

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, September 27, 2012, at 9:00 a.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

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

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young vanAssenderp, P.A.
Greg Golgowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Larry Medlin	Bio-Tech Consulting
Chuck Meyer	CT Meyer & Associates
Brock Nicholas	Harmony Development Company
Garth Rinard	Davey Commercial Grounds Management
Doug Vaught	PrismOne Group
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

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

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the August 30, 2012, Regular Meeting

Mr. Evans reviewed the minutes of the August 30, 2012, regular meeting and requested any additions, corrections, notations, or deletions.

Mr. Qualls stated page 9, "Doctors" appears to be misspelled.

Mr. Berube stated it should be "Dock-Ters." That is the contractor's name.

On MOTION by Mr. LeMenager, seconded by Mr. Berube, with all in favor, unanimous approval was given to accept the minutes of the August 30, 2012, regular meeting, as amended.

THIRD ORDER OF BUSINESS

Audience Comments

There being none, the next order of business followed.

FOURTH ORDER OF BUSINESS

Subcontractor Reports

A. Aquatic Plant Maintenance – Bio-Tech Consulting

i. Monthly Highlight Report

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

Mr. Medlin stated we performed a treatment on September 20, which was just last week and the report was not able to be included in the agenda package for this meeting. We treated mostly grasses and vines, and we resprayed all the structures. There are no problems with algae or submerged weeds to report. Next month, we will begin the monthly/quarterly treatment schedule, so you should notice a price difference beginning next month.

ii. Proactive Measures

Mr. Berube asked is there anything that you are noticing as you review the ponds that we need to address? Are there any advanced warnings? We discussed more plantings. Is that a positive or a negative? Or should we just see what happens with the current plantings?

Mr. Medlin stated since we are getting into the end of the calendar year, it is a good time to let things be for now and perhaps address that again in the spring. The water levels have been really high and there is not much room to add plants. We are not seeing any problems right now.

B. Landscaping – Davey Commercial Grounds Management

i. Monthly Highlight Report

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

Mr. Rinard stated we continue with our maintenance operations. For the most part, things continue to look pretty good. There have been no major issues outside of our initial trailers, and we are in good shape.

Mr. LeMenager stated when you mow the soccer field, please try to schedule that for mornings. There was at least one time when about 10 people were playing soccer and had to leave because the mower came pretty late in the afternoon.

Mr. Rinard stated that is not a problem; we will make that change.

Mr. LeMenager stated it would be helpful to complete that field before school gets out.

Mr. Rinard stated that is easily accomplished.

ii. Recycled Mulch Alternative

Mr. Rinard stated we wanted to introduce a concept that we introduced in our proposal, which are some options and alternatives for mulch. We are approaching the time when we will be mulching the property, which is November. Historically, you have used pine bark as your mulch. There are alternatives on the market. There are options and alternatives that we have tested on other projects that we think might be beneficial to the community. Today, I want to introduce the concept and the product. We have some samples here and we put some samples by Mr. Haskett's office as well as a couple samples around some plants here in the parking lot. There are several advantages, and the primary one is that it is a green alternative. This mulch is made from landscape and vegetative waste, such as hardwoods. It is a dyed product. The dyes and chemicals have all been tested and researched, and they are all approved for being green and not having any detrimental effect to any of the landscape.

Mr. Berube stated there was a piece in the proposal about testing some of it on the golf course.

Mr. Rinard stated Mr. Meyer's group is who I am working with on the development of this product. Mr. Vaught performs the certification side of this effort and verifies that what Mr. Meyer is doing is green. Mr. Meyer has some history with the Harmony golf course, and he can describe more of the technical aspects of how this is developed. The second benefit we have seen based on testing it at Celebration, Disney and one other HOA. Contrary to some of the dyed mulches in the past that fade quickly, the coloring in the process that is used holds up longer, and the breakdown of the material is longer term. We have seen in one instance where the community was mulching on an annual basis, and we are up to two years on the initial application. The color is holding and the mulch is holding, so they saved their investment in the second year. They took the money that they would have spent in mulch and used it elsewhere on the property. Every area and every situation is different, but we are seeing the same results. We use it at Disney in specific locations, especially in locations where there are high erosion problems. It is not failsafe, but it does better than the natural mulches do. We wanted to introduce this

product and find out what your interest level is and whether or not there is something that can be done in the future.

Mr. Evans asked are these all hardwood chips or a mixture?

Mr. Rinard stated it is mostly hardwood, but there is some palm included.

Mr. Meyer stated my consulting firm was assembled over the past decade as part of a group that is a sustainable green network. It is a network of end users, such as Davey and other major landscaping companies, golf courses, and similar entities. We specialize in going to companies that are mulch manufacturers and showing them how to take the flows from communities like Harmony and turning them into something that is more of an advantageous product. We teach them to make a combination of groundcovers and soils. For every landscape and mulch product that you see, there is an alternative product that we believe we can make from the flows taken from your community. We choose a local facility. The materials are removed and brought to that facility where they are sorted for their product and value, and then they are returned as products in the landscaped community. We do this Statewide. The product I brought today is from Delray Beach, Florida, where I spend most of my time. The goal is to first utilize every fiber. We take the fibers that have a tendency to last longer in this tropical and subtropical environment, things that, when they do decompose, are more similar to what was here before we started landscaping the State. If I were to walk along the canopy here, some piece of fiber from every tree, shrub or palm is in there. We use a high percentage of palm fiber because it is a predominate fiber in Florida that has a high-volume waste and low-volume usage up until now. We incorporated it into our process. It is a high lignin fiber, meaning it will last. If you have ever seen a picture of a tiki hut, those are palm fronds, and they will last up to five or six years without any problem and will endure hurricanes. We take a combination of that fiber, which has to be long and stringy like a filament, and we blend it with other woods from the canopy. We have a colorant that is an iron oxide pigment, which is essentially the same pigment that colors the Painted Desert. It is a synthetic oxide, but it has the same rating. The MSDS says if you were to pour it in a glass of water and drink it, you might get an upset stomach. The idea behind this is to truly close the last loop in landscaping. For years, people have used land clearing wood and wood from pallets. Some of the problems with those, particularly this region of Florida, is there is a lot of pine bark because of the way things evolved. I work with

entities that prefer pine bark, and we incorporate pine bark into our soil blends. We provide soil blends for the major growers in South Florida, and over 50% of that product is pine bark. In that application, it has tremendous value. In a landscape application, the tendency is for that to start to lose its color pretty quickly and float out during a rain event. Conversely, with our product, we are adding this fiber that essentially knits the materials together and creates a vapor barrier and a sheet flow and slope. If you have ever heard of horse-hair plaster from New England, that is from where this evolved. We looked at that product and thought if it will stick to a wall, we can probably make it stick to a slope. One of Mr. Rinard's projects was on a steep slope near a sensitive walking area, and this improved the sheet flow. The most important part of this component is its longevity, as far as the fiber. Its color will have a tendency to last a little longer than conventional colored mulches. More importantly, the fiber actually has a tendency to keep weeds out and keep water in. If you are trying to accomplish less water, less herbicide, less fungicide, less fertilization and at the same time trap the natural rain flow, this product will start to develop a little bit of a crust to it. That holds the vapor in so it does not evaporate off. It is completely pervious to allow rain through it.

Mr. Berube stated you mentioned the floating aspect. We have a number of areas with a lot of mulch, and when it rains heavily, there is a wash off of the mulch.

Mr. Meyer stated this sample shows the fibers in it. Mr. Rinard used the term "filament," and that is most like what it is. Palm fiber is actually a tubular fiber. We have pieces of wood and pieces of frond that have been designed to look like pieces of wood, and those weave their way into the product. With conventional mulch, there are pieces of wood that break along the grain lines. You have pine bark and pine nuggets in Florida. In New England, their pine bark is soft and we grind it into a shred. The way that Florida landscape practices have evolved, it is a very pretty look for about a month, and after a month, the pine bark starts to float and turn gray. We have tried in the past to color pine bark, but it is too expensive. Unfortunately, not only with the floating issue, but the UV rays take the color right back off the pine bark. I do not mean to knock the product because we work with people who want it and we sell a lot of it. The whole idea is to mimic the native, original cypress look, the pine bark look, and a pine straw look in colors. Our product is intentionally multi-colored. You will see a lot of colored mulches look like plastic, which is not our goal. Our goal is to give you a natural look that looks

more like a straw. I work with manufacturers and people like Mr. Rinard to determine the problem, identify the waste stream and come up with a solution. When I complete my part, then we work with PrismOne whose platform allows them to feed information to verify that your product is going to a recycling center, to confirm the volume we indicated we brought and that we return the product that we sell back to you through Mr. Rinard, and to verify that you received that volume, in addition to the fact that it is 100% green and sustainable.

Ms. Kassel stated in terms of impacts, you indicated that this does not break down very quickly. How will that affect the soil and the soil pH? The pine nugget breaks down and provides nutrients for the soil. If this does not break down as easily, what is the impact of that? What is the impact if it does form a vapor barrier on molds and other fungi underneath it if it is not letting the soil dry out when it is very wet? What is the impact on our finances?

Mr. Meyer stated it is cost competitive and is priced to compete with the prices you are already paying for mulch. The pH is neutral, as most types of these fibers are. Most importantly, if you were to walk along the edge of a swamp, this is what drops on the ground. There is no pine bark on the ground. We mimicked that look, and the first facility where we produced this was here at Harmony when Mr. Jason Moore was the golf course superintendent. One of the reasons we used it was because of the sensitivity and things like the certifications that golf courses receive from Audubon International. I may have confused you on the vapor barrier. What we are looking for is a very light crusting that intentionally lets the water that you put on in the morning, hold for a while. It releases water, and it actually creates far less of a non-beneficial fungi and more of a beneficial fungi. We use these fibers in our planting mixes that we sell to the major growers, but we use them in a much smaller particle size. The best example that I can give you is when it was here, it was placed along areas where turf was removed on the top of mounds and used close to the water along the practice range. One of the things it does is attracts the native birds because of the native insects that live in it. The brand name of this particular product is Native Ground Cover™.

Mr. Vaught stated what we do at PrismOne is that we are a third-party verification. We do handle materials and we do a lot of work for the major theme parks not too far away from here, about 20 million pounds annually. We make sure that when materials

come in, that they go where they are supposed to go. We document every step of the process with photographs and logins, so our customers can verify and actually see their green waste and where it goes. Customers receive photographs when the containers are picked up, essentially the whole process. At one of our process centers, we are implementing a camera system where clients can login and see their boxes when they are coming in and being unloaded. We work to eliminate green washing. If you are saying that Harmony was marketed as a green community, then we verify what is happening. It is a changing market as to what everyone is doing. General Motors is touting zero waste, and our goal is when the media comes at them, that they can prove they have zero waste. We work with a lot of different materials, including food waste and compost. Whatever your material, we make sure it gets recycled. We do make sure that what Mr. Meyer is saying and what Mr. Rinard collects has truly been recycled.

Mr. Berube asked is it too much of a leap to think that our green waste would be going to one of these facilities, turned into that product and being returned to us?

Mr. Vaught stated no.

Mr. Berube asked would our green waste be used in this manner, or would it still be going into a dumpster?

Mr. Vaught asked do you mean that you would be able to tell that your green waste physically came back to you?

Mr. Berube stated yes, in some capacity.

Mr. Vaught stated yes, that is not too much of a leap. With some products, like carpeting that we send back to Shaw Fiber, they are receiving hundreds of millions of pounds and it would be hard to say in that case that your product would come back to you. but because this is processed locally, it is very possible you would receive your own waste back.

Mr. Berube stated if we convert to this product, then our green waste is no longer going into a dumpster but will be used somewhere.

Mr. Vaught stated it may be thrown into a dumpster, but it will be recycled and converted, and more than likely, you will receive some of it back on this property.

Mr. Berube stated that answers my question. I like the concept.

Mr. Rinard stated regarding the pricing, as Mr. Meyer indicated, the pricing is competitive with the natural pine bark.

Mr. Evans asked does that mean it is the same, it is less, or it is more?

Mr. Rinard stated for all intents and purposes, it is the same. The benefit from what we have seen is the lasting effect of it. There is the potential for future savings where you will not have to replenish as much or as often. As time goes by, instead of mulching on an annual basis, we can stretch that timeline out; therefore, you experience potential savings. All situations are different. Some of it has to do with current weather patterns and circumstances, and it does break down eventually, but it takes a longer time.

Mr. Berube stated even if it lasted only a year, I see all the benefits and no negatives. In a year from now, we may have a different opinion if we switch to this product, but I see only positives, even if it only lasts one year.

Ms. Kassel asked what happens with the existing pine bark? Is there any extra cost for removing it?

Mr. Rinard stated I would discuss that process with Mr. Meyer and Mr. Vaught. There are areas in the community now that are very thin where we could pretty much just mulch right over. The other areas where the existing mulch is thicker might need to have the mulch removed or perhaps it is allowed to break down and decompose a little by deferring mulching those areas for a short time.

Mr. Meyer stated if you take the acidity that is provided by the pine bark and take the fiber in combination with the moisture and the beneficial microbes, you apply this product right over the pine bark since you are not over the curbs. By applying this product over the existing pine bark, it will essentially stop the floating and allow you to retain what you have. The two mulches together will break down into a better product for the soil, not a worse product. Pine bark itself, if you over use it too many years in a row, is too high in carbon. You will wind up changing the soil complex. The big thing we do is microbial colonization. This product is designed to rebuild the microbes that were removed with fertilization. I think it will work fine to apply on top of what you already have. If you are going over the curbs, that is an aesthetic issue and Mr. Rinard would be the judge of that.

Mr. Rinard stated I think we need to look at the depth and thickness of what is there now, and then make the determination from there.

Mr. Berube stated I agree. Some areas have several thousand square feet of pine bark as bedding, and I can see that would turn into a mess. Most of the tree rings are pretty low, but some of the big bedding areas should probably be removed.

Mr. Meyer stated what I would tell a client of mine in this situation, we would work through Mr. Rinard, as we have always done, in providing a full pallet load for you to use in order to see how it will look. If Mr. Rinard is willing to provide the labor, we are willing to donate the material. We do not expect you to make a change like this blindly. One of the companies that uses our product is Rosen Hotels, for the past two years, and it works well there.

Mr. Berube asked does this come bagged or on pallets? Do you blow it in?

Mr. Meyer stated you can get it in whatever form you want. Our preference is to ship it in bags and have it hand installed because we think that is the neatest, fastest, most cost effective manner. One of my primary customers has five blower trucks, and we also sell to the State's largest hand installer. I have seen the work that Davey has done, and their tendency is to have a neater product than using blower trucks.

Ms. Kassel asked if it happens to work out for the CDD, is this product available to the public?

Mr. Meyer stated absolutely, yes. Hopefully we will have distribution in this area. I have been doing this for 20 years and my experience has been that once we have acceptance in a new area for a product on the commercial side, then we seek out retailers. It comes in a commercial bag, which is clear, in the larger bags designed for hand installation. For the home owner, it is in a colored bag that has all the proper markings. Most of the products my clients use go through mulch and soil council, which verifies that it meets national standards for distribution through the big boxes and all the retailers. There is no CCA wood, no glue or anything of that sort. It is one thing to be recyclable, but it also needs to be sustainable.

Mr. Walls stated I suspect we will want to stick to our schedule of keeping things looking nice. If we find that this mulch lasts 18 months or two years, is Mr. Rinard willing to work with us relative to contract prices or perhaps applying the dollars for this line item to something else?

Mr. Rinard stated yes.

Mr. LeMenager asked do we need a proposal to proceed with this product? Would this be something that is outside of the current contract if we changed mulch products?

Mr. Evans stated it would be an amendment to the contract.

Mr. Haskett stated the contract states pine bark nuggets, so you would need to have an addendum for that requirement.

Mr. Evans stated it could be a one-page addendum.

Mr. LeMenager made a MOTION to amend the contract's scope of services to also allow this recycled mulch product instead of pine bark nuggets.

Ms. Kassel asked do we want to have some test areas before we make this change? Or are we ready to make the change?

Mr. Berube stated I like it. I think it is an easy choice.

Mr. Rinard stated the sample areas we have now are very limited. We can bring in five or seven yards of this material and do it on a broader but small-scale test area. There is no rush on this. We can implement this after your next meeting to give you an opportunity to look at the areas and receive comments from the residents.

Mr. Berube stated I am fine in moving with this now because there are enough positives to outweigh the negatives of the pine bark.

Mr. LeMenager stated if it is good enough for Disney, it should work well here. Pine bark looks awful after a month. To me the number one thing I liked hearing is that this new product will retain its color for a long time. Pine bark looks great for a month before it turns gray.

Mr. Berube stated and then it floats away.

Mr. Walls stated if we have time, which I think we do, I would like to look at a test area before we decide to use it on all the property. That is a lot of mulch.

Mr. LeMenager stated that is fine.

Mr. Walls stated I would like to wait to decide until next month.

Mr. LeMenager withdrew the above motion.

Mr. Evans stated I will ask Mr. Rinard to provide a larger test area and Mr. Qualls to provide an amendment to the contract that we can execute at the next meeting.

Ms. Kassel stated we will not know much after one month as to how it will look or hold up for a longer period of time, but at least we will be doing this with a little research.

Mr. Berube stated it will allow us to make an informed visual decision.

iii. Proposal for Sod Replacement

Mr. Haskett stated this proposal is for the area behind the Drake neighborhood on Indiagrass, lots 1 through 7. There is an area by the yellow house where there is a small bed that failed. There is no irrigation in that strip. This proposal is to remove the small portion of bed with the failing plants and sod it with Bahia at an appropriate time to coincide with some rainfall.

Mr. LeMenager stated I noticed yesterday that it has been completely mowed over. There are no plants there.

Mr. Haskett stated then they will clean it up. It has looked terrible for quite some time, and some of the home owners who backed up to that area complained about it. This will help resolve it.

Mr. Berube asked do we have a sense of what happened there? It is roughly a rectangular area that looks like a mess, and it is surrounded by nice grass on both sides. It looks like someone killed it and then weeds grew.

Mr. LeMenager stated my wife and I wondered if someone wanted a better view of the golf course so they decided to kill it.

Mr. Haskett stated several years ago when we did the improvements on the golf course with the gas line, it took out some material on the golf course. When they made those beds, they replanted that affected area. Over the years, it has declined due to a lack of irrigation.

Mr. LeMenager stated I noticed a sprinkler head in that location.

Mr. Haskett stated that is on golf course property. There is an easement of about 25 feet between the home owners and the golf course.

Mr. Walls asked do we need to install some irrigation in that area?

Ms. Kassel stated I had the same question. If the problem was largely caused by a lack of irrigation, do we need irrigation?

Mr. Haskett stated I do not think it will be necessary if we resod it with Bahia because the Bahia that is already in that area does fine without additional irrigation.

Mr. Berube stated I believe both sides of that area are Bahia now.

Mr. Haskett stated that is correct.

Mr. Berube stated they are nice and green. It is just this little area.

Ms. Kassel asked is this on the corner of Cat Brier and Indiangrass?

Mr. Haskett stated no, it is tucked back about five houses down.

Mr. Berube stated if you have seen the big house with all the roofing tiles on the top, go beside that house and look to the right and it is there at the next house over.

<p>On MOTION by Mr. Berube, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the proposal dated September 19, 2012, from Davey Commercial Grounds Management for 2,800 square feet of Bahia sod replacement in the amount of \$1,318.80, as discussed.</p>
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iv. Proposal for Tree Relocation

Mr. Haskett stated we discussed last month about the palm trees and magnolia trees that need to be moved as part of the OUC power line requirement. Mr. Qualls discussed this with Mr. Wayne Zimmerman from OUC and requested that they modify this with Davey, not to show a \$3,060 charge but \$878.46 once the amount that OUC is allowing us for the removal of the trees is applied to this proposal. I am not sure if Mr. Rinard needs to receive an answer from OUC before he can agree to this modification.

Mr. Qualls stated we were going to have a contract with OUC whereby they would pay Harmony the amount they would have paid Davey to remove the trees, and Harmony will apply that to Davey's proposal to transplant the trees. Mr. Evans indicated that Davey is already removing the trees pursuant to its contract with OUC but rather than destroying them, Davey is transplanting them. OUC will pay Davey what they would have paid Davey, and then Davey will give the District a credit in that amount. It makes sense to me. I discussed it with Mr. Zimmerman, and he is fine with it. All we need to do is approve the proposal subject to modifying it to include the credit that Davey will give the District, based on what OUC will pay Davey to remove those trees.

Mr. Walls stated to what area are we relocating the trees?

Mr. Haskett stated we have to move the palm trees, so we thought we would move them to the Five Oaks entrance. We wanted a little more pizzazz there because that has become the main entrance for the home owners. We will put three palm trees on each corner of the inset of the white fence, far enough back to where they do not become an OUC issue again. We will also place two palm trees behind the Harmony entrance sign.

The magnolias will go in the center median where we are removing the palmettos in that location. They do not have the nice formal effect we would like at an entrance, so we will remove that section of palmettos between the oak trees and fill the area with magnolias since they are a smaller-growing variety. Similar to the plants on the point of that median, we will use butterfly bush around the bottom of the magnolias to give you a little bit of the “wow” factor at that entrance. We are using a lot of what we already have.

Mr. Berube stated there are two pieces to this proposal.

Mr. Haskett stated yes, the total after the discount from OUC is \$4,038.96.

Mr. LeMenager stated the first proposal is about \$800 and the second one is \$3,100 essentially for new work.

Mr. Haskett stated that is correct.

Mr. Walls stated this accomplishes what I wanted a long time ago with sprucing up that entrance. I like the idea.

Mr. Berube stated I agree.

On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to proposal dated September 19, 2012, from Davey Commercial Grounds Management for tree relocation in the amount of \$878.46, as discussed.

v. Proposal for Plant Bed Preparation

Mr. Evans stated this is for plant bed preparation and the installation of 165 butterfly bushes, as part of what we just discussed a few moments ago.

On MOTION by Mr. Berube, seconded by Mr. Walls, with all in favor, unanimous approval was given to proposal dated September 19, 2012, from Davey Commercial Grounds Management for butterfly bush installation in the amount of \$3,106.50, as discussed.

Mr. LeMenager asked what are we doing with the palmettos?

Mr. Berube stated shredding them and turning them into mulch.

Mr. Haskett stated unfortunately, they do not transplant very well, which we tried to do originally.

Mr. Rinard asked is the first proposal still subject to approval from OUC?

Mr. Qualls stated OUC is fine with it. As I look at what OUC said they would pay, we just need to double-check the math, email Mr. Zimmerman, and get his written response.

Mr. Evans stated the contract does not change between Davey and OUC whatsoever.

Mr. Rinard stated I understand what is going on with that. Up to this point, I know there have been conversations about this possibility, but I do not have confirmation. As long as there is confirmation, then I am fine with it.

Mr. Qualls stated I will provide that to you.

C. Dockmaster/Field Manager

i. Maintenance and Field Activities Report

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 I did create a new policy with the employees regarding maintenance that was not being taken care of, such as removing the propellers once a week at the recommendation of the manufacturer, checking for fishing line, and various other things like checking the batteries and the load to make sure they are properly equipped for the residents.

Mr. Walls stated a resident from the Green neighborhood asked me a question about the new playground. Will it have a roof that goes on top?

Mr. Haskett stated yes, we installed that at 7:30 this morning. We had one shipped in that was damaged during transportation. The other one arrived late last week.

ii. Buck Lake Boat Use Report

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

Mr. Berube asked with the removal of Mr. Thomas Belieff, how are we handling the flow of boats?

Mr. Haskett stated both Mr. Rick Druckenmiller and Mr. Paul Calabro are sharing that activity. We have gone through three weeks and have not had any issues with reservations thus far. Because of the shorter daylight hours, we are not going into too much overtime. I balanced their days off. Mr. Calabro is willing to switch his days off to accommodate covering for weekends. I am happy with them helping in this manner and

with the residents' support. I think we are averaging about five hours of overtime each week so far, which seems appropriate at this point.

iii. Replacement for Dockmaster

Mr. Haskett stated I did provide a job description of the dockmaster position to the Board members. It is my recommendation that we not term this position as a dockmaster but rather a District facilities boat operation and maintenance technician. It is a long title, but the replacement needs to have a better understanding that he is there to maintain all the facilities and not just the boats. Therefore, this is a copy of what Mr. Calabro was hired as, a District facilities maintenance technician. I added in several target items, as in boat operations, proper boat maintenance, safety inspections, and orientations for new boaters. My goal is to have all three of the employees termed as dockmaster, so whoever is down there with the residents will be considered the dockmaster at that time. They will all have the knowledge to be able to do so. They have been great these past couple weeks getting the boats back in order. The large pontoon boat was back in the water, and things are up and running again, thanks to the staff. I am asking for the Board's approval of this job description, whereby Mr. Moyer and Mr. Brian Smith can advertise it on the Severn Trent website, which is a requirement of Severn Trent. If they do not receive any interest from the Severn Trent employees, then it will be advertised in the newspaper and we will start the interview process. Based on past experience, it will be two-and-a-half or three months for this process, and I am comfortable with that. I do not want to rush into this. While the existing staff will be performing other maintenance items, this is a unique position where the employee needs to be very outgoing and interacting with people. I would like to see this person get more activity down at the dock rather than letting our assets float around. I think there is a lot of opportunity for the residents.

Mr. Walls stated my concern for this job, and what Mr. Belieff was very good at, is being available when people wanted to use the boats. During the summer, there is a larger expanse of time when boats are available, essentially from 7:00 a.m. to 8:00 p.m. For me, he was always available when I wanted to use the boats, which should be the case for everyone. If the boats are available, people should be able to take them out, from a customer service perspective. How are we going to do that as far as having a full-time position? Can we schedule the staff in a way so that from sunrise to sundown, someone is available to allow people to take out the boats when it is convenient for the residents? I contemplated an independent contractor for this position, possibly hiring someone within

the community to be available and come out when people have a reservation where their sole function is to get people on the boat until they return. I thought about that from a customer service perspective. I am fine with a full-time position if we can accommodate residents. I want to make sure the way we arrange the schedules, we are looking at it in order to allow people to use the facilities when they are available and when the residents choose.

Mr. Haskett stated during the winter months, that is achievable because of the shorter daylight hours. Where I found issues over the summer, there is a 12-hour daylight window. That makes scheduling one single dockmaster very difficult because that is when we had overtime issues. It would really require a part-time person who would be willing to work weekends or evenings to accommodate someone who decided at the last minute to take out a boat. My thought is during the summertime or busy times on weekends, this person could remain close to the dock instead of off cleaning facilities or other duties, to create a more inviting atmosphere for people to come down to use the fishing equipment, perhaps create more of a resort-type atmosphere on the weekends. I think that would get a lot more people involved in that area. The canoes would be out in the water so residents can just get in and take off. The sailboat needs to be accessible. There are a lot of things I would like to see improved on the dock within our budget.

Mr. Berube stated Mr. Haskett and I already discussed this, but I have a relative who lives here and is retired. He lives on Beargrass Road and has flexible hours. I do not think he would mind if he had an eight-hour schedule to help cover all those hours. We can let him use the golf cart since he lives two blocks from the dock, and when someone wants to use the boat, he can get on the golf cart and go assist with their boat use. There are many things to consider in filling this position and perhaps be a little more flexible in our schedule. I think with the right person, we can accommodate what Mr. Haskett wants to do. I agree with you. The boats are there and we spend a significant amount of money every year on these boats. If they are not being used, the cost per trip is expensive.

Mr. Evans stated this job description might scare off some people. It refers to extreme heat and cold, but I do not know when we have that.

Mr. Berube stated there are a lot of things going on, and we need authorization to start the advertising and hiring process. I am fine with that.

Mr. Evans stated I have no problem starting the process.

Mr. Berube asked do we all agree that we need flexibility with the boats? I think we want people to be able to use them.

Ms. Kassel stated yes, but I would like to know how it will impact our budget and what the budget would look like for this position.

Mr. Berube stated it has already been budgeted. This would be the same salary range that we budgeted for Mr. Belieff.

Ms. Kassel stated this job description is for a full-time person. Unless I misunderstood, Mr. Berube is talking about is someone in addition to this position, particularly for the summer hours when we have a longer time span to cover.

Mr. Berube stated the position is for all year but with a flexible schedule, not necessarily working Tuesday through Saturday from 8:00 a.m. to 5:00 p.m. We need to cover the flexibility of people who want to go out for sunrise and be out until sundown. I do not mean someone necessarily working all day but to be available on those range of hours. I think it will work.

Mr. Walls stated I was thinking of a contractor who would get paid by the trip or something like that. I do not know if you can get flexibility out of a full-time position. To do what Mr. Berube is discussing requires a part-time position, where they come in as scheduled, when needed. I think that can achieve the idea of being available when people want to use the boats, and they can work up to eight hours a day, or more.

Mr. Haskett stated with a full-time employee, it would work during the summer if they were willing to split their day to come in for four hours in the morning and then come back for four hours in the evening. I do not know if there is someone willing to work those hours.

Mr. Evans stated they can work from noon to 8:00 p.m.

Mr. Walls stated it depends on who is scheduled during the day. The other variable is there will be people who call in that day and want to use the boats, so we need to address that. It almost has to be someone who lives here or very nearby, just to have that flexibility to come in and out.

Mr. Haskett stated during the week, those are covered because we have two, possibly three, employees on site. We do not have that second or third person on the weekends. Maybe we can adjust everyone's schedules to see if we can come up with something, but it is definitely achievable.

Mr. LeMenager stated it sounds like this is the kind of thing we would discuss in the spring in order to put in place for next summer.

Mr. Haskett stated that is correct.

Mr. LeMenager stated we have two issues right now. Mr. Haskett is looking for approval of this job description for Mr. Belieff's replacement, and we have another general issue of perhaps creating a fourth position at some point in the future to handle long days during the summertime.

Mr. Berube stated Mr. LeMenager is right that we have two separate issues. We need to replace Mr. Belieff. Once this person is hired, as we get into the spring, we will have time to sort out what the scheduling will be for the summer and see how everyone feels about a revised working schedule. In the spring, we will know how everything works. The person we hire may not work out very well and may not make it until spring. We have been fortunate with our hired employees in the past, but you never know. Things happen.

Mr. Walls stated if you go back and look at the boating logs, fall and winter have more people making more trips versus during the summer. You will have people calling or coming by all day on the weekends, so we still need to have a good amount of coverage and someone available to get those people in and out.

Mr. Berube stated the important thing is getting this third employee hired, because that will take a little while. We already know that.

Mr. LeMenager stated I agree; this is the first step. I think we are fairly well covered until then.

Ms. Kassel stated another option is to have this person be two-thirds or three-quarters time, and the balance of funds we would have paid if he was full-time could be for someone who is in this function of being local and able to service residents when they want to take out the boats. Then we would not have a budget increase in terms of staff but we have greater availability if you think someone at two-thirds or three-quarters would be able to fulfill the requirements or tasks that Mr. Haskett is looking to fill that Mr. Belieff did.

Mr. Haskett stated the only concern I would have with that is that this person's primary heading is boat operations. We need someone who is solely responsible for

making sure those boats are maintained. I do not know if a part-time person will be that dedicated to it. I have seen a tendency for people to push things off onto other people.

Mr. Evans stated if you hire this third person and his primary responsibility is the boats, we can tell him that five days a week he will work until 30 minutes before sunset. He will be there from noon until 8:00 p.m., five days a week, including the weekends. That is the bulk of activity. Then the other employees can cover the mornings and the two days he is off, up until 5:00 p.m. If we have so much activity during the week, then we choose a couple days during the week where the boats have to be returned by 5:00 p.m. so they are not out there at night.

Mr. Haskett stated we do that now on a couple nights to avoid overtime. Also remember the lake is closed on Tuesdays, so if we go back to closing the boating activities to two days each week, that would solve a lot of the issues.

Mr. Evans stated or just close boating activities after 5:00 p.m. You can work that out. We just want the new employee to have consistency in his schedule and it is predictable from a resident's standpoint. If someone wants to go out in the evening or late in the afternoon, the boats are available five days a week, including the weekend, so residents will know when to schedule their reservations.

Ms. Kassel asked what about the early mornings?

Mr. Evans stated we already have two employees here who can accommodate them for early in the morning.

Mr. Haskett stated I will work on the process during the spring. For now, we are fine and when the third person is hired, we can adjust the schedules.

Mr. LeMenager stated it is pretty rare that we average more than one trip a day on the boats. You can check the records. Last month, we had 22 total trips. I think the boats are a wonderful thing in theory, and they take nice pictures, but the number of people who use them is a very small number. The cost per trip has been, is, and probably forever will be, outrageously expensive. They are an extremely expensive facility.

Mr. Berube stated what Mr. Evans and Mr. Haskett mentioned previously, a lot of what we spend on these boats is because of a lack of proper maintenance. We just had a motor rebuilt for \$1,400 simply because fishing line gets caught between the propeller and the motor housing. When that occurs, you damage the seal behind the propeller and water gets in that electric motor, which is under water. If it is not caught in time, that

water destroys the bearing, and we end up with a \$1,400 bill. It is a simple fix to keep the fishing line out, take the propeller off and put on a new seal. For whatever reason, this does not always happen. There are a lot of things that happen with the boats. With a little more maintenance, we can avoid some expensive bills and reduce that cost per trip.

Ms. Kassel stated one of the things we have discussed in the past is creating more visibility around the boats as a facility for the residents to use, which we really have not done. That is an opportunity for us to increase the use of the boats and thereby reduce the cost per trip.

Mr. Berube stated perhaps we can have a little more flexibility in the reservation process instead of requiring everyone to call in advance. If residents had the ability to just walk up and take out a boat, there might be more usage. That is something for the future.

Ms. Kassel stated I also think the new park that we will have around Long Pond will bring more visibility to the lake and may also help increase the interest in using the boats.

Mr. Qualls stated the Florida Statutes make it clear that the District shall have a District Manager who shall manage the works of the District, I think this should just make it clear that this person does not simply work for Harmony and reports to the District Manager, but that this person works for the District Manager to supervise the works of the District. I just want to make that clear.

Mr. Berube stated this person will work for Severn Trent.

Mr. Qualls stated that is correct, and they are the District Manager.

<p>On MOTION by Mr. Berube, seconded by Ms. Kassel, with all in favor, unanimous approval was given to authorize the District Manager to advertise for the open position for District Facilities Maintenance Technician, as discussed.</p>
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FIFTH ORDER OF BUSINESS

Developer's Report

A. Lakeshore Park Enhancements

Mr. Golgowski stated the construction for the bridges and boardwalks are still in permitting. The boardwalks are going through the SFWMD (South Florida Water Management District) process, and the bridges are going through Osceola County's process. Our contractor anticipates a start date of about October 15. He expects to have the permit from the County, which is the last approval that is needed.

Mr. Qualls stated I know these projects have to go through permitting for other jurisdictions, but this is also going through the District's engineer so that he can be sure this will meet District standards and specifications.

Mr. Golgowski stated that is correct.

B. Lake Watch Program

Mr. Golgowski stated we restarted the Lake Watch program that initially started a number of years ago. Lake Watch is a State-wide Florida program with citizens taking regular water quality samples of water bodies. We are including Buck Lake, Cat Lake, and a couple stormwater ponds. They simply collect samples locally and send them to Gainesville for analysis. A few residents volunteered to do that, and they made their first survey last weekend.

Ms. Kassel asked is that Ms. Diane Mayse and Ms. Marylin Ash-Mower?

Mr. Golgowski stated yes. It took them all day, so we are open to more volunteers.

Mr. Berube asked what is the purpose?

Mr. Golgowski stated to maintain an idea of the water quality in the lakes and the trends. They take samples from three different locations in Buck Lake and Cat Lake as well as in the center. They measure the clarity of the water, which is very shallow in both lakes due to the tannins in the water but is about eight feet in the stormwater ponds. They are getting feedback on the samples, including nutrient levels of nitrogen, potassium, and phosphorus. And then we just maintain a record of the results which also go into the State's database, and they see how our lakes compare with others.

C. Development Company Changes

Mr. Nicholas stated we had a change in leadership about a month ago. Mr. Shad Tome took advantage of a great opportunity, and his last day was this past Friday. Most of the work and analysis done by Mr. Haskett and Mr. Golgowski will continue for the District. In terms of any consents or agreements, you can direct them to me since I will be assuming Mr. Tome's responsibilities. We do not expect much of a change in how we assist the District.

Ms. Kassel and Mr. Berube congratulated Mr. Nicholas on his promotion.

SIXTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

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

Mr. Moyer stated overall, in terms of revenues, we collected what we levied. In terms of expenses, we are a little under budget by about \$57,000. Given our expenditure rate, we will not have any problem completing the fiscal year with a positive variance and we will be able to add something to fund balance at the end of the fiscal year.

Mr. LeMenager stated I have some questions on pages 4 and 5. Perhaps this has been answered previously, but it is the first time I noticed it. There appears to have been a large shift in the 2004 debt service fund to the 2001 debt service fund. If you look at special assessments-CDD collected, the 2001 debt service fund is \$181,000 over budget and the same line for the 2004 debt service fund, it is \$172,000 under budget. Was there some error in how the budget was prepared and there was a shift?

Mr. Moyer stated I do not believe there was an error. I suspect that it was applied to the wrong account by the trustee. I will find an answer for that.

Mr. LeMenager stated it is quite noticeable and does not seem right.

Mr. Moyer stated the monies were collected in total, which you can see they all add up. It looks to me like it probably went to the wrong fund. I will provide a report on that.

B. Invoice Approval #149 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 when we look at the check register by fund, these are checks that are issued and mailed.

Mr. Moyer stated that is correct.

Mr. Berube stated last month, we discussed Insight Irrigation's invoice and how much we owed him on the invoice provided for \$5,600. We decided that we actually owed him \$5,400.

Mr. Moyer stated that change was picked up.

Mr. Berube stated the check register indicates a check was issued for \$5,600.

Mr. Moyer stated I will ask what happened. I received an email saying that it had been corrected.

Mr. Berube stated along those same lines, there were two FedEx invoices that were supposed to be corrected last month that came to this CDD and should have gone to Harmony West and Harmony Central.

Mr. Moyer stated that was done also.

Mr. Berube stated I could not tell.

Ms. Kassel stated there is nothing noted for us to know.

Mr. Berube stated the reason I asked about FedEx is that it appears to still be wrong. FedEx is only \$16 and Insight Irrigation is \$200, which are small dollar amounts in the overall scheme of things.

Mr. Moyer stated but they need to be correct.

Mr. Berube stated I agree.

Mr. Haskett stated last month the Board mentioned a check that the development company reimbursed the CDD for the swing sets for \$1,300. Did that show back up in the right place? It was applied to the wrong CDD originally.

Mr. Moyer stated it is indicated in the notes, as well as the FedEx charges. I can usually find most of the answers in the notes.

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

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

Ms. Kassel stated I had reported about the dog park regarding the interior fences and the air locks or safety areas. I noticed there were some zip ties there, which there were a while ago but they are obviously very temporary solutions. It is marked complete on the log from August 20 or thereabouts when I reported it originally, and then I reported it again and more zip ties were installed. I was wondering when those fences would be more permanently repaired.

Mr. Haskett stated I know the Birchwood side off Brackenfern was replaced, and I thought that was done for both areas.

Ms. Kassel stated I came in this morning in the dark so I did not notice that, but I did notice the zip ties on the Cypress side.

Mr. Haskett stated I will have them check that. There are some areas where they have to pull out some sections and mend them, which will be done in-house with the fence that we removed from Lakeshore Park.

Mr. Berube stated we decided to remove the fence from around the playground at the dog parks, which is looking pretty decrepit, as is the gate. Perhaps we can get some of the wire ties from off that fence.

D. Website Statistics

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

E. Luke Brothers Outstanding Invoice

Mr. Evans stated we wanted to get a better understanding of prorations and allocations of what should be paid for final resolution to the agreement. Mr. Moyer and Mr. Haskett were working on this issue.

Mr. Moyer stated I contacted Mr. Pete Lucadano and asked for a more detailed analysis of their invoice. What I received was an increased amount from what they originally requested in the amount of \$19,237.89. Mr. Lucadano also provided the methodology on how they came up with that number. Mr. Haskett, Mr. Qualls, Mr. Berube and I reviewed it this morning. I think we identified where the discrepancy is in the process.

Mr. Haskett stated it is my opinion, from what I read in the contract and from how things were billed in the past, that the invoice I expected to see was a proration of the annual contract divided by 52 weeks to get one week of service for the month of August, which they included on their invoice. They are looking for a proration of items such as mulch and tree pruning and seasonal color, which I do not see in the contract that they are allowed to prorate. The contract states that we pay the full contract price in 12 monthly payments based on that contract amount.

Mr. Evans stated I have a spreadsheet that totals \$19,237.89. Is there any discrepancy with the first item for turf care? I want to identify where the discrepancy is.

Mr. Haskett stated the total amount for the first week is the first line item, \$8,300, which is acceptable. It is the breakdown after that for the additional line items where we are not in agreement.

Mr. LeMenager stated not only that, it does not make mathematical sense. For all three of them, they would like to charge us more than two months' worth of service when we are talking about only a two-month period. One plus one does not equal two-and-a-half.

Mr. Evans stated I want to identify what we are in agreement about, whatever the proration line items are that are not in dispute. Then we can focus our attention on the ones that are in dispute, so that we better understand them. Under the spreadsheet for the weekly items totaling \$8,358.63, is everyone in agreement that amount is owed to Luke Brothers?

Mr. Moyer and Mr. Haskett stated yes.

Mr. Berube asked is this for a month?

Ms. Kassel stated no, it is for one week in August.

Mr. Evans stated the next column is prorated for eight weeks remaining on the contract term for that time frame, which covers three scope line items: mulch, tree care and seasonal flower program. Those are the three items totaling \$10,879.26 that we need to resolve.

Mr. Qualls stated Ms. Wendy Andrews-Fine created the spreadsheet, but I wanted to put it in the proper framework legally. The contract says that the District agrees to compensate the contractor, pursuant to the unit pricing schedule that Luke Brothers included in its proposal. Where we find the discrepancy is, there are certain things that were to take place on a one-time occurrence, such as the mulch for \$42,000 annually performed pursuant to the bid specifications. What Luke Brothers is saying is that they installed all the mulch and even though they broke it into 12 monthly payments on their invoice, they performed the entire work effort, so therefore, the District owes that full amount. That is what accounts for the discrepancy. Luke Brothers is saying it is not fair just to pay for one month because they already provided all of those services, and the contract indicates the amount that is due when those are completed.

Mr. Walls asked does the breakout include maintenance once that service is complete?

Mr. Qualls stated when you break out the entire scope, you will have maintenance and the entire product including labor and all those other types of things. They provided the breakdown of costs, and it is up to the Board what you do with that information.

Mr. Berube stated we have a work year of 12 months, there is a cyclical year for items such as mulch that was supposed to occur from November to February, and there is a contract year from October through September. None of the three balance. To say that we have paid some amount in advance or in arrears, you cannot because the monthly

schedules do not align. To Ms. Andrews-Fine's comment this morning, they provided all the mulch and we have the benefit of the mulch for the full year. They financed the mulching over that year. What year? October 1 through September 30? November 1 through October 31? January 1 through December 31? I do not know. If we are going to break it out by month, then you need to tell me what months. I do not think anyone can. The mulching has never been done on time anyway, but that is a separate issue.

Mr. Evans stated if the mulch was applied any time during their contractual period, from the beginning of their contract year, then it is owed. It does not matter what months it was applied. It does not matter whether or not it was late. If they were supposed to install x amount of mulch during that contract period, and they installed it, then to me it is a non-issue.

Ms. Kassel asked did they apply it?

Mr. Berube stated it does matter because of the way they are doing the proration. How much proration is left?

Mr. Evans stated it is not a proration in terms of useful life. It is for one application. They were engaged to apply this mulch one time during the course of the contract period. Technically, it does not matter when they apply it, even though they are supposed to do it at a certain timeframe, whether they were a month early or a month late. If they actually applied the mulch that they were supposed to install during that contract period, and even though it was installed over a period of months, if we have been paying them through the contract year, they are still entitled to the balance if we terminate their contract before the end of the contract year, regardless of when it occurred during that timeframe. So there is a proration of two months due for the application of the mulch.

Mr. Qualls stated the contract says that the District will pay the contractor pursuant to the payment schedule that is outlined. For mulch, it is a one-time application at \$42,000. To the point Mr. Evans is making, if that one work effort was complete, I agree that it is owed.

Mr. Evans stated we owe \$42,000 minus the amounts we have already paid for this contract year. We would lose that argument if we pursued it.

Mr. LeMenager stated my argument is that she has done her calculation incorrectly. Clearly, if you look at the final column, they are suggesting that they want a grand total of \$72,069.23 for mulch for two months, when it should only be \$7,000. I can accept that

they deserve an annualized payment for annualized work, but these last three numbers in the final column total more than two months' worth of a bill.

Mr. Evans stated it is not really a proration; it is a balance due. Based on \$42,000, we subtract whatever we have already paid them for mulch, and the rest is an outstanding balance.

Mr. LeMenager stated that is correct, and my point is that we will end up paying them more than \$42,000 if we pay them \$6,461.54 because I believe the calculation is incorrect.

Mr. Evans stated that is a very fair argument.

Mr. Qualls stated I agree.

Mr. Evans stated we are trying to get to the number of \$42,000 less what has been previously paid.

Ms. Andrews-Fine stated I will double-check my formula. I took the \$807.69, which is the weekly amount. We were asked to go back and break it down by week, which we did. There were eight weeks remaining from the last date of service, so I multiplied the weekly rate times eight.

Mr. Evans stated that is a fair approach, except that this is a one-time application. When you applied the mulch, we owed you \$42,000 regardless of how you bill it, whether weekly, monthly or lump sum. Whatever we previously paid out of the \$42,000 is the outstanding balance that we owe you for the mulch. Does that seem fair?

Ms. Andrews-Fine stated yes.

Mr. Berube stated each monthly invoice has a line item for mulch, I believe.

Ms. Kassel stated yes, it does.

Mr. LeMenager stated it is \$3,500.

Ms. Andrews-Fine stated mulch is also included on the shrub care line item, so I need to differentiate what was shrub care versus what was the mulch piece of that. I will go back and revise this item.

Mr. Evans stated we are in agreement on the methodology.

Ms. Andrews-Fine stated yes.

Mr. Evans stated next is tree care.

Ms. Kassel asked how is this addressed in the contract?

Mr. Evans asked is this essentially for pruning?

Ms. Andrews-Fine stated that is correct. I think that calculation is wrong because it is based on total tree care. The proration was based on one-time services, whereas the annuals are quarterly service. The caveat for tree care is it is a one-time service for \$6,000, which is what it should have been based on. The end result was \$923 versus \$2,940.79. I need to recalculate that item, along with the mulch, to make sure that piece does not equate to more than \$6,000.

Mr. Evans stated that is correct; we look at the total amount due less what was previously paid through the monthly prorations to give us the balance we owe, versus a proration of services provided.

Ms. Andrews-Fine stated that is correct.

Mr. Haskett stated unlike the mulch, where it was a one-time event, tree care is not a one-time service. It was a continuation as needed throughout the year to limb up tree branches as needed. That is not a one-time line item that mulch is. It should be considered with the same methodology as mowing the turf.

Mr. Walls stated then you get into the situation of determining if there were line items where they did work a single time and which ones were paid first.

Mr. Haskett stated that is correct. We had a separate contract for almost \$14,000 for tree care, which was a single line item event and has been completed and paid for.

Mr. Evans stated as long as we identify how it was done, whether quarterly to trim all the trees or as needed to trim trees. We just need to understand that methodology.

Ms. Andrews-Fine stated I based that figure on the unit price for the line item for pruning of \$6,000.

Mr. Qualls stated I think the confusion is there is shrub pruning at \$24,000 and then tree care pruning as a separate item.

Mr. Walls stated trees are not pruned just one time. It might be how it is listed in the contract, but it happens on a continual basis.

Mr. Berube stated I think it means one cycle as needed.

Mr. Qualls stated that is correct. I do see a difference between mulch and tree care in that regard, unless they are saying they have fulfilled all their obligations by pruning all the trees once. I do not think that is what the contract says.

Mr. Berube stated that is not the intent.

Mr. Qualls stated the contract indicates there is continual maintenance for the branches up to 10 feet.

Mr. Evans asked would Ms. Andrews-Fine agree that this is a proration line item, versus a balance due line item, such as the mulch?

Ms. Andrews-Fine stated let me discuss that with Mr. Lucadano because I am not sure. They have been discussing the crape myrtles, and some part of the trees have already been pruned on the one-time rotation, such as a hard pruning, and then there is maintenance in addition to that.

Mr. Berube stated no, the hard pruning was always done as a separate contract for each of the last two years. There is a separate contract during the winter to do pruning when there are no leaves on the trees. The first year you did all the main roadways, and the second year you did all the interior roadways. The regular tree care is for all of the trees on your service area streets, to maintain them up to 10 feet throughout the year, which generally means during the wintertime when not much else is going on, but during the spring and summer when leaves grow and branches grow down, they get limbed up as needed. I think it indicates one time, but I think it is one cycle that follows the contract year.

Mr. Qualls stated that is a good way to phrase it.

Mr. Evans asked when is the other trimming done?

Mr. Berube stated most of the time, during the spring and the summer.

Mr. Evans stated they have probably performed a vast majority of their tree service.

Mr. Walls stated that should be a weekly service.

Ms. Andrews-Fine stated I agree, and we can just omit line item from the prorated column. It is included in the weekly column.

Mr. Evans asked we are in agreement to remove it from the prorated column?

Ms. Andrews-Fine stated yes.

Mr. Evans stated the seasonal flower program is the third item.

Mr. Berube stated it includes 1,600 annuals, once per quarter.

Mr. Evans asked is that like mulch the way it is written in the contract?

Mr. Qualls stated yes, the contract refers to annuals/flowers for once per quarter: spring, summer, fall and winter. It is a single fee for \$1,500 per each quarterly planting.

Mr. Evans asked did we plant annuals four times?

Ms. Andrews-Fine stated yes.

Mr. Berube asked how much is the fee per planting?

Mr. Qualls stated the schedule I have indicates \$1,500.

Ms. Andrews-Fine stated this is a little tricky because there is also maintenance on these annuals.

Ms. Kassel asked is the maintenance separate from the planting?

Ms. Andrews-Fine stated yes, it is shown as annuals maintenance.

Mr. Qualls stated that is prorated over 12 months.

Ms. Andrews-Fine stated that is correct. The installation of the annuals is separate.

Mr. Berube stated I seem to recall paying \$800 per month for annuals.

Mr. Nicholas stated it should be \$500 per month.

Mr. Qualls stated the spreadsheet I have indicates it is \$1,500 per season.

Ms. Kassel stated then it is less than \$400 per month for installation.

Mr. Evans stated the installation is a balance due, and the maintenance is prorated.

Ms. Andrews-Fine stated that is correct.

Mr. Evans stated we agree on the methodology, and we will let the numbers fall where they fall. To recap, mulch is a balance due, tree care is going to be prorated so it will be deleted from the balance due column, and seasonal flower program will be broken down into balance due for the installation and a proration for the maintenance.

Ms. Andrews-Fine stated that is correct.

Mr. Evans stated whatever the numbers end up that are tied to the contract, we should all be in agreement.

Mr. Qualls stated in my legal opinion, that is a fair way to determine the final monies owed. It is logical and it makes sense and is in line with what the contract says.

Mr. Evans stated whatever the number is, that is what it is. Is the Board in agreement to authorize Mr. Moyer to pay Luke Brothers the balance owed pursuant to the methodology we just discussed, rather than holding the invoice for another month?

Mr. Walls and Ms. Kassel stated yes.

Mr. LeMenager stated we can calculate the mulch amount fairly easily, which I did, and the outstanding amount is \$6,192.31. I cannot calculate the seasonal flowers because Ms. Andrews-Fine is going to break that down into installation and maintenance.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to pay the final invoice from Luke Brothers, as discussed.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. August Supervisor Request

Ms. Kassel stated I mentioned at the end of last month's meeting that I could not hear much of what was being said, and Mr. Qualls was going to do a little research on that.

Mr. Qualls stated there is an Attorney General opinion on this issue that I will forward to you.

ii. Financial Statements

Mr. Qualls stated I wanted to commend Severn Trent. When I reviewed the financial statements, I saw a couple things that Mr. Ken vanAssenderp flagged, which means they were worded well. On page 10, it refers to non-ad valorem assessments collected semi-annually by the District on the unplatted parcels. That is wonderful since it says nothing about direct bill or off-roll billing. There is a roll and these are collected by the District. I am trying to make sure the Board is following the policy that you adopted that Severn Trent drafted. There is a roll for the unplatted parcels, which is collected by the District. I would like to see that roll so that it is included in the record and everyone has been able to review it. I know it is probably just one sheet of paper and very simply shows one bill, but that is all that a roll has to be. I will periodically point these things out because it shows that the policy is being followed and that we are all in agreement with the non-ad valorem assessments that are being collected by the District for the unplatted parcels.

B. Engineer

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

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Ms. Kassel stated I distributed a memo to the Board. What prompted this memo was I received a request from a resident who attended a neighborhood watch meeting recently where golf carts were discussed by the deputy. The deputy informed the attendees that the CDD has to give permission for golf carts to be driven in the community, or something to that effect. I indicated that my understanding was different, that if the golf cart has been outfitted according to Florida Statutes, complies with those requirements, is registered with the Department of Motor Vehicles (DMV) and tagged, has insurance and complies with DMV requirements, then the CDD has nothing to do with that. I asked Mr.

Moyer to make sure that what I was saying was the case, that the CDD has nothing to do with it.

Mr. Nicholas stated we were informed about the neighborhood watch meeting. Officer Wittsen was the deputy who made that statement, which is incorrect. We have since spoken with Sheriff Bob Hansell himself and the supervisor of traffic. The confusion was about definitions. The vehicles that we own and register are low-speed vehicles (LSV). There is a separate Statute that allows LSVs on public roadways that are classified under 35 mph. You must have it registered and tagged, have insurance, have wipers and blinkers and lights, and everything is legal. An officer cannot find you in default for driving an LSV. Golf carts are a different matter. There are special considerations in some communities where the developer or a combination of the developer and residents have taken that to the County Commission and requested a variance to allow golf cart use on public roadways. It is not an easy process, and it is not an overly complex process. I am not sure if we are in favor of it or not at this point. That is a discussion we can continue to have over time as the community develops. The LSV issue is not an issue. We discussed this with Officer Wittsen, and I suspect he will clarify that very clearly at the next neighborhood watch meeting. It was an erroneous statement and just a misunderstanding of the definition between an LSV and a golf cart. No one who has a tagged vehicle is in default driving on the roads within Harmony.

Ms. Kassel stated that clarifies this matter. There is also another issue that someone posted on Facebook that some teenage girl, about 14 or 15, who plays golf here and her father provided her with a golf cart, someone said she should be given some sort of criminal citation or something like that. It raises the issue that a number of people in Harmony have golf carts, not LSVs, and they want to drive them around town to go to the community garden, to the golf course, to visit a friend, to the boat dock or to wherever. If the CDD has some role in this matter, then we should discuss it. If the CDD has no role, if it is only the developer, then we need to know that.

Mr. Nicholas stated my advice is for the CDD to stay out of this conversation. There are a number of roads yet to be developed in Harmony. At this stage of development, to allow golf cart use on the roads would be a mistake, before we know what the potential overall impact would be as more houses are built in phase 1. If an unlicensed driver is on a County road in any vehicle, they should be cited, but that is between the sheriff and the

unlicensed driver. There can be debate or no debate, but that issue is pretty black and white.

Mr. LeMenager stated this is not a golf cart community. This is in no way, shape or form designed to be golf-cart-on-the-road friendly. It would be a serious mistake to allow unlicensed golf carts on the roadways. If you do not have a gated community, it would be crazy to allow golf carts. It is against the law. These are public roads. As much as we might like it, there are a few people who drive too fast. It is not like being in Solivita, which is a retirement community where golf carts are the main form of transportation. The main form of transportation in Harmony is occasionally some pretty fast-moving pickup trucks. I do not know that we want to encourage anyone to be using golf carts. The alternative is to allow golf carts on the sidewalk, which is a different issue. We have some pretty wide sidewalks, especially along the boulevards.

Ms. Kassel stated I was not suggesting that we approve golf carts for use in the community on any part of the property. I simply brought it to the CDD for discussion as I promised this resident I would do.

Mr. Evans stated I agree with Mr. Nicholas that this is an issue for the sheriff's department since these are public roads and it deals with enforcement of their rules and regulations. I do not see where this is a CDD issue at all right now.

Mr. Nicholas stated the deputy misspoke at the meeting, which caused all of this confusion. The Statutes are very clear, and there is a very clear designation between LSVs and golf carts. Nothing is different today than it was a month ago. That is our position.

Mr. Berube stated we discussed the fountain last month, and Mr. Moyer was looking into insurance reimbursement for damage to the fountain.

Mr. Moyer stated I will check on the status.

Mr. Berube stated we discussed that OUC was charging us deposits on our utility accounts, and we all received the email a few days ago that Ms. Brenda Burgess got involved in this, as she did with the taxes being charged, and we will be receiving these deposits back. Those deposits just started showing up, and we used to receive interest on our deposits. I do not know what OUC has been doing with them, but at least we will get some money back.

Mr. Nicholas stated you may not get any back, so be prepared. We have a very large credit and have great credit worthiness, and they are just holding deposits. They look at the macro environment and a number of developments have stopped paying bills. They reserve a portion of your monthly bill just in case there is a default and they have to wind down.

Mr. Moyer stated the difference in this case is we are a government, and I do not think they recognized that. Once we told them we were a government, they indicated they do not charge deposits for governments.

Mr. Berube stated that worked out well. We had another issue with Toho Water Authority where they were charging us for a grease trap out here, and that was a big issue for me. I chased that down and they removed that amount from our monthly bills. It has been there forever, and they would not give us a credit. It was about \$24 per month and kept increasing, but it is gone now and will stay gone. There was a reason for it, since they thought we were going to have gasoline golf carts out here. Since we switched to electric-powered golf carts, there was no reason for that grease trap.

NINTH ORDER OF BUSINESS

Adjournment

The next meeting will be Thursday, October 25, 2012, at 6:00 p.m.

The meeting adjourned at 10:40 a.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman