

Mr. Moyer stated just the opposite is true.

Mr. Evans stated when you draft a complaint, you have counts, and you start off with the finding of facts. Those facts are undisputed. Then you get into your count. The first count that you are saying is that those funds were never received for the debt. Let us split

the two portions. We acknowledge that Severn Trent will pay the shortage for the operations and maintenance.

Mr. LeMenager stated I think the difference in view is, you are expressing a view that when the bonds are paid, each tiny little piece of it is paid. As a point of fact, that is not how the bond is paid down. It is one gigantic lump sum. Their point is, this one lump sum was paid, *ergo* the accounts are whole.

A Resident stated I have not read that draft, but to Mr. LeMenager's point, I think that draft is a "cover yourself" from them to say they collected the money.

Mr. LeMenager stated I do not disagree, but this is not a public forum.

Mr. Walls stated we are then saying individual assessments do not matter. Is that what you are saying?

Mr. LeMenager stated I am not saying that at all. I am saying to have a pragmatic solution. Did they make a mistake in 2005? Yes. Did we suffer economic loss as a result of that on the bond side? No, I am in agreement with Mr. Evans. There is no way you can prove it. So it comes down to viewing it as, the bonds get paid in 500 little pieces when, in fact, it is not paid in 500 pieces. There is one check that pays for the bond payments.

Ms. Kassel stated the question is not about getting the bonds paid and having enough money; it is about receiving the assessment amounts that were supposed to be received.

Mr. LeMenager stated I agree.

Ms. Kassel stated they are two different things.

Mr. Moyer stated Mr. Qualls is very good about breaking this down into components, where assessments are different than paying principal and interest. But look at the use and the purpose of the assessment. The assessment is levied for the purpose of paying principal and interest on the bonds. There is no argument that those assessments were not paid. No one is saying those assessments were paid. To the contrary, we are agreeing that they were not paid. But there is no economic harm to the District because the use of that money was to pay principal and interest on the bonds, which took place *vis-à-vis* a developer funding agreement.

Mr. Walls stated we are setting a precedent here that it is fine not to pay your debt service assessments.

Mr. Evans stated no.

Mr. Walls stated that is what you are saying.

Mr. Evans stated no, he is not.

Mr. Walls stated I cannot accept this.

Mr. Moyer stated then we go back to having to foreclose on these properties.

Mr. Walls stated we are at this point because Severn Trent did not do their job. That is why we are here.

Mr. Moyer stated there are a lot of people who did not do their job. The property appraiser did not do his job, frankly, which is how we got here originally.

Mr. LeMenager stated the property appraiser is the person who ultimately made the mistake.

Mr. Walls stated we pay Severn Trent to handle our assessments, to do the follow up, to submit the roll to the property appraiser, everything. That did not happen.

Mr. LeMenager stated they made a mistake.

Mr. Walls stated that is why we are here.

Mr. Moyer stated that is an example of no good deed goes unpunished. The reality is, Severn Trent should have never been put in the position of having to collect individual tax bills that should have been on the tax roll pursuant to the platting of that property that took place in March 2005 and never made it on the tax roll.

Mr. Walls stated there is nothing we can do about that.

Mr. Moyer stated your comment the other month was the property appraiser was busy. This was in 2005 and they were not busy in 2005.

Mr. Walls stated that was not a comment that I made.

Mr. Moyer stated unfortunately the person who did this work in 2005 should have said we are not going to do that.

Mr. Walls stated that is not our problem. We pay you to handle these issues.

Mr. Moyer stated you did not pay to handle that issue.

Mr. Walls asked then why did you do it?

Mr. Moyer stated they wanted to provide a customer service. Did they provide it well? It appears they did not.

Mr. Walls stated I have said my piece on this issue. If you want to accept this solution, feel free.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with Mr. LeMenager, Ms. Kassel, and Mr. Evans in favor and Mr. Berube and Mr. Walls against, approval was given to pay the outstanding operation and maintenance assessments from November 2005 as provided by Severn Trent.

Mr. Walls stated I will say again that I am very disappointed in Severn Trent on this. Going forward, I do not want to do business with a company that operates like this.

Mr. Evans stated when you get a lot more years of business experience, you may understand a little bit better.

Mr. Walls stated I do not appreciate that comment.

Mr. Evans stated it was not meant for you to appreciate it. I think you insulted a gentleman who has 40 years of experience. You are a baby in your field against someone who has 40 years of experience in this, and you want to chastise him.

Mr. Walls stated you are out of line.

Mr. Evans stated I am just telling you the way it is. Sometimes you get on a warpath that you want to chastise people instead of working things out.

Mr. Walls stated I will chastise people for not doing their job that we pay them to do.

Mr. Evans stated we did not pay them to do that. They tried to fix a problem that they did not cause.

Mr. Walls stated they let it linger for six years.

Ms. Kassel stated they missed it.

Mr. Evans stated that is correct; they missed it. But do you think they knew they missed it? Are you saying you have never made a mistake in your job?

Mr. Walls stated I am not saying I have never made a mistake. If I make a mistake, then I will stand up and say I made a mistake. That did not happen here.

Ms. Kassel stated yes, it did.

Mr. Evans stated then you should be called out and chastised in front of all your peers at work. Do they ever do that if you make a wrong entry? No, you go back and fix it, you solve the problem, and you move forward. Let us move forward. We had a vote so let us resolve this issue. Let us move forward.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Qualls stated we finalized the agreement for tree trimming in short order with the exhibits. Mr. Haskett helped in getting it signed by Mr. Lucadano, so that is complete. In reference to your comments about our invoice, at the bottom of our bills is a statement that says we view our bills as an extra form of communication. I say this with all sincerity that we appreciate the communication because we feel it helps us do our job better. I do want to say, however, that we received a memorandum with several questions in the memorandum, and we addressed them and answered them thoroughly. I will also say that what we strive to do for our clients is to provide preventive maintenance. If you think \$125 an hour is steep, litigation is a lot steeper. We are trying to prevent that from happening, which is why this recent bill was higher than normal. We do not set the budget but we have a very clear record of working with you to continue to provide outstanding, economical legal services.

Mr. LeMenager asked is anything happening with the Legislature that we should be aware of that might impact CDDs?

Mr. Qualls stated there are some Community Development District Bills that are moving, but I do not think they will impact this District.

Mr. LeMenager asked is there anything of concern?

Mr. Qualls stated not at this point. There are some Bills that may affect mergers and dissolutions and things of that nature. At the end of the Session, I will be happy to provide a record of that legislation to you.

Mr. LeMenager asked how are we impacted by what the Governor wanted to do in terms of reviewing all Districts?

Mr. Qualls stated I think this District is not one of those Districts that the Governor is concerned about. Your budget is in line and things are going well.

Mr. Moyer stated this is a study of 1,600 Districts in the State of Florida, and 585 are CDDs. The other two-thirds are all sorts of Districts—hospital, mosquito control, inlet, soil and water conservation. The Governor's concern is that some of those old Districts—I started with drainage Districts—there really are no specifics in terms of how they are governed, where they meet, how they go through competitive bidding and some of them do not even have competitive bidding requirements. His concern is if they are transparent, so they are studying all 1,600 of those Districts. CDDs will come out very

well in that study because all the things he is concerned about are already addressed in Chapter 190, Florida Statutes. That is a piece of legislation that has evolved over 30 years. The evolution was to address those transparency issues going back to 1980 forward. I have no concern about CDDs.

B. Engineer

Mr. Evans stated we received a letter from Woolpert saying that Mr. Boyd has left Woolpert. Mr. Boyd has been our engineer for many years and has a wealth of knowledge on everything that happens in Harmony. He is setting up his own firm, and he is asking that we accept a transfer from Woolpert to his new entity as far as being the District's engineer of record. Woolpert is acknowledging that transfer of all intellectual properties and the transfer of responsibilities that they have which they have accumulated from us over to his new entity.

Mr. Qualls stated I saw a letter saying that there would be an assignment document sent, but I did not see the assignment document.

Mr. Moyer stated the letter is set up for signature approving the assignment.

Mr. Qualls stated I did not see that letter, so I would ask that you approve it subject to final review by legal counsel.

On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to assign the engineering contract from Woolpert to Boyd Civil Engineering, subject to final review by legal counsel.

Mr. Evans stated I wish Mr. Boyd the best of luck with his new firm.

C. Developer

i. Consideration of Irrigation Proposals

Mr. Golgowski stated last month we presented a proposal from Insight Irrigation regarding an audit of our irrigation system, which was requested by staff since we are now assuming the maintenance responsibilities for the irrigation and in an effort to get a handle on this system. There were some parts of the proposal that were attractive and some parts that some Board members did not want to move forward with.

Mr. LeMenager stated essentially he proposed \$6,000 to produce the map. What was the price last month?

Mr. Berube stated \$2,810.

Mr. LeMenager stated but last month, he wanted to say that the proposal was not for each item on a stand-alone basis.

Ms. Kassel stated he had parts A, B, and C and if we were not going to go with C, he was going to reprice item B.

Mr. Golgowski stated that is correct.

Mr. LeMenager stated so he wants \$6,000 to produce this map.

Mr. Berube stated it went from a \$2,810 map, which in my opinion is useless. My concern with the proposal is the notes. Basically it says that we have to provide him with all kinds of background information so that he can do this, and it will also be subject to change orders and changes as needed. I can see this being never ending. I do not like the proposal. I did not like it last month. I am still in favor of letting Mr. Druckenmiller work through the irrigation. I have talked with him several times and I think he has a handle on it. We trusted him enough to give him the job. We should trust him enough to let him work through it. I think we are thinking about potentially spending a lot of money that is going to be open-ended and it will be more expensive. We will have a nice book that will sit on the shelf.

Mr. Haskett stated when we bring proposals to the Board, we bring them with knowledge of the systems and everything else. We do not just bring proposals to you to spend the District's money. If we did not feel like they were important, we would not ask the Board to review and consider them. We have gone back to Insight Irrigation and asked them to look at their proposal. We feel it is very important for the District to consider having Insight Irrigation prepare the map and provide the training to Mr. Druckenmiller because it is necessary. If it is not necessary, we would not have brought it to you in the first place.

Mr. Walls asked are you saying we have a person on staff who does not have the training to do the job?

Mr. Haskett stated yes, that is correct. He inspects the system.

Mr. LeMenager stated he is a wonderful worker with his hands, but this is a slightly more complicated project than his pay grade.

Mr. Golgowski stated I thought they gave a very creative approach to the issues that you raised, resulting in training for Mr. Druckenmiller and an audit of the system that we

are trying to get that will provide an interactive map so we will finally know what we have and where it is.

Mr. Walls asked what happens if we spend \$6,000 and the job still cannot be done?

Mr. Golgowski stated it is an ongoing thing. I know you are troubled about the last comment that the proposal requires site-specific information.

Mr. Walls stated I am talking specifically about the training. Right now you are telling me that we have a staff member who does not have the necessary training to do the job he was hired for.

Mr. Haskett stated perhaps I misspoke. He has the knowledge to do the job that he was hired for. This is continual on-the-job training. Mr. Druckenmiller is quite capable of going out and making sure the irrigation heads are spraying water and keeping plant material alive. This is to advance to where we do not need to spend more money for Insight Irrigation to come out and locate valves for us. Mr. Druckenmiller and I spent probably half a day trying to find two valves that were on the plans but they were nowhere to be found. It takes a probe out there in the ground and actually trying to locate them physically. This map, with the help of Insight Irrigation and Mr. Druckenmiller physically in the field with this person, will have that knowledge and will know from this day forward where each valve is, and it will cut down tremendously on a loss of labor for trying to locate them.

Mr. Berube stated we have an upfront investment of \$6,000. If it costs \$300 to have Mr. Aaron Smith come out and locate a valve, he could come out 20 times at \$300 each before we reach \$6,000 investment.

Mr. LeMenager asked how many valves do we have?

Mr. Haskett stated 453.

Mr. LeMenager stated this is to create a map of 453 valves. I agree with you for 20 of them, but I am a little concerned what happens in 10 years. I do not like having to spend this. I find it disappointing that it was not actually done when they built the system. You would have thought that whoever was in charge at the time would have thought it was important to make sure they did it. But we have to play the hand we are dealt. I hate spending the money, but we are at a point where the community is getting older and we will have more and more problems with these things. If there are 453 valves buried in the ground and we do not know where most of them are, I think we should do it.

Mr. Berube stated I would disagree that we do not know where most of them are. I think we do know where most of them are. Some of them, logically, will be buried and we may have to go find some of them. I do not know what the counts are, but I am against spending more money on this system. I am telling you the \$6,000 will be just the beginning of a never-ending requirement to update this. That will be the sale point. When it needs to be updated, we will need to spend more money to update the \$6,000 we have already spent.

Mr. LeMenager stated that is a good question for Mr. Haskett.

Mr. Berube stated we do not spend that much money on the labor to go out and locate valves.

Mr. LeMenager asked then what is the plan to keep this updated as we make adjustments and changes?

Ms. Kassel stated I asked that question last month.

Mr. Golgowski stated what Mr. Smith is suggesting is because we will have a digital map with all of the data in the system being produced, you can easily load this onto a tablet. The technician goes out into the field and starts changing heads or replaces a valve, he can enter that change on the spot so you have an ongoing update of the map. It is not a revisit to redo it every few years. That is my understanding of how it works.

Ms. Kassel asked is Mr. Druckenmiller sufficiently savvy that he can handle that kind of technical update?

Mr. Haskett stated yes.

Mr. Evans stated Mr. Haskett brought up a really good point. They do not just bring proposals just for entertainment. They spend an enormous amount of time going back and bringing proposals. We review them and come back with questions, and they go back and get new proposals and analyze them and provide them with the proper exhibits on the basis that they are on our side. They are trying to provide us with the best information to help us make the best decisions that we possibly can, regardless of how we view it, whether we are in favor of it or against it. I really appreciate the work these men do. I think that we need to rely upon that to a great degree, and we do rely upon it for the quality of work that they provide to us. I do not think Mr. Haskett or Mr. Golgowski would make a recommendation to spend \$6,000 if they did not truly believe that it has a value of \$6,000 or more to this District.

Mr. Berube stated I agree with you about the value that they provide that costs us no money for their time. But the state of the system was well known three months ago when we approved putting Mr. Druckenmiller in charge of this system. Nothing has changed over the past three or six months. Now that we have Mr. Druckenmiller in the field, and all of a sudden, we have a major problem that we cannot find anything. Nothing has really changed but here we are looking to spend a lot of money on the irrigation system. I just do not see the need.

Mr. LeMenager stated I have some difficulty saying that we hired a technician at fairly low wages and put him in charge of a multi-million dollar irrigation system. We hired someone because we thought we needed someone with good hands-on ability that was accountable, and we did not feel we had that accountability with Luke Brothers. To say that we have put a skilled manual worker in charge of a multi-million dollar irrigation system is kind of stretching it.

Mr. Evans stated we need to provide the tools for him to maintain the system that we are giving him the responsibility to maintain.

Ms. Kassel stated I would like to know why the price for the map is much higher now than it was in the previous proposal.

Mr. Berube stated because we eliminated the other pieces of his original proposal and he needed to make some money on it.

Mr. Golgowski stated the map is being produced as the audit occurs. He put two functions under one price with this proposal. As Mr. Smith accompanies Mr. Druckenmiller in the field, they are taking one-tenth of the system on each visit and looking at it to see if the irrigation head has been changed, see if it is a rotor when we thought it was a spray head. They cover different areas, and he will be digitally mapping the area covered by each zone, which we do not have now, as well as including all of the irrigation equipment.

Ms. Kassel asked he will be checking the equipment and mapping it? Previously, there were A, B, and C choices on his proposal. Now there is only part A? What was the total amount for A, B, and C, or just for A and B?

Mr. Berube stated the total was about \$11,000.

Ms. Kassel stated so the new proposal is \$6,000, and we will not be getting option C, which is the Maxicom communication audit.

Mr. Golgowski stated that is correct.

Ms. Kassel stated so we are not paying for that. Both Mr. Golgowski and Mr. Haskett feel that this is something that would benefit Mr. Druckenmiller and the community and the District.

Mr. Golgowski stated that is correct.

Mr. Walls stated as Mr. Berube stated, this is an open-ended \$6,000. There will be an additional \$95 per hour for anything else that is not included specifically in this agreement.

Ms. Kassel stated any contract would be like that.

Mr. LeMenager stated then we just do not authorize anything outside the contract.

Mr. Berube stated then the argument will be that your \$6,000 package is now no good unless you authorize me at \$95 an hour to update it for you. That is what is going to happen here. It is open ended; it is not fixed. It will be a living agreement, just like grass is a living organism. This will live and cost a lot of money. It is dangerous to do this.

Ms. Kassel asked if he does the job and provides the map, how is it ongoing?

Mr. Berube stated because it will need to be updated all the time.

Mr. LeMenager stated but Mr. Smith is not going to do it.

Ms. Kassel stated Mr. Druckenmiller will do it.

Mr. Berube stated yes, Mr. Smith will do it. Mr. Druckenmiller will not.

Mr. LeMenager stated our staff will do it.

Mr. Berube stated Mr. Smith will be involved in this at every step because it is his map and there will be problems, so he will charge for every bit of this. It is a living and moving organism. I am against it. I do not like open-ended deals; it has to be finite, and this is not finite.

Mr. Walls asked do we have the tools to update this electronic map now?

Mr. Golgowski stated if the tool is a tablet, we do not have that.

Mr. Walls stated this will require software, some type of GIS software to update.

Mr. Golgowski stated it is almost freeware that can be used. I believe that is the case.

Mr. Walls stated I would like to know that. Mr. Berube is right that anytime a piece of equipment is moved or changed, the map will need to be updated or it will be worthless.

Mr. Berube stated if we are going to trust Mr. Druckenmiller to update the \$6,000 map, it is also the time to consider giving him the ability to go in there and do the

electronic portion for Maxicom. We received a proposal last month to increase the monitoring of Maxicom. We are still paying \$250 a month for not much service. If we trust Mr. Druckenmiller to update our new \$6,000 map and keep it updated, we ought to be able to trust him to move the timers on Maxicom and run the water.

Ms. Kassel stated those are not the same. It is comparing apples and oranges.

Mr. Berube stated I understand, but if he is smart enough to update this map, I am sure he is smart enough to be trained to run Maxicom. I know this is a different tangent, but I am against these open-ended proposals because we will end up paying more and more.

Ms. Kassel stated like Mr. Walls, I would like to know if we will be able to update this plan without additional costs to us, except perhaps for a tablet to do it on.

Mr. Evans stated Mr. Berube raised the point about updating the map. I have not seen the format or the example of the finished product, so I presume that part of it will be a graphic that will be like an aerial or a construction drawing that will show a physical location for these valves. The other would be more like an Excel spreadsheet that you would update when you replace certain things. There are two components to the data that is part of the finished product.

Mr. Golgowski stated that is correct. There are tables that would stand behind the map that includes the geographic information.

Mr. Evans stated so you would be updating any changes that we make on the data portion.

Mr. Golgowski stated that is correct.

Mr. Evans stated if you had to swap out a head or there are comments about that location, we will be updating that information ourselves.

Mr. Golgowski stated that is correct.

Mr. Evans stated the only time we would have to update the graphic aspect is if we physically move something across the street or some other major move. We could even note that change if we had to move it three feet or five feet in a notation on the narrative where you replaced a valve and due to a conflict or roots or something, you moved it three feet east. We can update this map ourselves to a great degree.

Mr. Walls stated I have some experience with GIS. The fact is, both components—physical and electronic—are map data. You are dealing with map data. It is not as easy as

adding a footnote that says you moved something. You need to have the specific software, and I do not even know what kind of software it requires. You need the right tools to be able to update that electronic map in order to update the physical map that you can print out.

Mr. Evans stated we are not updating the map.

Mr. LeMenager stated we are actually going to make the map.

Mr. Walls stated if we spend the money to make a map, then we will want to be able to update that map.

Mr. LeMenager stated we agree.

Mr. Golgowski stated we have a GIS system in-house that the developer uses, and it can handle any changes to this map that we want to produce. That can be then transferred to the hand-held device.

Mr. Evans stated they are two totally different products from what I understand.

Mr. Walls stated but they are not the same platform.

Mr. Golgowski stated you can take them apart.

Mr. Evans stated one is the map, which is a graphic, visual map. The other is data. It is like a report that you constantly update about any work you did on a particular valve. You can update that anytime you need to. It does not mean the valve moved; it just means that is where it was.

Mr. Golgowski stated that is correct. It has a GIS system, so looking at a map on your tablet, you can see a valve on your map. If you tap the screen, a table pops up that says it was swapped out on a particular date and any other details. All that data is behind the map. You can edit that table and you can edit the map. If you want to move the valve, you can change the map to show where it was moved, and the table goes with it.

Mr. Evans asked realistically, will we be modifying the map unless there are some major changes?

Mr. Golgowski stated we have added onto zones where we have added some new beds or something where we had to extend the lines. There could be an occasional need to do something like that.

Mr. Walls stated I am not sure I support this. If you get a product, you will want to be able to have the ability to update it. That is what I want to know if we are getting. are we getting something that is in a format that is easy where one of our people can do that, or

is this something where we will have to call in Mr. Smith to do at a charge per hour in the future, when he may or may not be around?

Mr. Berube stated I appreciate the offer from the developer that they have the software, but some day, the developer may not be our friend anymore. If we are going to need a software package to do this, then we need to do it ourselves. If that means a tablet and software, then it needs to be ours. I am not sure if it is legal for us to have a tablet and use the developer's software. There still needs to be a separation between the developer and the CDD. We need to stand on our own. We have had this discussion before, and we need to consider that. If we need software, then it needs to be ours. If we need a tablet, then it needs to be ours.

Mr. LeMenager asked you realize what you are saying very clearly to the tax payers of this community is that the operation and maintenance portion of their CDD assessments will be a never-ending spiral upwards? Is that correct?

Mr. Berube stated no, I am not agreeing that we should buy this at all. But if we do, then we need to consider that we need to handle it all in-house. We have expanded our employee base. We have discussed this previously, and I know Mr. LeMenager is a proponent of the CDD being self-sufficient. This is another area where we need to be self-sufficient. We cannot borrow software from other people to support our product.

Mr. LeMenager stated I think we have different time horizons here. We are talking about a community that has a pretty low percentage of development so far. I still want to use their services as much as possible for as long as possible.

Mr. Evans stated Mr. Berube was involved in purchasing the mule.

Mr. Berube stated that is correct.

Mr. Evans asked how is that any different than this? It is a tool to help them do a better job in fulfilling his obligations to us. That is a physical tools, and he carries other tools around. This is a tool that he will use to be far more efficient in maintaining this asset. How is it any different?

Mr. Berube stated it is a matter of opinion. It depends on how you look at it. I am a realist. I deal with reality every day. Some of us do, and some do not. I have spoken to Mr. Druckenmiller and I have been out there. I have worked on irrigation systems myself. I understand this might be a tool that is going to be helpful under certain conditions. I do not see the value equation. We are spending far more money than we really need to. Mr.

Druckenmiller can work a lot of hours for \$6,000. I am concerned that it is open-ended. It is purely a matter of opinion, and it is my opinion that there is no value to this equation to me.

Mr. LeMenager made a MOTION to approve the proposal from Insight Irrigation to produce a map of the irrigation system, as submitted, in the amount of \$6,000.
Ms. Kassel seconded the motion.

Mr. Qualls stated I think it would be helpful to clarify some things in this proposal, if that is not obvious from the discussion the Board has had. I have highlighted a few things. One is, for a total period of ten days, and then each Tuesday. I need to know if that is two Tuesdays or ten Tuesdays. That is minor and I am sure it is ten Tuesdays. The comment about additional site visits at \$95 per hour and staff will prepare a weekly report of findings. What happens to the report? Who receives it?

Mr. LeMenager amended the previous MOTION to approve the proposal from Insight Irrigation to produce a map of the irrigation system, as submitted, in the amount of \$6,000, subject to review by legal counsel.
Ms. Kassel seconded the amendment.

Upon VOICE VOTE, with Mr. LeMenager, Ms. Kassel, and Mr. Evans in favor and Mr. Berube and Mr. Walls against, the above motion passed 3-2.

Mr. Evans stated Mr. Qualls will provide us with any suggestions for any language needed to Mr. Haskett so we can update this and move forward on this work.

ii. Swimming Pool Cleaning

Mr. Haskett stated at a previous meeting, the Board requested proposals for pool cleaning services, which I have provided to you.

Mr. LeMenager made a MOTION to approve the proposal from Roberts Pool for pool cleaning services, as provided.
Ms. Kassel seconded the motion.

Mr. Berube asked why are we looking to accept a bid? We really did not have a deal with them before. It was an open-ended contract with the ability to change. All we did was ask for a quote and the price increased. Why should we accept the price increase

from someone who we asked to potentially be replaced? I do not like that progression of events.

Mr. LeMenager stated that is what happens when you go out to bid things.

Mr. Berube stated it does not mean we have to like it, and it does not mean we have to accept it.

Mr. LeMenager stated keep that in mind when you talk about our contract for \$500,000.

Mr. Berube stated I understand. I am just raising an objection that we looked at four proposals. Two declined to bid for any number of reasons. One provided a bid. We are talking about \$14,000+ annually. We really did not get a very good representation. I realize it is a lot of work for Mr. Haskett, but we did not gain anything except retaining a contractor that we had questions about at an increased price. We just discussed earlier that we were billed for services that we did not receive in January. Now we will accept a price increase and move forward. Something is wrong.

Mr. Walls stated I appreciate Mr. Haskett's work in preparing this, and I am glad someone did it. I am sad to see there are four companies and I find it hard to believe in this economic time we are living in that we have bids from just two companies to do this work. I wonder if Severn Trent has a place to go to, like a repository of companies, that can be asked for bids. I know there are more than four companies in the central Florida area that handle pools.

Mr. Moyer stated we use the Yellow Pages.

Mr. Berube stated we can put an advertisement in the newspaper.

Mr. Walls stated I think we can expand upon this. We have a list of four companies, and we know there have to be dozens of companies that do this work.

Mr. Haskett stated I did not list the ones that were in Orlando and did not want to drive to Harmony to clean the pools. These are the ones that I sent the scope of services to, they came out and looked at it, and Gator Pools declined to bid on it because they felt that it was too restricting for them. The Original Pool Doctor submitted a proposal six or eight months ago for \$14,000 per year, which is about the same figure as Roberts Pools. I asked them to rebid based on this scope of service, and they did not submit a bid.

Mr. Walls stated I am not criticizing your work, but what it shows on here is that there were four companies who were solicited. I do not know how many you contacted because it does not say on here.

Mr. LeMenager stated I am concerned we are getting into micromanaging. We are a policy-making body, and not a day-to-day management body. We have our day-to-day manager who does his best for us. He has done the work and made the phone calls and received the bids. He has made a recommendation.

Upon VOICE VOTE, with Mr. LeMenager, Ms. Kassel, and Mr. Evans in favor and Mr. Berube and Mr. Walls against, the above motion passed 3-2.

SEVENTH ORDER OF BUSINESS

Audience Comments

Mr. Moyer stated Mr. Glen Becker arrived after our agenda item for audience comments, and he would like to address the Board.

Mr. Glen Becker stated you all remember how many hours the CDD spent about a year ago discussing the issue of fishing in the local retention ponds. I was quite satisfied when the CDD resolved to confirm and promote a rule against such fishing. For anyone who takes the trouble to search the rule books, you can look on the CDD's website and other places. Subsequently, a number of my neighbors have complained to me about the number of boys with their fishing poles on the edges of retention ponds. I am thinking especially of the pond that runs between Harmony Community School, where I work, and the large dog park. The fishers and anglers in question are usually high school boys or younger. I know and like most of these boys, so over time, I have tried to chat with them individually in a good-natured way. My message has been that I do not want to see them get into trouble. If any resident happens to see you out here trying to catch some fish and decides to call the sheriff, you will probably get a citation or a ticket and your parents may be asked to pay a fine. The most dramatic upshot of those conversations came along during the week of Christmas when some teenaged boys flung five dead fish at my front door, knocked over a planter and created a nasty mess. After that happened, I talked with the sheriff's deputy who came to the house. My main interest was to find out if I was correctly interpreting the position of the sheriff's office. He led me to understand that I was. He urged me to call him if I saw anyone fishing in a retention pond, and he said if he saw anyone fishing in a retention pond, he would first give them a warning and then a

citation. Within the past month, one of my neighbors decided to contact people at the sheriff's office. She was determined to find out quite aggressively whether or not that was really the rule. She talked with at least five people there, including the lieutenant, and she heard a very different story. I think I can accurately paraphrase what she heard from the sheriff's office. One, if this is a question of a Harmony resident fishing in a local pond, the sheriff's office does not want to hear about it and will do nothing to enforce our rules. Only an officer of the CDD has the right to go up to an angler and say they should not be fishing there, but even then it is an open question whether or not the CDD officer can do anything to enforce the rule. Three, if anyone wants to be sure of not getting in trouble, all that person has to do is head to Long Pond or another pond that does not have explicit signage posted saying that fishing is prohibited. That seems to be where we stand. I am a little confused and discouraged. I would like to teach young people to respect the rules. Where do we go from here? What is the rule now and into the future? Do we give up on the idea of telling people they should not be fishing in the ponds after all this discussion?

A Resident stated the sheriff's deputy was out here on Saturday because we had an issue on our pond. There were a couple guys who came out and they understand perfectly what the situation is. This sheriff had never dealt with this before, but as soon as he read the Statute on the sign, he reacted accordingly. If you are calling the sheriff's office and talking to someone who does not understand the sign is posted with the Statute, that could be the miscommunication. The deputies who physically come out read the sign and it is very clearly written, end of discussion.

Mr. Becker stated I wonder if the sheriff's office is telling people what they think they want to hear. I would like to see the policy enforced. If someone says they will not enforce that policy, where does that leave us?

Mr. Evans asked do you know what deputy that person spoke with at the sheriff's department? Do you have a name?

Mr. Becker stated I have the name of Lieutenant Parsons, who confirmed what my neighbor had heard from Sergeant Kenneth Tally. These two officers spoke with others in the sheriff's office to make sure they believed they were accurately reflecting the sheriff's office policy.

Mr. Evans stated I will ask Mr. Moyer to call the sheriff's department and express upon them that our position has not changed.

Mr. Moyer stated the part that Mr. Becker said about having an officer of the District be the entity to make the formal complaint, in Orange County, that is what they do. We actually have Supervisors who have volunteered that when a resident calls, they will go down and swear out the complaint for trespassing. I am encouraged to hear that is not the case necessarily with all of the sheriff's deputies in Osceola County. If they want to play it 100% by the book, that may be the situation.

Ms. Kassel stated I am sure there are any number of Supervisors who would be willing to do that if the case arose.

A Resident stated from what I have gathered from talking with our local law enforcement, there are a number of things going on in the community that they are terribly aware of and aggressively interested in chasing down. With kids on the ponds, what I have seen firsthand is they will tell the kids they cannot be there and to pack up their stuff and go, and that is all it takes for most kids. They say "yes sir" and pick up their stuff and leave. I think for the sheriff, if it becomes an issue, then they have a separate issue outside of the trespassing with kids who are being belligerent. That is what I have seen from them. I do not think they are being overly aggressive with it, and I have not seen them write someone a ticket but simply tell them to leave.

Mr. Becker stated I received an email from my neighbor, and she wrote that "my boys have been told by the two persons in authority, one wearing a CDD shirt and driving a Harmony golf cart, that it was fine for them to fish where there were no signs, i.e., in the retention ponds where there are no homes." That was shocking.

Ms. Kassel stated the policy is no fishing in any CDD ponds, but not all ponds are posted and, therefore, cannot be enforced. The policy is no fishing in any pond.

Mr. Evans stated I do not know of anyone who would make that statement, but I am not disputing your email or what was passed along. That would not be our policy. Check with the sheriff's department and speak with that lieutenant to see what you can find out.

Mr. Moyer stated I will call them.

Mr. Evans stated thank you; your presentation was very *en pointe* and precise.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

There being none, the next order of business followed.

NINTH ORDER OF BUSINESS

Adjournment

The next meeting will be Thursday, February 23, 2012, at 6:00 p.m.

The meeting adjourned at 8:20 p.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman