

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, August 29, 2013, at 6:00 p.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Steve Berube	Chairman
Ray Walls	Vice Chairman
David Farnsworth	Supervisor
Kerul Kassel (<i>by phone</i>)	Supervisor
Mark LeMenager	Supervisor

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young vanAssenderp, P.A.
Steve Boyd	Engineer: Boyd Civil Engineering
Greg Gologowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Brock Nicholas	Harmony Development Company
Garth Rinard	Davey Commercial Grounds
Residents and Members of the Public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Berube called the meeting to order at 6:00 p.m.

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the July 25, 2013, Regular Meeting

Mr. Berube reviewed the minutes of the July 25, 2013, regular meeting, and requested any additions, corrections, notations, or deletions.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to approve the minutes of the July 25, 2013, regular meeting.
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THIRD ORDER OF BUSINESS

Audience Comments

Mr. Berube stated we will have two sessions for audience comments tonight. This first one is for general CDD matters. The second one will be during the budget hearing to receive comments on the budget. We have a lengthy agenda and many present in the

audience. We will try to give you a little leeway, but I will ask for a three-minute limitation.

Ms. Carole Greenwald stated a year ago, we were looking into an error that Severn Trent made with regard to the assessments. I am wondering how that was resolved. This was where they failed to pass on the assessments to properties in 2005.

Mr. Berube stated that was resolved with no negative consequence to any home owners. We incurred some legal fees regarding that issue, and there was a certain amount of funds that should have been deposited into CDD accounts, which was not done due to that mistake. Severn Trent has been discounting our monthly management services invoices by a pre-determined and agreed-upon amount. There were also a couple other errors that have been made since that time, which turned up as a result of an audit. All those are being resolved through November 2013 through reductions in the monthly invoices. The CDD has not lost any money.

Ms. Greenwald stated thank you; that was my concern.

Mr. Berube stated there were no negative effects to home owners. There was a lot of discussion at that time in thinking there were going to be lawsuits by going back to residents. None of that happened. Severn Trent stepped up and took care of it.

FOURTH ORDER OF BUSINESS

Public Hearing to Adopt the Budget for Fiscal Year 2014

A. Proposed Budget for Fiscal Year 2014

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to open the public hearing for the adoption of the budget for fiscal year 2014.
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Mr. Moyer stated in May, management authored a budget and presented it to the Board, at which time, the District adopted a Resolution that approved the budget and set today as our public hearing. As we worked through the budget and during subsequent meetings, there were adjustments made to the budget that increased the amount of the non-ad valorem assessments that we are asking our residents to pay by just over 2% in total. It is 5.65% on the general fund and 0.10% on the debt service fund. That increase required us to notice all of our residents by letter of our intent to raise the assessment. That letter was timely prepared and sent to the residents and property owners, advising them of this meeting tonight and their opportunity to come before the Board and

participate in the public hearing. There are several reasons for the increase in maintenance assessments. One, as the District grows, we are hiring additional field personnel to perform additional services that we are asking of them. Two, there are additional operations and maintenance costs that the District incurs as the District and the community grow, which have been factored into this proposed budget. The Board spent a great deal of time going through this budget, line item by line item, to determine whether there were opportunities for savings, or whether it needed to be adjusted up or down. Every line item was reviewed as we discussed this budget. The Board took that very seriously, but at the end of the day, we recognized that, given the increase in the workload of the District, it was necessary for us to take the step to increase the assessments.

Mr. Berube stated I believe our general consensus as to the need for additional funds, or additional assessments, as the case may be, was largely driven by the need to maintain the community as it ages. I think we all agree with that. There is a vast infrastructure here of things that need to be maintained. For instance, the CDD is responsible for all the alleys, the ponds, the street trees, subsurface drainage, the irrigation system, street lights and so on. It is like running a small town, which in effect is what it is. This community has been here for 11 years, since it was established about 2002. As it ages, like anything else, there are additional monies and time that need to be spent to keep it up the way it needs to be maintained. That is the major driving factor. We have expanded the CDD field staff. A couple years ago, there was only one staff member, and now there are three. We have more residents here who are demanding boats and various other facilities to be maintained. It is also less expensive to have personnel on staff rather than to call in outside suppliers or outside vendors every time we need something fixed. For example, last night I was out for a walk and I noticed several things: mulching of some trees, tree trimming, and several broken sprinkler heads. I sent a letter to Mr. Haskett today for our staff members to address. By today, those issues were taken care of. In the past, we would have had to get someone to trim the trees, bring in an outside supplier to repair the sprinklers, and so forth. There is a cost in doing that for salaries, but the reality is, as time goes along, it appears that we can do it cheaper in-house because we are not paying a contractor mark-up. That is where we are going, and there are a number of other things that increase every year. Nothing decreases. That is how we arrived at the budget. At a

publicly announced budget workshop in June, which no one attended, we reviewed the budget by line item for about two-and-a-quarter hours. We made some decisions, and we have arrived where we are.

Mr. Qualls stated I want to make a technical point for the record. The letter that was sent to the property owners is not a technical, legal requirement. That only has to be sent if the boundary is changing or if the proposed increase exceeds a maximum, which it certainly does not. The Board decided, in an overabundance of caution, to provide this notice, pursuant to its philosophy of providing more notice even when it is not required. That is why the letter was sent out. I want to make sure that is clear in the record.

Mr. Berube stated the letter includes a lot of legalese since it was drafted by the attorneys.

Mr. Moyer stated at this point, it would be appropriate to receive public comment on this budget. After everyone from the public has had an opportunity to speak, I will ask you to close the public hearing. Then the Board can discuss what you have heard from the public and make your decision.

Ms. Kassel stated I would request that anyone speaking from the public would step forward to make their comments.

Mr. Berube stated because this is a public hearing, I will ask anyone speaking to stand up and come to the middle so everyone can hear you, including Ms. Kassel, who is attending by phone.

Mr. James Bell stated I was at the budget workshop. The Chairman indicated no one was there, but I was present. There was no mention of an increase at that time. Mr. Moyer indicated that the increase was added in afterwards. Is that correct?

Mr. Moyer stated I do not think so.

Mr. Bell asked was that the original workshop?

Mr. Berube stated yes. There is a proposed budget that the management company prepares. They look at the current budget and we go back to the history for seven or eight years. We look at the spreadsheet that is generated and look at the trend line. We look at the current budget, and they provide a suggested increase or decrease, as the case may be in recent years. We work off of that. The initial suggested increase was 2.08% or somewhere around 2%.

Mr. Bell stated I was at the workshop and I do not remember the increase being discussed.

Mr. Berube stated we did not discuss a specific number at the time, but if you will remember, we went through the budget by each line item. At the end, once we reviewed all the line items and considered the additions and subtractions, our new number was about 3.16% if I remember correctly. We decided that would have been too much, so we backed out several line items and readjusted the total down to come closer to just over 2% in total. We did not discuss a specific number, but we discussed each of the line items specifically and then came to the final total.

Mr. Bell asked so the final increase was done later?

Mr. Berube stated no, we knew that night.

Mr. Bell stated I did not remember that.

Mr. George Schiro stated the reality of a CDD means that people who buy houses here enter into a partnership with real estate investors, often without realizing it, to pay off a giant debt for Harmony CDD infrastructure built more than 10 years ago. As silent partners, home buyers who settle in Harmony see no dividends—actual money—from this silent partnership, while the real estate investors make their profits from selling platted lots. I have some questions, so I will ask all of them at once so I can stay within the three minutes, and you can answer them at the end. Is it true that the investors must also pay CDD taxes on their unsold platted lots? When the platted lots are sold to home builders, the eventual home buyers take over paying the CDD taxes. This means that new people moving to Harmony result in zero new tax dollars going into CDD coffers. Is that correct? According to the June 27, 2013, workshop meeting minutes, whenever new platted lots are sold, new street lights must be installed and additional landscaping must be done. The cost is estimated at \$1,300 per year per platted lot. Paying for street lights is the single largest expense in Harmony, and landscaping is second. This means that the net result of new, empty platted lots being sold by investors is an increase in the overall cost burden on the CDD, without a corresponding increase in revenues. The result is higher taxes to residents. Is that correct? Thus, residents see higher taxes and no profits as lots are sold, while investors get lower taxes and all the profits as lots are sold. Since different lot owners already pay their taxes based on lot size, why can the taxes paid not also be based on homestead status, like County taxes are? That way, extra money accumulates

from investors and can be used to add street lights and landscaping as needed. Does Mr. Berube really say we should raise our taxes 2% per year *ad infinitum*? Other Florida CDDs have dispensed with attorneys and CDD managers. As a matter of due diligence, does it not behoove the Harmony CDD Board to at least look into this possibility, especially since the taxpayers are funding these services to the tune of \$100,000+ per year? This is more than the proposed tax increase. That amount of money does not even include the additional \$205,000 budgeted for the CDD manager to pay himself and a few CDD employees. I was going to ask how many, and now I know there are three. It seems that we really only need a meeting minutes transcriptionist and an accountant, rather than a CDD manager and a Tallahassee attorney to reduce just the \$100,000. Has the CDD Board opened up bidding on local attorneys to serve as CDD attorney, since our current attorney flies or drives to meetings from Tallahassee since 2000? Has the CDD Board opened up bidding on alternatives to our CDD management company, the one that has been here since 2000? Other than Harmony pools, all other amenities are open to everyone, including residents of Holopaw and St. Cloud. Why are Harmony residents being asked to pay more taxes for amenities that Holopaw residents can use, yet pay no taxes for? Since Harmony residents are stuck in this strange situation of being the “few paying for the many,” should not the CDD Board do everything it can to find more ways to lower rather than raise our taxes? Finally, what is the salary of each CDD employee? Would the Board care to respond to my questions?

Mr. Berube stated no, you exhausted your three minutes.

Mr. Schiro stated you have more time than I do to respond.

Mr. Berube stated I know, but I do not want to tie up all the other residents. I am watching the faces of the people in the audience, and they are scowling and smiling at you. I do not think anyone agrees with you, to tell you the truth. Neither do I.

Mr. Schiro asked no one wants to answer any of these questions?

Mr. Berube stated it appears not.

A Resident asked why can you not answer his questions?

Mr. Berube asked what question do you want answered? He asked about 10 of them.

Mr. Farnsworth asked did anyone capture what the questions were?

Mr. Moyer stated yes.

The Resident stated I think the questions directed to the Board should be answered.

Mr. Moyer stated the first question was, do the unsold lots—developer-owned lots—pay the assessments. Yes, they do. Question two deals with higher taxes.

Mr. Schiro stated when the platted lots are sold to home builders, the eventual home buyers take over paying the CDD taxes. This means that new people moving to Harmony result in zero new tax dollars going into CDD coffers. Is that correct?

Mr. Moyer stated that is correct.

Mr. Schiro stated according to the June 27, 2013, workshop meeting minutes, whenever new platted lots are sold, new street lights must be installed and additional landscaping must be done. The cost is estimated at \$1,300 per year per platted lot. This means that the net result of new, empty platted lots being sold by investors is an increase in the overall cost burden on the CDD, without a corresponding increase in revenues. The result is higher taxes to residents. Is that correct?

Mr. LeMenager asked what is your question? Not your opinion.

Mr. Schiro asked is it correct, what I just asked?

Mr. LeMenager stated there was an opinion at the end. We are not interested in your opinion. We are interested in your question.

Mr. Schiro asked is there an overall increase in costs and tax burden to the CDD without a corresponding increase in revenues?

Mr. LeMenager stated technically, no.

Mr. Schiro asked what is it in reality?

Mr. LeMenager stated there is an increase in assessments. There are no taxes paid here.

Mr. Berube stated they are assessments.

Mr. Schiro stated whatever I am calling taxes, you are calling assessments.

Mr. Qualls stated that is what the Legislature calls them. We just try to follow what they do.

Mr. Schiro stated then there is a net increase in assessments. Our costs are increasing, but there is not a corresponding increase in revenue.

Mr. Berube stated the revenue is pretty fixed.

Mr. Schiro stated as lots are sold and new people move in, we do not get new money. We do not get any more money, but our costs increase because we have to add street lights.

Mr. Moyer stated that is correct.

Mr. Schiro stated since different lot owners already pay a different tax rate based on lot size, why can the taxes paid not also be based on homestead status, like County taxes are?

Mr. Qualls stated because of the Constitution.

Mr. Schiro asked can you cite where exactly it is in the Constitution?

Mr. Qualls stated I would be happy to get with you later since I do not have it memorized.

Mr. Schiro stated I have heard that before, and you did not get to me later last time.

Mr. Qualls stated the Homestead Exemption knocks value off of your property, and that, therefore, can reduce your ad valorem taxes. The Legislature has not granted a similar exemption toward assessments. The assessments are levied against the property. It does not matter who owns the property. The assessments are levied against the property.

Mr. Schiro stated we are not talking about who owns it. We are talking about a person who is living there. Is it possible to change the tax rates, or the taxes paid, or the assessments paid, based on whether or not someone is actually living in the house?

Mr. Qualls and Mr. Moyer stated no.

Mr. Berube stated no, it is a fixed formula.

Mr. Schiro asked you do not think it is worthy of further research?

Mr. Qualls stated no.

Mr. Berube stated no, it is fixed.

Mr. LeMenager stated go to Tallahassee.

Mr. Schiro asked does Mr. Farnsworth agree?

Mr. Farnsworth stated yes, I do. I do not understand how you would do it with the way it is set up.

Mr. Schiro stated I think it should at least be researched. Otherwise, we will have our taxes increased *ad infinitum*.

Mr. Walls stated you need to talk to your State legislators.

Mr. Berube stated and hire a lobbyist.

Mr. Qualls stated it would require a change to the Constitution.

Mr. Berube asked would you want this Board to hire a lobbyist and spend the peoples' money to try to make this change in Tallahassee, knowing how the Legislature

works? It could easily cost \$250,000 to get the answer that you just got. No, it cannot be changed. Would that be a prudent way to spent taxpayer money? No.

Mr. Schiro stated I would think of finding other ways to do the research first.

Mr. Berube stated you want to run this Board. You would agree that you are antagonistic and confrontational toward most of the members of this Board. Is that a fair assessment?

Mr. Schiro asked have I been antagonistic or confrontational during this meeting or at prior meetings?

Mr. Berube stated it is a yes or no question.

Mr. Farnsworth stated let us not get into that now. Let him finish his last questions.

Mr. Schiro stated I have criticized Board members in writing.

Mr. LeMenager stated just ask your questions.

Mr. Farnsworth stated just finish your questions.

Mr. Berube stated I want the residents to know what is going on.

Mr. LeMenager stated just ask your questions.

Mr. Schiro stated other Florida CDDs have dispensed with attorneys and CDD managers. As a matter of due diligence, does it behoove the Harmony CDD Board to at least look into this possibility, especially if taxpayers are funding these services to the tune of \$100,000+ per year?

Mr. Moyer stated that is illegal. Read the law. The law says this Board will hire—shall hire—a manager and an attorney. I have lived in the District world for 40 years. I am not aware of a single District that has dispensed with their manager or their attorney.

Mr. Schiro stated I spoke with the CDD that Mr. Bob Evans was originally involved with in Tampa; I think it was Tampa Palms. I do not remember the details because it was a few years ago.

Mr. Moyer stated Tampa Palms has a manager and an attorney.

Mr. Schiro stated the lady I spoke with was the current Chairman or some position on the Board, and she said they were able to save a ton of money.

Mr. Walls asked if it were legal, would any Board member sitting at this table support such an action?

Mr. Berube stated no, it would be ridiculous to try to run an operation with a budget of \$5 million per year.

Mr. LeMenager stated just let him ask his next question.

Mr. Farnsworth stated if we did that, we would get ourselves into legal problems very quickly if we did not have someone to consult with.

Mr. Schiro stated that is the hope of the CDD manager that you think that way.

Mr. LeMenager stated Mr. Schiro, you do not get to comment. You ask questions.

Mr. Schiro asked has the CDD Board opened up bidding on local alternatives to our CDD attorney, the one who flies or drives to meetings from Tallahassee since 2000?

Mr. Berube stated he does not fly; he drives.

Mr. Qualls stated since you are attacking me, I will respond. I do a lot of business in Orlando, and I have been here all week. In this day and age, thanks to electronic communication, where I am based because of doing political consulting and other activities, is really an asset to this District. I am sorry you do not see it that way, but it is not a cost to this District. My law firm and my partner wrote Chapter 190, Florida Statutes. We understand this law, and it is a value we are providing to this District.

Mr. Schiro stated so the answer is no.

Mr. Berube stated we have held the line and have taken an increase from neither the law firm nor the management company. I cannot remember the last time the law firm raised rates, but it has probably been five years.

Mr. Qualls stated I reduced it five years ago.

Mr. Berube stated we get Mr. Qualls at a reduced rate because of the concern of the cost of driving here from Tallahassee. We are aware of that. If we hired an Orlando law firm, we would probably not be able to get a lawyer of this caliber at anywhere near his hourly rate, and we would still pay for travel time and mileage coming here. The overall effect on the legal cost is probably minimal, but we have thought about it.

Mr. Walls stated for those of you who know me, I am a cheap guy, and I like my assessment to be as low as possible. I have a lot of friends who are attorneys, and I have talked with them. Many of them do work in the government arena. The type of rates that our firm is charging, compared to what my friends charge, we cannot find that anywhere, not for this level of expertise in CDDs. I have looked and I have talked with these guys. We are very happy with their services.

Mr. Berube stated there has not been an increase from the management company. Typically they request an across-the-board increase of 3% in their fees every year. We have not accepted that in three years.

Mr. Moyer stated it has been at least three years.

Mr. Berube stated that does not make them very happy. However, there have been a few errors, as Ms. Greenwald mentioned earlier in the meeting. They have stepped up and taken care of those. There is a certain period of time when everything goes along well, and we will continue along those lines. For the money you pay the management company, they prepare an assessment roll that goes to the County every year and it has to be accurate. There were mistakes made in that, as we have seen. They have always stepped up and taken care of business. So should we switch management companies? I do not know that we would save anything. I have seen proposals. When I look at them, the numbers are all the same. What we have is experience. Mr. Moyer has been here since the beginning. When you ask him a question, he knows going all the way back. What is that worth? Some days, it is invaluable. Some days, it is priceless. We believe we are getting what we pay for. We are not spending any money foolishly.

Mr. Schiro stated but you have never opened it up for bidding.

Mr. Berube stated no, and doing that is not cheap. We have gone out for RFPs on multiple services. We saved money on landscaping. We saved money on auditing services. There is a cost in doing that, including legal fees, printing, copying and so forth. It is not free. Understanding what it costs to go out to bid, there are fixed costs involved. If you are not going to save that back, and it does not look like we can, we are not going to spend that money foolishly, knowing what we are going to get as the end result.

Mr. Schiro stated fair enough. Other than Harmony pools, all other amenities are open to everyone, including residents of Holopaw and St. Cloud. Why are Harmony residents being asked to pay more taxes for amenities that Holopaw residents can use, yet pay no taxes for?

Mr. Berube stated this is a public environment. We can regulate access to all the facilities, but we cannot restrict it. That is the law. The pools are an attractive facility, and people will come from all over and use the facilities. It is something we have struggled with, and some people in this room have requested tighter pool security. We have gone from a key system to an access card system. We recently discovered some abuses there,

as well. We have tightened up on that and will do some more tightening because those abuses are still going on. We had to spend some money to curb the largest single area of abuse, which is the pools. For the rest of the place, if you do not want non-residents from Holopaw and everywhere else coming here, we cannot restrict access, but we can regulate it. That means having a fence around every facility.

Mr. LeMenager stated last time I checked, there is a really nice beach in St. Cloud that we can all go and use. Guess how much we pay for that nice beach in St. Cloud? Zero. Guess who pays for that nice beach in St. Cloud? Taxpayers in St. Cloud.

Mr. Schiro asked what are St. Cloud taxes compared to Harmony taxes?

Mr. LeMenager stated I do not know, and I do not care.

Mr. Schiro stated they are a lot less. Since Harmony residents are stuck in the strange situation of being the “few paying for the many,” should the CDD Board do everything it can to find more ways to lower revenue than raise our taxes?

Mr. LeMenager stated yes.

Ms. Kassel stated we have been.

Mr. Berube stated and we do. In the last couple years, this Board has uncovered \$4,200 in utility deposits that disappeared at OUC. We figured that out and got our deposit back. It was a small amount of money. We also looked at Toho Water Authority (“Toho”) and figured out that we were paying more on dozens of meters for meter usage fees than we were paying for water. We made an inquiry, and we were going to start changing meters. Then Toho looked at the bigger picture and agreed with us that the meter fees were excessive, system-wide.

Mr. Schiro asked how much money did we save on that?

Mr. Berube stated it was about \$200 or \$300 per month. Some meter fees were very expensive. In addition to that, we developed a relationship with Toho, which brought us a \$2 million MIEX water treatment plant across the street. Just by talking with them nicely and asking for their help, we developed a relationship. That is why we got the water treatment plant.

Mr. Schiro stated that, and also because DEP was going to force them to.

Mr. Berube stated no, DEP was not going to force them. They were going to remain non-compliant, and people here were complaining. We were spending \$6,000 a year to have agenda packages prepared and sent to us. We made an adjustment in getting these tablets.

The initial investment was \$2,500 for the first year. We will realize savings going forward. Everything comes through electronic agendas now. It is all nickels and dimes here and there, but it all adds up when you look at it. I live here and I pay assessments. So does every member on this Board. We are keenly aware of what is going on. As Mr. Walls said about himself, I am cheap, too. I do not want to spend a nickel more than I have to. But to keep this place looking the way it does, it takes a certain amount of effort and money.

Mr. Schiro asked what is the salary of each CDD employee?

Mr. Berube stated that is not to be discussed. There is a budget line item that you referenced at \$205,000. That is not accurate. The budget line item is actually \$180,000 because it was reduced.

Mr. Moyer stated \$190,000.

Mr. Schiro stated the proposed amount is \$205,000.

Mr. Berube stated we lowered it.

Mr. Moyer stated originally it was \$205,000, but it was reduced.

Mr. Berube stated to reduce the 3% increase we had at the budget workshop down to 2.08%, that was one line item that was reduced.

Mr. Schiro asked is that in the public record? It was not available online.

Mr. LeMenager stated it is \$190,000.

Mr. Berube stated in that line item are three full-time employees, as well as a part-time employee, which does not exist yet. That includes their entire package for health insurance and everything that goes along with being an employee.

Ms. Kassel stated there is overhead included in that line item, as well.

Mr. Berube stated the CDD does not directly employ anyone. There is a management fee in their total fee.

Mr. Schiro asked how much is that?

Mr. Berube stated 10%.

Mr. David Leeman asked what you are saying is that the amount spent for employees is public record, but each individual's salary is not?

Mr. Berube stated that is correct.

Mr. Leeman stated thank you for clarifying.

Mr. Schiro asked you cannot detach the salary numbers from the people and just say the numbers? We do not have to know who they are.

Mr. Berube stated no, I am not going down that road.

Mr. Schiro asked Mr. Moyer, is that correct?

Mr. Moyer stated we are contracting for labor through a company. How that works is, for \$190,000, we get three full-time employees and a part-time employee. If they do not employ an individual, then the total amount is adjusted downward.

Mr. Berube stated it is also important to remember that although it is \$190,000 in one line item for professional field service staff, that does not mean it will all be spent. Anyone who does budgets understands that it is an ideal number to hopefully cover all your needs during the year. Some line items go over budget, but most line items remain under budget. The surplus will be deposited at the bank, which is earning interest. We typically put money in the bank every single year, and we will do so again this year, in an amount of about \$50,000. In my personal opinion, I would rather assess the property owners for a small amount on an ongoing basis so that the CDD never runs out of money. The CDD pays its bills and always has. As far as I am concerned, it always will, and we will pay on time. We have excellent credit everywhere. I would rather be in the position of having additional funds to do what is needed, rather than to realize we are \$50,000 short and need to levy an additional special assessment. That is the way it works. If people have a different idea, that is fine. If you would rather run skinny and have to impose additional assessments when some emergency need comes up, we can do it that way. To me, that is the hard way to run a business.

Mr. Schiro asked so you are saying that the actual salaries are independent and those amounts are not to be made public?

Mr. Berube stated that is correct.

Mr. Schiro asked just the dollar amounts? I am asking Mr. Moyer.

Mr. Moyer stated that is correct.

Mr. Schiro asked so you are saying the average salary is about \$65,000 for the employees?

Mr. Berube stated no.

Mr. Moyer stated Mr. Schiro is smart enough to know that 25% to 30% of that number is in benefits and taxes. Do not divide the total by three and say each salary is \$65,000.

Mr. Schiro stated I am talking about the value of the positions.

Mr. LeMenager stated do not play stupid; we know you are not stupid.

Mr. Schiro stated we do not need to call it salaries. The value of each employee is about \$65,000.

Mr. Berube stated no, it is not spent money. It is a budgeted line item. We made it at our worst-case scenario for three full-time employees and one part-time employee. Maxed out with all bad news and everything that might possible go wrong, it might touch \$190,000.

Mr. LeMenager asked does that include Mr. Haskett?

Mr. Berube stated yes, there is an overhead figure in that amount as well.

Mr. Schiro asked does Mr. Haskett work for the developer?

Mr. Berube stated yes, and he also works for us, as do other development employees. They spend a lot of time working for the CDD. They manage the three employees.

Mr. Schiro asked do you know how much you spent for them in 2012?

Mr. LeMenager stated yes, it is shown in the budget. The projected amount for this year will be about \$98,000.

Mr. Berube stated our year-to-date actuals for professional services for field management are \$69,261.

Mr. LeMenager stated that is because we were short staffed for most of the year.

Mr. Qualls stated to answer Mr. Schiro's earlier question about where in the Constitution it addresses the Homestead Exemption, it is Article VII, Section 6, Florida Constitution.

Mr. Leeman asked has anyone brought these issues to the Board that Mr. Schiro did and said that you are not handling things correctly?

Mr. Berube stated not that I have heard. As a matter of fact, most of our meetings have zero people in attendance.

Mr. LeMenager stated that is not quite true because we usually have a few.

Mr. Farnsworth stated that does not answer his question.

Mr. Leeman stated this has nothing to do with whether or not people spoke to you about these issues or if he is the only one.

Mr. Berube stated he seems to be the only one.

Mr. Leeman stated I encourage you to get an idea if anyone shares those opinions before you act on them. Mr. Berube asked Mr. Schiro if he had been adversarial to you, and Mr. Schiro avoided that question. I would ask Mr. Berube if he implied that you voted for CDD Chairman because you were beholden to the developer.

Mr. Berube stated yes.

Mr. Leeman asked has he ever retracted or apologized for that statement?

Mr. Berube stated no.

Mr. Leeman stated Mr. Schiro wrote that Mr. LeMenager has a “fat ass” and a “pompous ass.” Has he ever apologized or retracted that statement?

Mr. LeMenager stated I never even knew he wrote that. I cannot be bothered with his Google groups.

Mr. Leeman stated Mr. Schiro also wrote about Mr. LeMenager that he was more interested in profiting from future residents than in helping the residents who are here today. Has he ever apologized or retracted that statement?

Mr. LeMenager stated I did not even know he made the statement. No, he has never apologized or retracted it to my knowledge.

Mr. Leeman stated Mr. Schiro said that Mr. Walls was not using his mind when he voted for CDD Chairman. Did he ever retract or apologize for that statement?

Mr. Walls stated he did not, but I am not sure if I was. He may have been right.

Mr. Leeman stated I suggest to the Chairman that Mr. Schiro has not been respectful, that he has been adversarial, and that if you give him any disrespect, it is earned and not because he asks uncomfortable questions. The funny things that he has written and spoken about you are not written criticisms; they are written abuse. Please do not pay any attention to him at all if you can possibly do it.

Mr. Berube stated he is very difficult to ignore, as you saw.

Mr. LeMenager stated he is very easy not to pay attention to.

Mr. Berube stated for the benefit of the audience, Mr. Schiro writes a blog that is very anti-developer and anti-Board, anti-everyone.

Ms. Kassel stated as a resident, he is entitled to ask questions.

Mr. Berube stated that is correct. Last year, there was a three-person election to this Board. I strongly encouraged Mr. Schiro to run for election and bring his good ideas onto the Board. He declined. That is how it plays out. I apologize everyone had to listen to everything, but you got a piece of the action.

A Resident stated I would like to thank the Board. I know you have spent a lot of time and effort for the residents.

Mr. Berube stated thank you. We are trying to maintain what we have here and improve it steadily. Sometimes it is a monumental task, and there are a lot of opinions involved. Thank you for your kind comment.

Mr. Michael Heaphy stated I would like to discuss an issue with my fence.

Mr. Berube stated this is still the public hearing for the budget. The time for general audience comments was just prior to the hearing. We will give you some time to ask your question after the public hearing.

A Resident stated I am a new resident, and I would like the Board members to introduce themselves. I do not know who you are. I know you are the Board, but it would be nice to put names with faces.

The Board and staff members each identified themselves and their role with the CDD.

Mr. Nicholas stated you residents live in the CDD and own property in the CDD. I think it would be foolish not to educate yourselves on the structure of the CDD and how things work. We get a number of those questions in my office. The team is very open. Everyone is accessible. We have a very high tolerance for frustration. If you come and want to find out what things are or what the rules might suggest, we are wide open and our office is available.

Mr. Moyer stated the CDD does have a website, HarmonyCDD.org. On that website is a lot of information on what the District is and how we operate. Also included are the budgets and meeting minutes; just about everything we do is on that website.

Mr. Berube stated every Supervisor has a contact email address shown on the website. If you have a question, a concern, or a complaint, send us an email.

Mr. Moyer stated since there are no further public comments, I will ask that the Board formally close the public hearing.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to close the public hearing.

Mr. Moyer stated now we will open the discussion to the Board members, if you have any issues to discuss that have not been discussed previously.

Mr. Berube stated I think with the exception of Mr. Schiro, the people in the audience have heard what we have to say. I have received no negative comments, so I think we should proceed. Having done our due diligence and having spent hours reviewing the budget line by line, I think we know where we need to be. It is my opinion that we move forward with the budget as proposed.

B. Consideration of Resolution 2013-06 Adopting the Budget for Fiscal Year 2014

Mr. Moyer read Resolution 2013-06 into the record by title.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, unanimous approval was given to Resolution 2013-06 adopting the budget for fiscal year 2014.

C. Consideration of Resolution 2013-07 Confirming Special Assessments for Fiscal Year 2014

Mr. Moyer stated now that the Board has adopted the budget, there is a process where we take the numbers from the budget and extend them onto the non-ad valorem assessment part of the real estate tax bill. What counsel has suggested is that we do that by the Board serving in the capacity as a Board of Equalization. These assessments are levied according to a formula. The formula dates back to 2000 and 2004, in which the distribution of not only the debt service levy but also the maintenance assessment levy is based upon equivalent residential units. Larger properties will pay more and smaller properties will pay a little less. It is all done by formula. We found that to be a fair way to impose the assessments. At this time, I will ask the Board to formally open another hearing to serve as the Board of Equalization.

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to open the public hearing for the Board of Equalization to consider the imposition and levy of non-ad valorem assessments.

Mr. LeMenager stated I do not understand what this public hearing is about.

Mr. Moyer stated since you are now an elected Board—you are all resident, qualified-electror Board members—Mr. Kenza vanAssenderp thought it would be a good idea if anyone had any questions on the methodology in how these assessments are levied, that we consider that at this meeting before I ask the Board to adopt the next Resolution, which actually levies the assessments, based on the formula.

Mr. Berube stated basically, this is a verification, sitting as a different group, of the methodology that is contained in the guidelines that we have all seen and is shown on the chart of the different assessments.

Mr. Moyer stated that is correct.

Mr. LeMenager stated my personal opinion is that whoever set this up should have been fired. It is the stupidest thing I have ever seen. Every other CDD has residents paying the same rate. It is complete and utter nonsense the way the CDD and HOA were set up here. But I have always believed that you have to play the hand you are dealt, and this is the hand we were dealt.

Mr. Berube stated we need to deal with it. I will open the public hearing for any public comments.

Mr. Leeman asked are you saying the formula was just made up?

Mr. Moyer stated no.

Mr. Leeman asked then why does it need to be changed?

Mr. Moyer stated it does not need to be changed.

Mr. Berube stated we are not changing anything.

Mr. Leeman stated a larger lot pays more than a smaller lot. I am hearing that the Board can now divide the assessments by the number of lots, and everyone will pay the same. I will support that.

Mr. LeMenager asked can we do that?

Mr. Moyer stated no.

Mr. Berube stated not all lots receive an equal value. We are verifying the methodology that has been established here going back to the beginning of the CDD.

Mr. Leeman asked so you are considering whether or not you need a change, and if you want to change it, then how do you go about it?

Mr. Berube stated no, I think counsel's concern was that the numbers were going to change that formula. We have to verify that we accept the fact that all the numbers changed because the assessments are increasing.

Mr. Nicholas stated I think we did a good job of pleasing everyone. The practical application of the assessment is this. The property is divided up into acreage. Every acre is assessed at the same rate within the CDD. Once a piece of property is developed within the boundary, you take that acreage that it was assigned and associated with CDD dollars, and you divide it by the number of lots that are within that pod. That is why you might have a 50-foot lot on this side of the property that is assessed at a moderately different rate than a 50-foot lot on another side of the property. They are not big swings, but you do have some differences based on how big your neighborhood is. Depending on the density and size of your neighborhood, that is how the individual acreage is applied. In our opinion, as the developer, it is the absolute, most black-and-white way for the public to see that the developer is paying exactly the same rate as the residents. In the other scenario that Mr. LeMenager described, you can say that a 50-foot lot and a 50-foot lot are the same rate, but you have to wait until you get to the end of the deal to true everything up. You could be looking for a big increase at that point or a big decrease. It is just a question mark. A number of developers go about it that way. This is a very fair, above-board way to do the assessment methodology. The resulting effect is, not every neighborhood has the same number of acreage, and not every neighborhood has the same number of lots. You end up with slight variations on the same size properties in different areas of the CDD.

Mr. Moyer stated it has worked pretty well for the community.

Mr. Nicholas stated it has worked well, and it protects us because you can look to see that we are paying exactly the same rate as the rest of the residents.

Mr. Berube stated for the benefit of the audience, it is important to understand that the Harmony Development Company contributes in the upper 60% range of the total operating funds. They recognized when we came to the next fiscal year's budget that fees had to increase. There was no opposition from Harmony Development Company, even though Mr. Nicholas is writing the biggest check to provide the funds here. He does his homework as well and he came to us and told us where we need to be. When the person writing the biggest check says we need to increase the assessments a couple points, who

are we to argue? It all comes out on paper. One of the things Mr. Schiro commented on was the cost of street lights. We recognize that. For those who may not know, street lighting costs about \$389,000 per year, which is absolutely ridiculous. As new properties come online, we will need to add some street lights. The development company has contacted OUC, who runs all the street lights, and we are opening discussions with them to look at alternatives. There may not be any, but we will try to hold the line on street lighting or get some sort of reduction. We do not know what we will get yet. It is complicated. Next to landscaping, that is one of the most expensive things we spend money on. All we are doing is turning the lights on in the dark. We are conscious of it.

A Resident stated I thought I heard reference to the Estates having additional lights.

Mr. Berube stated no, they do not, but the reality is that it does not cost us anything. The street lighting cost is everything, including electricity. They could be on 24 hours a day and we do not pay a dime for that.

Mr. Nicholas stated let me clarify that. Once the street light is installed, it is part of the OUC distribution network. They own it. The CDD has to pay them back for the physical fixture and installation, but no one else will ever own it. The utility will always own it. For the flat rate that they charge us for the distribution network and to put that fixture in place, it does not change whether the light is on or whether it is off. One of the discussions with OUC is to potentially take some poles offline for a while. If they took them offline, they might agree to suspend the fixed charge on those particular fixtures. We are not talking about a large number. Maybe 7% of the fixtures are in that direction on Five Oaks Drive. If we were to black out the entire 1.5-mile road and take a 7% reduction, it could be a big number or it could be a small number. There are other things to think about, including Road and Bridge at the County. That is a dedicated County road, and they have accepted it. Would the County appreciate us going dark on a road? Is there some safety precaution they need to maintain? When he says we are engaging with OUC to discuss alternatives, it is not just renegotiating one part of the deal. It includes shutting off some street lights strategically here and there. Everything is open. Technically the fixed charge is true, but if they ever take some offline and we all thought that the safety aspect made it fine to do so, we may be able to see a 3% to 5% savings on that particular bank of lights.

Mr. Berube stated the bottom line is, when all the lights are on now, it is not adding anything to what we are already spending.

Mr. Nicholas stated that is correct.

Mr. Berube stated if they go dark, there may be a savings. It is a huge puzzle with street lights, and it is a huge amount of money. We are very conscious of it. Dealing with OUC is not easy for any number of reasons, but the dialogue is there.

A Resident asked if the lights were dark there, would it turn into an attractive nuisance?

Mr. Berube stated yes, probably.

Mr. LeMenager stated I do not like that idea.

Mr. Nicholas stated there are trade-offs with all these options.

Mr. Berube stated no decisions are going to be made haphazardly or quickly. There is an open dialogue, and fortunately, Mr. Nicholas has a good dialogue with the people at OUC.

Ms. Kassel stated there is more information on this subject on the website in previous meeting minutes.

Mr. LeMenager stated we had some extensive discussion on this a couple months ago. In many ways, it is just like what happened with landscaping. Right now, we have 10 or more contracts for street lighting, just as we had in the beginning for landscaping. We brought that all under one single contract a number of years ago. That is what Mr. Nicholas is looking to do with OUC, to try and take all of these multiple contracts and put it all into one. That exercise certainly led to significant savings on landscaping, and we are hopeful the same thing will happen with street lighting.

Mr. Moyer stated I think the whole purpose of that discussion was to let you know that the way we levy the assessments is not arbitrary but is based on a tried-and-true methodology that we have used in the past.

On MOTION by Mr. Walls, seconded by Mr. Farnsworth, with all in favor, unanimous approval was given to close the public hearing for the Board of Equalization.
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Mr. Moyer read Resolution 2013-07 into the record by title.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, unanimous approval was given to Resolution 2013-07 confirming special assessments for fiscal year 2014.

RECONVENED THIRD ORDER OF BUSINESS Audience Comments

Mr. LeMenager stated now we can entertain this resident's question.

Mr. Berube stated he was not here for the audience comment section, so we will let him speak now.

Mr. Heaphy stated Mr. Haskett originally brought an issue to my attention about my fence. When the home was built in 2008, a fence was installed by a fence company, and apparently there was an issue, which was brought to my attention. I received a letter saying that I have 60 days to remove the fence since apparently part of the fence is on CDD land. I want to find out if there is an option we can work out. I cannot move it right now. I already received prices, and I have talked with the title company. I talked with the fence company, and I am seeking other avenues. I understand that it is not my property, and I am not looking for any type of eminent domain. I want the Board to know that I am doing my due diligence to find out what my options are. I understand it is not my property, but I am going to need at least six months to get everything squared away. I also have a lot of plant material along the fence, so moving everything will take a while. It has been this way for over six years, and I was surprised to find out it was not all my property.

Mr. Berube stated we understand.

Mr. LeMenager stated it is also not visible from the road.

Mr. Berube asked can it be removed by December 31, 2013?

Mr. Walls asked what is our obligation?

Mr. Qualls stated a couple things come to mind, including adverse possession. That is a seven-year issue, and he is on record saying that he acknowledges that it is not his property. I do not see that as an issue. The second issue is just common sense, which is as soon as you know someone is in violation of boundaries, you need to let them know about it. The District has fulfilled that duty. I feel that in this case, you do not need an attorney but just use common sense and try to work together to get the fence removed. I do not want to advise Mr. Heaphy as to his rights, but unfortunately, the District would have no obligation for moving anything.

Mr. Heaphy stated I recognize that, and it is a matter I have to address.

Mr. Qualls stated since we are on the record, I would advise Mr. Heaphy to seek counsel.

Mr. Heaphy stated one of the things I am looking at is the representation of the property that was made to me. There are a couple issues, but I acknowledge the fact that it is not my property.

Mr. Berube stated give us a date when it might be complete.

Mr. Heaphy stated March 1, 2014.

The Board agreed upon the revised date of March 1, 2014, for the fence to be removed.

A Resident stated the community school is doing a science fair project on the ponds and lakes in consultation with Mr. Golgowski, and this is a continuation of a project that started in 2011. We were wondering if we could get your permission to continue with that project.

Mr. Berube stated if it is the same as what happened in 2011, I do not think we need anything in writing.

Mr. Moyer stated no, you do not.

Mr. Berube stated you may proceed and we hope you have as good a report to bring to us as you did in 2011. The presentation last time was very detailed. You are welcome to proceed.

FIFTH ORDER OF BUSINESS

Subcontractor Reports

A. Aquatic Plant Maintenance – Bio-Tech Consulting

i. Monthly Highlight Report

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

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 I have some updates for the Board, one being the tree status. I indicated in the report that was prepared two weeks ago that Lakeshore Estates is completed. We still have about 15 more sycamores that need to be lifted. We are very

close. Things are pretty steady and consistent, and we are still in the summer season and still in the throes of the growing season, so weeds continue to be a focus. We have seen some chinch bug activity over the past four weeks or so. We are on top of it and are addressing it early. We have replaced about 2,900 square feet, and about half of that was chinch bug damage and some was just physical damage. For the most part and from a historical perspective, especially with sod replacement, we have had a good year. We are at just over the year on the property. I hope everyone is pleased.

Mr. LeMenager stated happy anniversary.

Mr. Berube stated overall, the place does look pretty good. I think you are running a little lean on manpower. It took a year to get all the trees done, including a huge push throughout the winter, and they are just now getting completed. Mr. Rinard will agree that it has been a long, tedious exercise. I tend to think that you do not ever get caught up. That is just my observation. Last month, Ms. Kassel raised the issue of a couple trees at Blue Stem and Primrose Willow. There are two trees on the corner on the side of her house. They are not dead. The crowns are dead, and now there are shoots coming out below the crown. I think the trees can be saved if we do something with the crown, but I am not sure.

Mr. Haskett stated I looked at them, as did Mr. Jon Rukkila, when we were reviewing sidewalks. The crown is gone, and it is not a tree that you would want to save. We need to look at replacing those, probably in the fall.

Mr. Berube stated there is another one just down the street at 7011 Blue Stem where half the crown is all dead and the other side has a crown that looks pretty good. Maybe that needs some attention or maybe it needs to be removed also. Street trees are a big deal here. There is another one that Mr. Rukkila mentioned at the west entrance that has been a stump.

Mr. Rinard stated that is correct; it has. We did some tree replacements recently. We brought in a tree that did not quite match up adequately to the surrounding trees. Right now, I have held back. I am waiting for additional work to be done. An eight-inch caliper tree is more costly than what I can combine with other materials.

Mr. Berube stated at the corner of Buttonbush and Cat Brier across from the golf course is another stump that was cut off, and it has new shoot growth coming on the top of it. There are some other stumps, and I mentioned a number of them to Davey. Trees

are important around here, and we spend a lot of money on them. If we are going to do another round, perhaps we can bring it all together and catch up on what needs to be replaced.

Ms. Kassel stated I had a question about the proposal and the status is of the landscaping projects.

Mr. Rinard stated on the Beargrass alley, we submitted a second sample. We expect the results within the next seven days or so. The first sample was submitted through a third party. Where it ended up and where it was actually submitted, I am not quite certain. So we took it upon ourselves and submitted our samples. Once I know the results, then I can finalize that particular proposal. You have copies of the other three: Dahoon, Lakeshore and the dog parks.

Ms. Kassel stated those were approved at the last meeting.

Mr. Rinard stated I did not have the understanding that they had been approved. If they are, then I will move those forward.

Ms. Kassel stated yes, they were approved last month.

Mr. Rinard stated then I will move those projects forward.

A Resident stated recently four new sycamore trees were planted, two by Long Pond and two by the swings by the dog parks. I also noticed that you spent a lot of money to fix the sidewalks on Beargrass and along other streets by sycamore trees. The new ones were planted close to the sidewalk. I wonder if that can be rectified. Otherwise, six years from now, we will be digging up those sidewalks and spending taxpayer money for the repairs.

Mr. LeMenager stated we will be doing that forever.

The Resident stated I am only talking about those four trees. If those four trees are planted somewhere else, like eight feet away from the sidewalk, it may not need to be dug up. They are planted very close to the sidewalk. Maybe we can move them farther so that those trees will not affect the sidewalks later on. It may be too late since they have been there for a few weeks.

Mr. Rinard stated it is not too late to move them. I will not guarantee or say that it will not intrude at some time, but there are products that we have discussed in previous meetings. There is a root barrier system that will divert roots underneath hardscape features and will prevent sidewalks from coming up or cracking.

The Resident asked did you use those for the new trees?

Mr. Rinard stated we have not used them but we are talking about implementing them.

Mr. Berube asked is this a terribly expensive product?

Mr. Rinard stated no.

Mr. Berube asked maybe \$100 per tree?

Mr. Rinard stated I do not know the specifics but that is probably close.

Mr. Berube stated we could make a test case with these four trees, if there are no objections from the rest of the Board members. Hearing all affirmative responses, Mr. Rinard is so directed.

A Resident asked if you are having such a problem with them in the older section of town, why are you putting them in the newer sections?

Mr. Berube asked are we putting sycamores there?

The Resident stated yes, there are a lot of them.

Mr. Berube asked is that part of the development plan?

Mr. Nicholas stated the County has regulations on how often you plant trees. They need to be near sidewalks. The right-of-way is only so big. The species should be a variety, so you will end up with some sycamores and some live oaks. The species plan was approved in 2005, so it is an older implementing plan. It is not uncommon to mix in some sycamores because they mature faster. It will be a problem everywhere, and we are looking for solutions to that, including drilling holes and trying to water deeper. There are a lot of things you can attempt to do, but where you have trees and concrete, at some point, the concrete will be moving around. I guess I am saying it is not just a sycamore problem.

Mr. LeMenager stated this discussion goes back decades. It is a design flaw in traditional neighborhood developments. Whoever came up with the original concept in the 1950s obviously did not take that into consideration. Celebration employs several full-time employees to do nothing but repair sidewalks.

Mr. Richard Diaz stated we are new residents here in the townhouses. I do not understand why we have a whole row of plants that are totally dead. They are black and have been there for a long time. Also, why are the water sprinklers along the sidewalk coming on at 8:00 p.m. when everyone is out walking?

Mr. Berube asked what road has the dead plants? Where is the row of plants?

Mr. Diaz stated we are in the first group of townhouses at 7110 Five Oaks Drive.

Mr. Berube stated they are not ours.

Mr. Diaz stated next to there are six or eight azaleas that are dead.

Mr. Berube stated we would like to take care of it for you, but those are not our plants. Those would be the responsibility of your home owners association, I would guess.

Mr. Nicholas stated we will introduce you to the right association to address that issue.

Mr. Diaz stated there is a big hole in the ground with a piece of pipe sticking in it and no cap on it. Someone will step in it and break a leg.

Mr. Berube asked where is the pipe?

Mr. Diaz described the location.

Mr. Berube stated that is not ours, either. That will all be for the HOA to address.

Mr. Diaz stated I wanted to bring these up so I could find out who could take care of them.

C. Dockmaster/Field Manager

i. Dock and Maintenance 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.

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. Haskett stated boating activity has slowed a little since school started, but there are still a lot of morning boaters who go out. We installed a few more barbecue grills that had deteriorated, one of which was over by the new swings at the dog parks and another at Lakeshore Park that was getting used. We received the shipment for the shade structure at the Swim Club. The permit is at the County right now and we are waiting on approval. You should see the new shade structure going up next week.

Mr. Berube asked are we installing it or are they installing it? I saw the invoice but I did not pay attention to that.

Mr. Haskett stated it is a combination. We cannot pull a County permit, so we hired Farrell Construction to pull the permit at a greatly reduced cost. He will oversee our staff digging the footers and installation. Staff has been monitoring activities at the pools and checking access cards. We did adjust the hours at the pools for card access. Some people had some issues with their card not working at 8:00 or 9:00 p.m., and cards will not work then because no swimming is allowed at night. The same applies to Buck Lakes. The facilities are open 30 minutes after sunrise until 30 minutes before sunset. Those times will be adjusted accordingly as the time changes.

iii. Proposal for the Purchase of Three Kayaks

Mr. Haskett stated I included a request to purchase three kayaks.

Mr. LeMenager stated I saw the proposal, and it will come as no surprise to my fellow Supervisors that I was shocked. I look at the boat report and see that we have four kayaks. All four were in use once. I think to myself that if all four are used at the same time once, why do we need to spend \$3,000 on three more kayaks? I am at a loss.

Mr. Farnsworth stated I was, too.

Mr. Haskett stated people like to go out in groups, especially people who use kayaks. It is a little more comforting to know that when you are out near alligators, you are near a group. We have a lot of residents who have tried to show up as a large group, but there are not enough kayaks for them. It is a rather inexpensive item.

Mr. Berube stated Mr. Gologowski did a video of such a kayak trip recently.

Mr. Gologowski stated it was a great trip. It was a little frustrating because we took out all the kayaks. I did not initiate this request, although I would advocate for more kayaks than three.

Mr. Berube stated perhaps you are on solid ground that your kayak expeditions will provide usage for these kayaks, and we purchased a couple extra kayaks in the past because we had only two. I am not necessarily against it, but if Mr. Gologowski is telling us that the usage will increase, I will support it. My wife saw the notice for the expedition, and she wanted to go on it. I know of a number of other people who would like to go out on a kayak in a group. If you are telling us that you are pretty solid that more kayaks will provide a bigger group with more usage, then I will support it.

Mr. Gologowski stated I know there is a group that goes out weekly.

A Resident stated many times I think about going out but they are not big enough for two people. If you purchase new kayaks, may I suggest you buy ones that are dual-

purpose and more substantive that we can also use for fishing instead of the ones we have now?

Mr. Berube stated I would be inclined to take one thing at a time.

Mr. LeMenager stated I like that suggestion.

Mr. Farnsworth asked what is the configuration of a dual-purpose kayak?

The Resident stated in a fishing kayak, you can sit in it plus a guest, and there is an area where you can store your equipment. I would use a kayak if I was by myself, but I would get a flat-bottomed one because I am not as agile in them and I might flip over in them. I do not want to lose anything.

Mr. Walls stated I am a fisherman, also. I have considered taking out a kayak, but I cannot fish out of it. When I go out on the lake, I want to fish. I think we might get more people if you were able to have something different, and maybe we can look at that. I do not know how much they cost.

Mr. Haskett stated it increases the cost about \$300 per kayak. It is the same Wilderness brand that we have currently, just a different model.

Mr. Farnsworth asked will it give the person in the kayak the same experience? Is the handling of the kayak the same with one that is not a flat bottom versus one that is set up for fishing?

Mr. Nicholas asked how much are the three kayaks?

Mr. Haskett stated \$2,174 for all three.

Mr. Nicholas stated so it will be \$3,000 to add a new fourth one. Can you get one of that kind for less than \$900?

Mr. Haskett stated yes.

Mr. Nicholas stated the cheaper solution is to get four: one of those and three of the regular ones. It would be cheaper than buying three of the dual-purpose kayaks.

Mr. Walls asked could we consider two dual-purpose kayaks?

Mr. Berube asked what about two dual-purpose kayaks and two regular kayaks? Then if two people want to go out fishing, we have two available for them.

Mr. Walls stated I would prefer just to buy two dual-purpose kayaks.

Mr. Berube asked so add just two kayaks and see if the usage increases?

Mr. Walls stated yes.

Mr. Farnsworth stated for some reason, I do not agree with that because it was not the reason for the original proposal for the kayaks. You have completely changed the purpose of what the kayaks were for.

Mr. Walls stated people can still use those kayaks just to go out on the lake.

Mr. Farnsworth stated my understanding of the handling of the kayak is that it is not the same experience.

Mr. Nicholas stated you can ask the residents who use them. They will tell you.

A Resident stated some of them you have to get into rather than just sit on. It is easier to get in and out of the ones you sit on rather than trying to squeeze in and out.

Mr. Walls asked is the movement largely the same?

A Resident stated I have been kayaking 20 years, and each kayak has its own purpose and is designed for its own purpose. The ones you sit on top are much more stable than the others, which are very tippy although you can also tip over in the ones you sit on. I have not been in the ones designed for fishing. However, if you tip over and cannot get yourself back in, then you have a problem. If you want to buy them, I am in favor of it.

Mr. Berube stated you residents are the kayaking group. What should we do? All four regular kayaks like we have?

Mr. LeMenager stated it sounds like more research and thought need to go into this.

Mr. Farnsworth stated we should be able to resolve it one way or the other.

Mr. Berube stated the request was for three additional kayaks.

A Resident stated I recommend three regular kayaks and one fishing kayak.

Mr. Berube stated I will suggest a motion to purchase three kayaks as originally proposed. This is not to shut down future additional requests for kayaks as we see how they get used.

Mr. Walls stated I would offer a motion to purchase two of the kayaks in the proposal and one fishing kayak.

<p>On MOTION by Mr. Walls, seconded by Mr. Farnsworth, with all in favor except Mr. LeMenager, approval was given to purchase two regular kayaks as proposed and one fishing kayak, as discussed.</p>

iv. Resident Request for Shuffleboard Equipment

A Resident stated I am on the shuffleboard group. We begged last year to replace the broken equipment, and Mr. Bill Fife agreed but it has not happened.

Mr. Berube stated Mr. Fife cannot approve things on behalf of this Board.

The Resident stated the equipment that we are using is old. We are down to three poles, and one is in very bad shape.

Mr. Berube asked where is the equipment stored?

The Resident stated in the storage container.

Mr. Berube asked how does it get broken? Are kids damaging it? Is it damaged from use?

The Resident stated wear and tear.

Mr. Nicholas stated the shuffleboard court was a gesture by a resident to have it available. If we had a place to set it up, they would provide it, and that happened. Now a year or two has passed. The equipment has been used a lot. There was no original investment in this activity.

Mr. LeMenager stated I am in favor of this request. I see people out there playing shuffleboard all the time.

Mr. Walls asked the court is not on developer property?

Mr. Nicholas stated no, it is the old basketball poured pad that used to be where the half court was. That is CDD property.

Mr. Haskett stated no, it is right on the boundary.

Mr. Walls stated so it is not on our property. I remember that from the discussions.

Mr. Berube stated we need to figure out ownership, and it is not on CDD property.

Mr. Haskett stated it is in a park area. Officially, it is not CDD property but it is still part of Buck Lake Park.

Mr. Nicholas stated we will get new poles, whether I pay for them or not. That is the reality.

Mr. Berube asked are we treading over any lines by doing this? Mr. Qualls has heard the discussion about ownership. Do you approve of this?

Mr. Qualls stated if this part of the parks and recreation facility maintenance program, then I do not see how it is any different from any other park and recreation facility maintenance. I would ask any approvals be subject to final review by counsel.

Mr. Walls stated I want to make sure the CDD can legally do this.

The Resident stated I am happy to research that.

Mr. LeMenager stated that is not necessary. This is \$100.

Mr. Berube asked how much does the equipment cost? We need to approve a maximum amount.

The Resident stated about \$100.

Mr. LeMenager stated the not-to-exceed amount can be \$200.

Mr. Berube stated we can approve up to \$250 for Mr. Haskett to replace whatever is needed. I know how these things sometimes go, and \$200 may not be enough. Do we want to approve \$200 or \$250?

Mr. LeMenager stated \$200.

On MOTION by Mr. LeMenager, seconded by Mr. Farnsworth, with all in favor, unanimous approval was given to replace shuffleboard equipment as needed, not to exceed \$200, as discussed.

Mr. Berube stated Mr. Haskett will coordinate replacing the equipment.

v. Consideration of Proposals for Umbrellas

Mr. Haskett stated I received a request for umbrellas for tables at the Swim Club. A couple proposals were included in the agenda package. They are \$95.60 for one and \$99.99 for another variety.

Mr. Berube stated this request came from me to Mr. Haskett as a result of several people pointing out to me during one of my many visits to the pool that we have umbrella holes in the tables. There is even a sign that says to take the umbrellas down.

Mr. Walls stated I am in favor of buying umbrellas.

Mr. Berube asked do we want four blue and four red?

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to purchase four blue and four red table umbrellas, as presented.
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vi. Reservation System

Mr. Haskett stated there are a lot of systems available. Many of them come back to different types of software that we would have to update and upgrade modules. I do not think that would be the best way to go. What I originally presented was u-reserve-it.com. I would like to have a 30-day trial period, and Mr. Nicholas and I discussed that we would like to work on that in-house and maybe invite a few of the residents who use the boats.

Mr. Nicholas stated we want to try to break it down during the 30 days before we push it forward. We will try to break it, and if it does not break, then we will go with it.

Mr. Berube asked if it does not break and becomes a permanent fixture, what is the ongoing cost or the initial cost?

Mr. Haskett stated it is web based and we can go with a fee based on the number of boats. The price I received for five boats is \$84 per month to have it online where all residents can get online to make their reservations.

Mr. Berube asked will this take the reservation system completely out of the Celebration office?

Mr. Haskett stated yes.

Mr. Nicholas asked what happens with kayaks?

Mr. Walls stated I would think you can do it as a group.

Mr. Haskett stated it depends on how we put them in there. If we say there are eight kayaks, the more units we have, the lower the unit price is. Worst-case scenario, we could even add in the pools and pavilions. It depends on how far we want to go with it.

Mr. Nicholas stated as we add subscriptions, the per-unit cost goes down.

Mr. Berube asked if five boats is \$84 per month, would 10 boats be \$168?

Mr. Haskett stated no, it would be less.

Mr. Berube stated it is an incremental cost.

Mr. Haskett stated yes, it is. Anyone can go online and click the price button to see the cost. You do not have to sign up for anything. They are very forward with their pricing.

Mr. Berube asked you want to try this for 30 days?

Mr. Haskett stated yes.

The Board gave consensus for staff to try the 30-day trial for u-reserve-it.com for boat reservations.

vii. Consideration of Bids Received for Dock Replacement

Mr. Haskett stated we asked for proposals for the floating dock replacement. What we received were from three different companies: The Dock-Ters, Titan Marine, and TSI Disaster Recovery. We have used The Dock-Ters in the past who built the boardwalk. They submitted three proposals. Unfortunately, not all of them were provided to the Board. I would like to table this item before we make any major decisions so the Board can review them. My recommendation after looking at all of them, I like the one from

Titan that was a concrete deck, although it is not quite the size that we are looking for. I liked the proposal from The Dock-Ters for \$34,815. It is all aluminum and would be like the gangway going down.

Mr. Berube asked you have some proposals that we have not seen yet?

Mr. Haskett stated yes.

Mr. Berube asked will you email those to us immediately?

Mr. Haskett stated yes.

Mr. Berube stated then we can review them and make a decision next month.

Mr. LeMenager asked so we should have six proposals in total?

Mr. Haskett stated there should be five proposals.

Mr. Berube stated we did not receive them all.

Mr. Farnsworth stated we only received three.

viii. Proposal from Spies Pool, LLC for the Purchase of a Pool Lift for ADA Compliance

Mr. Haskett stated we talked last month about the ADA requirements for pool lifts. I did quite a bit of research on them and figured out what I felt would be appropriate, after looking at a number of different pools in the area. I talked with Robert's Pool Service, and they do not install these. The majority of people I talked with agreed that the lift is being proposed would be best for us. We will install one, and it will be stainless steel and low profile. The difference between this one and others that we reviewed is, this one is water operated. There are no electrical parts and no batteries that need to be charged. It is very user friendly. You walk up to it and get in the pool. The installation has to be done by a pool contractor because it has to be bonded to the beam of the pool.

Mr. Farnsworth stated I am technically curious how a water-operated lift works. Where are you getting water pressure at?

Mr. Haskett stated there is a potable water line in the same area where the showers are, so this will be added to that with a ¾-inch line. It operates the gears through the use of water.

Mr. Farnsworth asked it is using commercial pressure?

Mr. Haskett stated yes.

Mr. Berube stated I do not know if there is something special about that particular unit. The proposal includes two pages. My concern with the lift is that we are not only going to be buying one of these at the current rate, but we will be buying at least two. If

we get one for the kiddie pool, we will be buying three. At the very least, the price of \$8,495 will double when we add it to the second pool because I think we will be required to have a lift at both pools.

Mr. Haskett stated we determined at the last meeting that we are subject to Title II requirements, so we only have to provide a facility that is ADA accessible.

Mr. Qualls stated I need to confirm, but I believe that is correct. I remember seeing it in the minutes, and I had just finished researching all the ADA provisions.

Mr. Haskett stated we recommended it be put at the Swim Club because the pool is heated.

Mr. Qualls stated it is based on linear pool feet.

Mr. Haskett stated yes, and if it is less than 300 linear feet, then we only need one lift, and we meet that requirement. We do not need one in every pool, just the accessible pool.

Mr. Berube stated there may be something about this lift that makes it worth all that money. I did some research and found two. I spend a lot of time on the road and spend a lot of time at hotels. Interestingly, many hotels are covering over their hot tubs so that they do not have to install a pool lift. The vast majority of hotels that I have seen are using this Ranger Pool Lift, at \$3,690. It does do a couple things that Mr. Haskett indicated the water lift does not. This one does require a battery. It is a remote control and you can leave it on the unit or put it somewhere else. They recommend you put it somewhere else. If someone wants to use the lift, then you install the battery, which has the remote control on it. That keeps kids from jumping on it. The second thing is they recommend the locking pool cover, as shown in the picture. When you put the locking pool cover on, that will also lock the unit. Without that and the remote control, kids cannot get on it and play with it. That covers those areas. We are talking about a \$5,000 difference between these two units. I found a second one called the Independent for another couple hundred dollars. I agree that they should be installed professionally. Even if professional installation costs \$2,000, it is still \$3,000 less than the water-powered lift. I do not know how the rest of the Board feels, but what bothers me about this is that we are going to have a potentially \$8,500 lift sitting on the pool that will rarely be used. That is the reality of these things. I do not know if there is something particular about this one that is a requirement for our pool, but I think a pool lift is just a pool lift. If we were

buying a boat that was going to be used every day, that would be different. Maybe I am wrong. Maybe there are a lot of people who live here who want to use our pools.

Mr. Farnsworth asked is there any maintenance advantage to the one that is proposed versus a more conventional lift?

Mr. Haskett stated I have not really researched these specifically. The batteries and electrical components next to water was a concern, so we opted to propose the water lift. Robert's Pool Services has been around for many years, and they said they have had only one issue with the water lift after 15 years when they had to replace a seal in it. Other than that, kids jumped on them. As Mr. Berube said, they are a toy for some kids. Mr. Moyer mentioned that he installed some in other CDDs.

Mr. Moyer stated they were in the price range that Mr. Haskett presented. The price Mr. Berube found was much lower than what we paid.

Mr. Haskett stated the concern in going with something less expensive is, you get what you pay for. Kids do jump on them all the time, and we are not there to monitor that. Our concern with the conventional lifts is that they might break more often. This lift is very streamlined, stainless steel, with fewer moving parts.

Mr. Berube stated with any lift that we install, I would advocate for a cover that locks onto it somehow. If it is not covered, this will be a Gymboree. Kids will be standing on it and diving into the pool. They run and dive now. This is an attractive nuisance.

Mr. Nicholas stated this is an interesting debate. There is a trade-off. My father is disabled, and we struggle in trying to get him certain places. He has used things like this before. I think generally, there is a trade-off. If someone comes and wants to use this lift and there is a 20-minute wait because we are making phone calls and trying to find someone to unlock it, I think that discourages the use of it. By the same token, it might prevent something from happening, or kids may jump off the covered part. I think there are some practical elements to lay over the top of this ADA requirements. I would ask you to think through that before you make a decision either way.

Mr. Walls stated I do not think the cover will stop people from jumping on it. I think we need a cover to protect the unit itself from sitting in the sun all day. We obviously want to comply with the law and make sure people have access to the pool. I know nothing about pool lifts. When you break it down to a per-use cost or something along those lines, and you look at it and see the draw, we could essentially install this twice. I

do not know what the installation is, but we could install two regular lifts for the cost of this water-powered lift.

Mr. Berube stated we could buy four of them.

Mr. Walls asked can we table this item and look into them more? There is a big difference in price.

Mr. Farnsworth stated the installation and mounting cost for any one of them is going to be about the same to get it fixed in place.

Mr. Haskett stated yes, it has to be done correctly.

Mr. Berube stated for either of these, we would probably have to lift out the pavers in an 18 x 18 area, and you have to go down a certain depth with concrete. There are bolts that go into the concrete. In our case, it would be fresh concrete and bolts with an insert. There is a concrete drive, and then you refit the pavers around that. It is a little hard to see in the pictures, but there is a rectangular base that fits over the bolts, and you bolt it down. If you have to take it off, you remove the bolts and it comes off but the bolts stay there. It has to be bonded electrically, which is not a problem since we will have a professional installation, and they know how to do the grounding. The installation for all of these will be very similar. They all look the same on the base. As a matter of fact, these installs may be a little cheaper than the other one because we are not running water through it. The down side is, you have a battery and a remote control.

A Resident stated I am more concerned about the attractive nuisance. Parents need to be aware of this.

Mr. Berube stated it is a required attractive nuisance. We do not have a choice.

The Resident asked is it possible, without it looking too ugly, to have a locked cage around it?

Mr. Berube stated no. It has to be accessible. In the early days, these were portable and you rolled them in on wheels. The ADA decided that is too much work. The lift has to be there and available with reasonable access restrictions.

The Resident stated I did not know if you could use your same access card for it.

Mr. Berube stated no, not for this. When you are in that pool, you need to be able to get on this lift fairly easily. Do we want to table this and give Mr. Haskett time to research some different alternatives and bring it back next month?

Mr. Farnsworth asked are we in a time bind when we need to do this?

Mr. Qualls stated remember, the analysis is that you must take steps on all pools to install a lift if it is readily achievable to do so. "Readily achievable" means capable of being done without much expense and administrative burden. That is the exact dialogue that you are having: is this readily achievable and what is the best way to do it. You are complying with the ADA requirements by having this discussion and taking another month to ensure that installing this lift is readily achievable. I think time is of the essence, but the standard depends on whether or not it is readily achievable to do so, and that is the discussion you are having.

Mr. Berube stated my only concern for any of these, and I looked at the range diagrams, is we have that skimmer shelf. I presume the Spies staff looked at that.

Mr. Haskett stated yes, they did.

Mr. Berube stated when I look at the range diagrams, I think there is room for both of these to make it over that skimmer shelf. As you investigate these and any others you may find, we need to make sure the seat makes it over that shelf because it is a little unusual. That was the only concern that I saw in this whole endeavor if we can make it over that shelf. They had preliminary drawings to show how it will make it, and I think it will. We will table this until next month.

SIXTH ORDER OF BUSINESS

Developer's Report

Mr. Nicholas stated Mr. Walls mentioned an inventory tracking system. Mr. Haskett ran across a bar code system that is relatively inexpensive. We would be in favor of doing that. I think the recommendation might be for a third party, perhaps Severn Trent, to come out and do a one-time independent inventory. We would feel more comfortable with them doing that audit. We do not want check the inventory that we are being hired to watch over. If you like, we can coordinate on the quantity of the tags, which is \$50 for all the tags. You do not need anything special. It is adhesive. We can take inventory and put some sort of system together. If you decide to electronically track it down the road, the bar codes are already attached to the units.

Mr. Berube stated if Severn Trent is going to be the administrator of this, there will be a cost to that.

Mr. Nicholas stated we will be the administrator. We did not know what was on the balance sheet as owned by the CDD. We made the request and received a list that has six or ten items on it. We could easily do the inventory for those items, but I just think that

the right auditing way to handle this would be to have someone other than us do the first inventory and watch us put the tags on. Then we can do it from there.

Mr. Berube asked we are not inventorying everything, just everything over a certain dollar value?

Mr. Nicholas stated whatever is currently listed as a fixed asset and whatever else we deem to have some sort of residual value. This will be a fairly small list. We are just addressing the concern. I do not want you to come back to us a year from now. We want someone to do the first count.

Mr. Berube asked what are we setting as the minimum number, \$500 or \$1,000? What counts as a fixed asset?

Mr. Nicholas stated everything that is shown on the balance sheet as a fixed asset. Whatever you bought and capitalized that has not fully depreciated yet will be on that list, plus anything else we decide that we think has a residual value.

Mr. Berube asked are we counting the leaf blower or hand tools?

Mr. Haskett stated no.

Mr. Nicholas stated it is a pretty small list. It might get to 12 or 15 items.

Mr. Berube stated I just do not want to spend more money.

Mr. Walls asked what if one of the Board members did it?

Mr. Nicholas stated that is fine, whatever you want.

Mr. Walls stated I would be happy to do that.

Mr. Nicholas stated as long as there is a third party doing the inventory.

Mr. Berube stated that is fine.

Mr. Walls stated if the Board does not object, I will coordinate that.

Mr. LeMenager stated I am fine with that.

Mr. Berube stated that is fine.

Mr. Nicholas stated regarding the refinancing of the street lights, conversations are ongoing. This is as complicated an issue as there is to try to get all the agreements and make sense of them and coordinate them together. This will take months, and it is ongoing. We are focused on it. At some point, we will come to some understanding with OUC that will allow us to make a recommendation we feel good about bringing forward. As I indicated last time, there are challenges to the financing, due to the fact that they own the lights and they are part of their electrical distribution system, which means it

cannot be collateralized in a separate loan. There are things to work through that will take time. They are a big, slow-moving, public utility. Every time you ask a question, it goes up several levels and then it comes down, we receive it, and there is follow up. We are working through that.

Mr. Berube stated I appreciate you dealing with this issue.

Mr. Nicholas stated it helps us, too, if we can negotiate a better rate. We are paying assessments like everyone else, so we are going to make sure we make the right recommendation that makes sense in the long term for the CDD.

Mr. Berube stated some people who live here do not understand the importance of having these two entities work together. One of them was here earlier tonight.

SEVENTH ORDER OF BUSINESS **Approval of Facility Usage Applications**

A. Harmony Community School, First Grade Swimming Lessons

B. Osceola Community Choir, Christmas Eve Musical

C. Osceola Community Choir, Easter Musical

Mr. Moyer stated I included these on the agenda because I know there is some sensitivity that we discussed recently. If no one has any problem with them, if I see affirmative nods, then I will issue the permits.

Mr. Berube asked was there any negative reaction for the school in using Ashley Park pools last time for swimming lessons?

Mr. Moyer stated no.

Mr. Berube stated I prefer to do that again if they are amenable to doing that.

Mr. Walls stated I will raise my concern again. Under the current rules, they are allowed to do this. I asked Mr. Moyer about setting up a workshop so we could look at our rules and see if there are changes we want to make. They are doing good things, but they are using the facilities and not paying for them. My whole concern is about financial fairness for everyone, so I would like to discuss that further in a workshop. The two requests to use Town Square are for an outside group coming in. I do not know if there will be 300 people, but that is what is indicated on the use application. There is a maintenance factor related to that request for landscaping, trash and so forth. The owners in the neighborhood are paying for that, and the people coming in are not. I just want to make sure everyone understands that and if we can, somehow address that.

Mr. Berube stated the community school is a governmental entity. The community choir does not indicate on their application if they are public or non-profit. Is the Osceola

Community Choir a profit-making organization? That changes my thinking on letting them use the facilities.

Mr. LeMenager asked what do they want to do? They just want to come out here and give a concert?

Mr. Berube stated yes, a concert in Town Square, twice.

Mr. Nicholas stated I believe they are affiliated with the church, and I believe it is a not-for-profit organization.

Mr. LeMenager stated we have a request from people who want to put on a concert for everyone.

Mr. Nicholas stated that is correct.

Mr. LeMenager stated that is great idea.

Mr. Walls stated a few weeks ago, one of the churches here came to use our boats. They used the dock. They propped the gate open and let everyone in. Those are limited resources that people are paying for. To have an outside group, even though they are doing good things, come in and use our facilities without paying the fee or some sort of upkeep for the boats or the dock, I have a problem with that.

Mr. LeMenager asked are they residents?

Mr. Berube stated no.

Mr. Walls stated they are coming in as a group.

Mr. LeMenager asked were the people residents? Residents can bring guests, and it is a fairly large number of guests they can bring.

Mr. Berube stated they had more than that.

Mr. Walls stated I was fishing that day, and there were probably 25 or 30 people there.

Mr. LeMenager stated so they would have needed three residents to be completely legal.

Mr. Walls stated I think that is a problem with the rules.

Mr. Berube stated we need to handle that as far as a workshop. There is good reason to have a workshop for rules. We have these requests from the manager. Are there any objections to the community choir requests?

Mr. LeMenager stated the concerts sound like a wonderful idea.

Ms. Kassel stated I have no objections.

Mr. Berube stated there are at least four in support of the requests.

EIGHTH 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 we have collected all of our non-ad valorem assessments, and because of discounts and collection fees, we are \$13,000 over what we anticipated receiving in revenues. On the expenditure side, we are under budget on all of the major categories.

Mr. Berube stated the financials look remarkable. Every month, they seem to improve a little across the board. We will end the year with a pretty decent surplus.

B. Invoice Approval #160 and Check Run Summary

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

Mr. Berube stated there was an invoice having to do with COBRA expenses for Mr. Rick Druckenmiller. I thought our agreement for COBRA was for 90 days because that was the length of time before they could be covered with the development company.

Mr. Nicholas asked has it been longer?

Mr. Berube stated we received an invoice for May at 50%. We paid June, July and August. Now we received an invoice for September. At this point, June, July and August are already prepaid, plus half of May, which is 3.5 months. Now you are looking for a September premium, which is 4.5 months.

Mr. Nicholas stated benefits start the first of the month following the 90-day anniversary. It may not be exactly three months but may be longer. I know the invoice you are talking about. We paid them all up front in one check. She is just putting them on individual invoices as the months go by.

Mr. Walls stated it looks like there are some negative adjustments, too.

Mr. Berube stated there was an overpayment.

Mr. Walls stated they paid it all up front, and now they are adjusting it back down.

Mr. Berube stated there was an overpayment made because there was only half a month. The bottom line is, September should end it.

Mr. Nicholas stated circle the part you want me to review and forward it to me. I will look at it and send you an email.

Mr. Berube stated as long as September ends it, I am fine. It makes sense what Mr. Nicholas said because they have to go 90 days plus a few days.

Mr. Nicholas stated it could very well be a problem with the billing. Circle what you are looking at.

Mr. Berube stated it is the third page for the September billing. The initial ones have already been paid, and the September billing is what we just received.

Mr. Nicholas stated forward that to me by email and we will look at it.

Mr. Berube stated it is just for Mr. Druckenmiller, so it stands out.

Mr. Nicholas stated it ended for the other employees already?

Mr. Berube stated yes.

Mr. Nicholas stated he started later than the other employees.

Mr. Berube stated I understand, and I think I understand why we have this invoice for September. As long as it ends with September, we are fine. I had another question on an invoice from Century Link. We are still getting a Century Link bill. I know we started with wireless. Has someone canceled Century Link yet?

Mr. Haskett stated yes.

Mr. Berube asked so we should not see any more bills? This is just due to timing?

Mr. Haskett stated that is correct.

Mr. Berube stated the shade structure is here and they are not doing the install, which is why we are paying this bill, even though it is not installed.

Mr. Haskett stated that is correct.

Mr. Berube asked how many batteries does our golf cart hold?

Mr. Haskett stated six.

Mr. Berube asked they are \$100 each?

Mr. Haskett stated yes.

Mr. Berube stated the invoice is written as one 6-volt battery for \$595, which is a pretty expensive battery.

Mr. Haskett stated that would be the invoice from Spafford's.

Mr. Berube stated yes. My last question is on the concrete and sidewalk repair. I was shocked when I saw the bill. Did we know this was going to cost \$11,000?

Mr. Walls stated I knew it would have a cost to it. I thought it would be more than we had in the budget because we had not contemplated it. I honestly did not know what the cost was for.

Mr. Berube stated I had a couple concerns that I expressed. We started with the ramping over the roots. I understand we wanted it done quickly to get the sidewalks safe for the kids for school, and it was a race to get them fixed. It was fairly expensive, and I think we paid for a lot of sidewalks since we pay by the square foot. The notation shows that we only had to take out one or two panels, but in some areas, we took out seven panels to make a ramp over the roots, and then the game plan changed. We paid a lot of money for the square footage and then changed the plan, so the panels all have to be replaced. On things like this, I think we need to discuss it a little more before we go through with it. I want to thank the staff because you responded to my concerns very quickly and then the plan changed. There were going to be a lot of ramps and ultimately we cut some roots. That will be a good experiment, and we will see if cutting roots will damage the trees. We did not want to damage any trees, but if we put the sidewalks right over the roots, the panels would break.

Mr. Haskett stated the good news is all the major areas in the community were addressed. There are still some smaller ones. Everyone will remember the deficiency study that Mr. Boyd prepared in 2008. I keep that updated all the time and we addressed some of those. There are still some small cracking areas that staff can address later.

Mr. Berube stated I have some comments about staffing changes or additions to staff, and I do not want to bring it up tonight since it is a long meeting. Part of it will deal with self-maintenance of sidewalks, but I will table that discussion until next month.

Mr. Walls stated I received a lot of positive comments from residents about getting the sidewalks fixed, cost aside. They were fixed and people were very happy about that.

Mr. Nicholas stated no one was tripping on them anymore.

Mr. Walls stated exactly.

Mr. Berube stated our staff came out and filled in the ruts and fixed the sprinklers.

Mr. Nicholas stated we were going to have to fix those anyway.

Mr. Berube stated I am not arguing the point. We did it, but sometimes we need to discuss things a little more.

Mr. LeMenager asked why is there an invoice from the Orlando Sentinel? I thought we were using the Osceola News Gazette.

Mr. Moyer stated we used the Orlando Sentinel because the Gazette does not publish seven days a week, and we could not make the notice requirements without using the Orlando Sentinel.

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

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.

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. Consideration of Meeting Schedule for Fiscal Year 2014

Mr. Moyer stated we proposed the same meeting schedule that we are currently operating under except for November and December due to Thanksgiving and Christmas.

Mr. Walls stated I will make my annual plea for the working people. I would like to amend the schedule so that all meetings are at 6:00 p.m. I feel for the people who work during the day, such as teachers who have to leave their class to come to these meetings. It is not just attendance at the meetings, but it is for people being able to be involved. When we hold meetings at 9:00 a.m., we are telling people that if you are a resident and live here, you had better be retired or have a flexible stay-at-home schedule or be willing to miss work to attend these meetings. I would like to make this change as soon as possible.

Mr. Walls made a MOTION to amend the meeting times so that all meetings begin at 6:00 p.m. on the dates provided for fiscal year 2014.
Ms. Kassel seconded the motion.

Mr. Berube stated I count the attendance at every single meeting, and there is no discernible difference over years of counting morning and evening.

Mr. Walls stated it is not that they come to the meetings. It is that they have the ability.

Upon VOICE VOTE, with Mr. Walls, Ms. Kassel and Mr. Farnsworth in favor and Mr. Berube and Mr. LeMenager against, the motion passes 3-2 to amend the fiscal year 2014 meeting schedule so that all meetings begin at 6:00 p.m. on the dates presented.

Mr. Haskett stated we do not know if the clubhouse is available on those evenings because that was not the schedule we checked for availability. We have weddings and other events in the evenings.

Mr. LeMenager stated given that we typically have a small number of people who show up, we could use a pretty small room.

Mr. Berube asked do we need to advertise this now?

Mr. Moyer stated no, we can hold off and decide that at the next meeting.

Mr. Nicholas stated that is workable. We will send the meeting request to the clubhouse. There is a process they go through that is very simple. We will send the request to the scheduler and they will work it out. If you rely on us, we will mess it up and get it wrong. We do not book the building. There is someone else who does that.

Mr. Berube stated we just want to make sure there is no conflict.

Mr. Nicholas stated there might be, but we will not know until we send it to the scheduler.

Mr. Moyer stated we will not advertise the schedule until we know.

Mr. Berube asked do we want to authorize Mr. Moyer to make changes based on scheduling?

Mr. Moyer stated I will bring it back to you next month.

F. Discussion of Scheduling a Workshop

Mr. Berube stated Mr. Walls made very poignant comments earlier regarding the need to revise some rules, as well as how we account for fund balance. I do not know if we should do both of those at one workshop, or if we schedule them both into one workshop, knowing we may finish one and not the other. We will probably schedule a couple hours before an evening meeting, since that is typically how we schedule them. I presume we need to advertise the workshop.

Mr. Moyer stated yes.

Mr. Berube asked do we want to potentially put both agenda items into one workshop? Or do you want to separate them?

Mr. Walls stated I do not know that we need a workshop on fund balance, because that will be specific to our needs at the time. We will not have a set standard of one line item where we will always put fund balance. My whole goal is to make everyone aware that we have an unassigned fund balance that is not accounted for.

Mr. Berube stated we can focus on rules at the workshop, and we can start the fund balance discussion at some point in the near future at a meeting. If it gets to be a lengthy discussion, then we can schedule a separate workshop. Next month is a 9:00 a.m. meeting.

Mr. LeMenager asked what do we want to discuss?

Mr. Berube stated revising the rules.

Mr. LeMenager asked specifically what rules? It would be nice to see a little more than the thought that we should change some rules.

Mr. Berube stated primarily regarding the boats. We have all these bits of paper that the staff has to administer all the time, including the boat use agreement that has to be signed all the time. The whole deposit system—credit cards, debit cards, checks—we have never billed anyone for damage to a boat, and we probably will not because we do not have a billing mechanism. The boats are ten years old, and they have wear and tear. How are you going to bill someone for damages? We have not done it. All it does is create an administrative nightmare for our staff. Mr. Haskett has a lot going on with that.

Mr. Walls stated my thoughts are a little more broad. I was thinking we could take two or three months and look at all the rules including usage, boats and whatever else we have. We can bring forward suggestions that any one of us might have and discuss them. If they are good suggestions and we want to implement them, then we can do that. We can address things that need to be clear across the board.

Mr. LeMenager asked you do realize that when we change rules, the attorneys invest plenty of time and will bill us accordingly?

Mr. Berube stated yes, we understand that. Another problem area is the pools. We have so many loopholes in our pool rules. The first one is that one resident can bring in eight people. That is out of control. It needs to be one resident with two guests. Now we are sending our staff through the pool to try to administer who has a card and how many people are with them. If it is limited to two or three guests, it is a much easier thing to manage. If a family of four comes, they can bring 32 people through the gate. There are

other issues with the access cards. If we do not want to have a workshop, we can certainly do it piecemeal, but I think we will end up with a piecemeal result if we do not focus on them all.

Mr. LeMenager stated you cannot do rules piecemeal.

Mr. Berube stated no, you have to think it through.

Mr. LeMenager stated I do not think Mr. Berube was on the Board yet when we did this the last time. It was pretty involved.

Mr. Walls stated I attended a rules workshop.

Mr. Berube stated if we are going to schedule a workshop, we can do it two months from now. We can each print the rules from the website and review them. I know Mr. Haskett has a number of suggestions, and he and I have discussed things. I think we can easily spend a couple hours on this and then turn it over to the attorney. I think we need some revisions. We are getting into the slow period for the pools and boats. The rules are over a year old, and a lot of rules regarding the boats came from a dockmaster who was maybe not always giving us the right information. I think we made some pretty quick rule changes that were not worked out. I think they need some revisions. Mr. Haskett and I have discussed this numerous times about changing the rules, and I know he has a list of suggestions.

Mr. LeMenager stated I am in favor of it if we have concrete things to consider. I am not in favor of it if we are just going to talk about rules. If someone has specific comments and specific ideas, let us make sure we can look at them, review them and think about them beforehand.

Mr. Berube stated we need some specificity.

Mr. Walls stated there are things we all want, and we will have two or three months to look at the entire set of rules and bring suggestions forward.

Mr. LeMenager stated it sounds like we are a few months away from that.

Mr. Berube stated we can schedule a workshop before the October meeting. I suggest 4:00 p.m. on October 31, prior to the regular CDD meeting. We can discuss fund balance with some other method, or Mr. Walls can provide us with some guidance as to his suggestions.

Mr. Walls stated I will do that.

G. September Meeting

Mr. Moyer stated there is a good chance that at your September meeting, I will need to be in court again. I can promise you that I will never get involved in being a trustee of a defaulted District again, so I will never ask for an excused absence. I will probably end up having Ms. Brenda Burgess take the September meeting.

Mr. LeMenager stated it is nice to see her once in a while.

Mr. Berube stated she likes seeing us once in a while, too, I think.

Mr. Moyer stated I will be back for the October meeting.

Mr. Berube stated I will be eternally happy if Mr. Moyer never has to act as a trustee for our CDD. The way things are looking right now, we are far away from anything like that.

Mr. Moyer stated you are in good shape.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Discussion of Documents Relating to the Property Appraiser

Mr. Qualls stated I provided a packet of materials including an interlocal agreement with the property appraiser and the County. That is because the County was taking on some work that was not technically authorized by Statute that the property appraiser is supposed to do. Two entities can work together when there are economies of scale and when there is no additional cost. Essentially, the property appraiser agreed with the County that the County will provide that function. The tax collector gave a limited exercise to allow that, as well. That creates a clean paper trail so that you can show that Chapter 197, Florida Statutes, is being followed when it comes to the uniform method of collection for the non-ad valorem assessments.

ii. Agreement with the School District for Landscaping

Mr. Nicholas stated the matter with the School District we are working through regarding the 0.2 acres of landscaping being done off CDD property by the CDD's current contractor is going before the School Board on September 3. I have already mentioned this to Mr. Berube and Mr. Moyer, but I wanted to make sure a representative of the CDD Board is available. I will also be in attendance.

Mr. Berube stated so far my schedule has not changed for that.

iii. Attorney Invoices

Mr. Berube stated in March, there was a bill for Mr. vanAssenderp's travel expenses and mileage to come to a meeting, which included a rental car, gasoline, tolls, and meals.

I brought that to Mr. Qualls's attention previously, and the comment was that it seemed out of step with what Mr. vanAssenderp wanted.

Mr. Qualls stated on two of the last three invoices, there have been no charges for my travel. The firm tried to make up for it that way. If that is not acceptable, we will find something else.

Mr. Berube stated it is fine. The only problem is, when I think about that and when I look back, how will I know that occurred?

Mr. Qualls stated it is noted on the bill. I will submit it back to you. A good attorney will note that there is no travel charged, and now that you are giving me the opportunity, I will do that. I will send you the bills.

Mr. Berube stated I am not arguing if you are telling me that has happened. I am saying that this has been sitting here with me and I have been watching because you told us it should go away. You may have adjusted it, but I cannot see it.

Mr. Qualls stated I will resend the two bills that have no travel.

Mr. LeMenager stated I was amazed at how little their bill was this month, so he must be right.

Mr. Berube stated if that is how you did it, I trust you. If you cannot trust your attorney, then you cannot trust anyone.

B. Engineer

Mr. Boyd stated the drainage system and stormwater management system are functioning well. They are relatively young in infrastructure years. We have been monitoring it very casually. If I am in a particular area, I will look at something, and I will deal with it that way. However, the system is getting older now, and for a variety of reasons, we need to put in place a more formal and accountable method of inspecting and reporting the condition of the stormwater management system.

Mr. Berube asked do we need to video it?

Mr. Boyd stated no, it is more a matter of recording on an annual basis the status of the system and identifying pinch point problems so they can be addressed. On next month's agenda, I will prepare a procedure for that to be done that you can review and consider next month.

Mr. Berube asked are you talking about something visual?

Mr. Boyd stated yes, just visual. No testing, no cameras, just eyeballing it and walking to structures to physically inspect the structures.

Mr. Farnsworth asked what is the period of doing that?

Mr. Boyd stated once a year, an annual inspection.

Mr. Farnsworth stated if you found anything, you could actually photograph it.

Mr. Boyd stated yes, and the report that is generated would include the photographs.

Mr. Berube asked the stormwater system includes everything from the street grates, all the piping, and the manhole covers?

Mr. Boyd stated I am talking about the ponds and the outfalls from the ponds.

Mr. Berube stated you cannot see much.

Mr. Boyd stated that is correct. The other element to think about is, now that you have the budget established and you know you are setting aside a certain amount every month for future maintenance, I will be proactive in identifying things that might need work, such as alleys or other facilities. I do not mean a formal program necessarily, but looking at different neighborhoods to determine when that alley needs to be seal coated and things like that.

Mr. Berube stated we had a conversation earlier in the meeting about the allocation of fund balance. If this grows into a big enough project and if we need to add a budget line item to handle this, we will be discussing the allocation of fund balance as we go forward. It is a perfectly good use for money that has not otherwise been assigned. We already had one stormwater drain break at the golf course where they dug down and patched it.

Mr. Haskett stated there was another break, as well.

Mr. Berube stated it worked out well because our staff has the ability to dig the hole and get in there to patch it up.

Mr. Walls stated we have money allocated in the reserves for that already. I am talking about whether or not we need to put in more.

Mr. Berube stated I understand. We can either allocate more to it or have it in a different line item, whatever the case. I know Mr. Walls wants specificity, and that is what I am suggesting.

TENTH ORDER OF BUSINESS

Supervisor Requests

There being none, the next order of business followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

The next regular meeting is scheduled for Thursday, September 26, 2013, at 9:00 a.m.

The meeting adjourned at 8:25 p.m.

Gary L. Moyer, Secretary

Steve Berube, Chairman