

# MINUTES OF MEETING

## HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, September 26, 2013, at 9:00 a.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:

Brenda Burgess	Asst. Manager: Moyer Management Group
Tim Qualls ( <i>by phone</i> )	Attorney: Young vanAssenderp, P.A.
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 9:00 a.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 August 29, 2013, Regular Meeting

Mr. Berube reviewed the minutes of the August 29, 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 August 29, 2013, regular meeting.
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### THIRD ORDER OF BUSINESS

#### Audience Comments

Ms. Donna Goldberg stated we have an ongoing situation at our pool in Ashley Park. There are a lot of pool jumpers. One jumped right in front of us at 11:00 p.m. the other night while we were out walking our dog. It seems like that is the area where they seem to jump, which is directly in front of the sign that says fence jumping is a crime. It seems to be the entry point for all jumpers. I walked around the pool and noticed in some places,

there are benches or shrubbery in front of pool equipment blocking the fence. I would appreciate if there is anything else that can be done, perhaps installing higher shrubs in that location just so it is not as easy to jump. The Swim Club has higher fences and a lot of shrubbery, and this pool does not seem to be as violated as much as the Ashley Park pool.

Mr. Berube stated people find the weak spots in the shrubs along the fence at the Swim Club, and we have similar issues there. I do not know if you belong to the Harmony Families Facebook page, but pool security is an issue that we are dealing with one step at a time. I understand your concern, and we will discuss later in the meeting about additional pool security ideas that we have. We are aware of the situation. Some people have had their access cards revoked. Even though they had access cards, they were jumping the fence anyway. It has been a big issue, and it will be handled. The entire Ashley Park pool is scheduled for a renovation this fall, starting probably in October.

Ms. Goldberg stated that was my other point. We are looking at getting quotes to have our sidewalks power washed, and we are working on getting that put back into tip-top shape. The park does need a lot of maintenance. It is looking as shabby as our sidewalks. I also would ask that you look at the playground area, which I believe is the CDD's playground.

Mr. Haskett stated that is owned by the townhome association.

Ms. Goldberg stated those were my concerns: the pool jumping and getting the whole place spruced up again.

Mr. Berube stated there will be a complete renovation. The pool will be resurfaced or at least have the surface renovated. It will probably include some tile work. All of the wood structures will either be replaced or at least repainted. The whole building will be cleaned up and repainted. It needs a complete facelift.

Ms. Goldberg stated the sidewalks need power washing, as well. There are a lot of dead plants over there.

Mr. Berube stated when it is all done, it will look spruced up. We will take a careful look at the shrubbery and fencing. We are aware of the fence jumpers. It is a big issue, and we receive complaints all the time.

Ms. Goldberg stated we did get the gentleman out of the pool area. He said he lived here but he did not have his card. I told him there was no reason for him to be there. The

concern is having a bunch of kids over there and they get drunk. I know we are supposed to call the police, but the kids can be gone before the police get here because we are a long way out. The residents live so close to the pool, so it is a safety issue.

Mr. Berube stated we understand. It has not gone unnoticed. I am sure there are a lot of fence jumping and late-night activities that go on at the Swim Club, as well, but no one lives here to see it.

A Resident stated I wanted to say thank you very much for the wonderful job that you did along the side in front of Claybrick Road and the tunnel. It looks wonderful.

Mr. Berube stated Mr. Rinard and Mr. Haskett are responsible for the design and the plan.

The Resident stated the tunnel is very clean. It all looks fantastic.

Mr. LeMenager asked do you all know that you are allowed to use the tennis courts over there?

The Resident stated yes.

#### **FOURTH 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.

Mr. Walls stated it has been about a year since we switched to the quarterly treatments on some of the ponds. The treatments are for invasive aquatic plants. We did this as a test to see how it would work because previously we had monthly treatments. I think it is working pretty well.

Mr. Berube stated I look at all the ponds and I have not seen a problem.

Mr. Nicholas stated I received a comment from a resident that I wanted to convey. She let me know that the pond behind the D-2 neighborhood in front of the Estates has some large masses growing in it. I do not know if that pond is on the quarterly list or not. It is the one with the fountain in it right before the Estates. The mats are getting bigger.

Mr. Walls stated they may need to rake that out. I recall they had to do that in a pond previously.

Mr. Berube stated it has been a problem in the pond at Lakeshore Park.

Mr. Walls stated I think that program is working well. Nothing has taken over or is growing out of control. I wanted to explore talking with Bio-Tech to see what kind of

cost savings we could realize by having quarterly treatments for all ponds, if the rest of the Board agrees with asking that.

Mr. Berube stated I would go along with a special note to what Mr. Nicholas just reported about some special treatment to eradicate that matting at the left entrance into the Estates on the left side.

Mr. Nicholas stated it is on the right side.

Mr. Berube stated they both have a problem.

Mr. Nicholas stated yes.

Mr. Walls stated it may be that they just need to pay attention to that pond. I do not know what they are looking at.

Mr. Berube stated there are a lot of people moving into the Estates. We drove out there last night, and four cars were there at 7:30 or 8:45 p.m. I was surprised at the amount of traffic. I am not sure if people are looking at land or having strange activities in the woods.

Mr. Walls stated I sometimes take the kids back there to look at the deer.

Mr. Berube stated that could have been what they were doing. Whatever the case, someone can contact Bio-Tech.

Ms. Burgess stated either Mr. Moyer or Mr. Haskett can email Mr. Larry Medlin to have him provide that proposal.

## **B. Landscaping – Davey Commercial Grounds Management**

### **i. Monthly Highlight Report**

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

Mr. Rinard stated we have some follow-up applications on the turf that are happening today. They were pushed back a little because of weather. Fungicide applications on the Zoysia appear to be working, and we are getting some positive rebound on the Zoysia turf. There has been some chinch bug activity, but it has been fairly minimal as far as the overall scope is concerned. It looks like those areas are controlled. We will be following up today to treat any areas that may show any additional activity or continued activity. Bermuda turf is getting another application on its rotation for weed control which is happening today. A lot of focus through this month has been on Harmony Square in getting it prepared and ready for the public and the festival this weekend. Part of that

work is tree work and general maintenance items, as well as replacement of some annuals by the stage area. In the center by the flagpole, we may be replacing those flowers today or tomorrow. The balance of annuals for the property will be done the week of October 7. Fertilization on shrubs is ongoing, and that ought to wrap up in another week. At last month's meeting, we discussed a few trees in Lakeshore Estates that were left, and those were completed. Next week, we will be starting the follow-up round beginning at Lakeshore and Cat Brier area, working back this way. We do have some pending work and some installs that we have not been able to get to. My report reflects that they are in progress. They are not progressing as quickly as I expected them to by this time. We will be starting those next week. I have material here on property. We had been holding back on the Beargrass alley, and we started doing the soil sampling ourselves. We bought some pH meters and tested the soil ourselves. The pH is fine. It is a little on the alkaline side, which is typical for soils around here, but it is not a concern relative to plant selection. I will be putting that proposal together to submit to Ms. Kassel by the end of the week. If she approves of the plant selection and everything included in the proposal, then we will fold that into next week's work on the other three parks and do the work in a continuous flow.

Mr. Berube stated as I have stated over the past couple months, overall, the property looks pretty good, but the details are a problem. I think when it gets into certain labor-intensive activities, your boots are the ground are minimal. I do not think you are over staffed; I think you remain under staffed. The specific area in my line of sight is the entire Lakeshore Park addition. The entrance at the end of Buck Lane with the perennial peanuts and all those bedding areas look terrible. Many of those added tree rings look bad. Some of them are completely overgrown with sod, mulch is missing, and it is a mess. The planter beds where the benches are look pretty dismal. It is all relatively new. It is the same in front of the school. That was all new four or five months ago. Now it has a lot of weeds and some is overgrown. It is not at a standard look. We used to have meetings with the previous contractor and beat him up, and I do not want to get back to that. There is a certain *quid pro quo* that I understand. We ask you to do a lot of things that are not part of the contract, and you step up and say yes. You get a lot of slack because of that, but that is not how things are supposed to work. As you look around, there are many areas that are weedy and things like that. The example you brought up

with the add-ons was a couple months ago and it really has not started. There is more add-on work that we want to get rolling. It will be winter and we have missed the entire opportunity of added color throughout the community. Keep that in mind as you consider staffing levels.

Mr. Rinard stated the conversation from the previous meeting has not fallen on deaf ears. There are factors that we deal with relative to hiring. You would think in this market, there would be people available to hire, but that is not the case. The traditional avenues to find people are not working. We have started recruiting efforts at local colleges. We have an employee referral program that historically has worked, but it is not working today. While it may appear that we are sitting on things, we are not. Those avenues take time to develop. We are sensitive to your comments and are working to resolve those things.

**C. 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.

Mr. Haskett stated staff is at the Swim Club working on the shade structures. We hope to have that done by this afternoon.

Mr. Berube stated that is quite the structure. There is a lot of concrete in the ground.

Mr. Haskett stated that is correct. The hurricane wind standards have changed since we installed the previous shade structure.

Mr. Berube stated I was looking at the amount of concrete in the holes, and it has to be a yard or more.

Mr. Haskett stated it was about 1.25 yard per hole.

Mr. Berube stated I hope we never have to remove them.

Mr. Haskett stated there will be no need to do that.

**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 the three kayaks have been received well and are already in use. We are happy with that. The boat reservation system that we signed up for has pictures of them on it. A resident had asked for the Board to approve the shuffleboard equipment.

That has been received and it will be taken to the Enrichment Center so the residents can use it. This is the same equipment they had before, commercial grade.

Mr. LeMenager asked did Mr. Haskett see the email from a resident about the reservation system that I forwarded?

Mr. Haskett stated yes. I would like to talk with this resident about what they have to offer. If it can be integrated with all the other items that we do, that would be great and we could streamline it. I will contact the resident for details. It appeared like it was at no charge.

Mr. Berube stated I spoke with him yesterday, and I indicated we appreciated there being no charge, but I am sure we will need a certain amount of customization in some regard to this. I indicated we are not against paying for whatever customization we need. He will provide us with a standard package at no charge. I had that conversation with him yesterday, and he seems like a go-getter. You cannot beat free or minimal cost. It seems like a lot of things that we are trying to accomplish with access cards fits in.

Mr. Haskett stated I agree.

Mr. Berube stated I looked at his products online yesterday briefly, and it is pretty well developed from what I can tell.

Mr. LeMenager stated I am guessing he is trying to establish a foothold in Florida because he said he was mainly up north. If someone wants to establish a foothold and give us a free system, it sounds like a good deal.

Mr. Berube stated Mr. Haskett can pursue this further. I told him that someone would contact him after our meeting today. He wanted to come to the meeting today, and I said we would be happy to have him at a meeting after we get some preliminary items addressed first.

Mr. Haskett stated I will see if I can get something for the next meeting, whether it is a demonstration or something else. In the meantime, shall we discontinue the idea for the boat reservation system? We had a 30-day free trial, so we have probably eight to ten days left on the free trial. Then it goes to a direct billing.

Mr. Walls stated I think we wait until we get a feel for this new system.

Mr. Berube stated I agree.

### **iii. Consideration of Proposals Received for the Dock Replacement**

Mr. Haskett stated we provided these again for the Board's review. The Dock-Ters submitted a proposal for \$34,815 and one for \$42,537. I think for an additional

investment of \$7,722, the proposal for \$42,537 would be the most appropriate for our needs. It is all aluminum. It has all the options that we are looking for. The pilings are in the right place so the boats do not hit them. I was attracted to the Titan Marine proposal for the concrete dock; however, it just was not the size that we were looking for. It did not have any of the bumpers and things of that nature, which would end up costing us a lot more in the long run. My recommendation is the small or medium proposal from The Dock-Ters.

Mr. Berube asked you eliminated the proposal for over \$80,000 simply because it was way over our budget with no particular gain or advantage that I can see for all that money?

Mr. Haskett stated that is correct.

Mr. Berube stated the two proposals from The Dock-Ters appear to me to be nearly identical in scope except that the less expensive one includes 1,800 square feet, if you drew a box around the dock. With the larger one, we would have 2,850 square feet. So it is 58% larger and costs 22% more money. While I am not sure the larger one is needed at this point, I think it would give our staff some flexibility.

Mr. Farnsworth asked when you add the two extra fingers at the back, will it make it awfully awkward to maneuver those boats around the backside? It looks like a terrible arrangement to me.

Mr. Haskett stated that is where we would store our smaller boats and the rescue boat so they could be tied off. We would have more storage on the outside, as well.

Mr. Farnsworth asked what is the depth of the water? How long is this ramp going down from the shore? Does it give you enough room to get around? This looks worrisome to me.

Mr. Haskett stated there is enough room. It would be for boats that are not used very often. It would not be where residents would be trying to dock the boats themselves.

Mr. Berube stated the everyday ins and outs would go on the outside of the docks. The things we want on the inside would go on those fingers.

Mr. Haskett stated that is correct.

Mr. Berube stated the rescue boat probably gets used once a month.

Mr. Haskett stated it gets out once a week.

Mr. Berube stated I have looked at the area, and Mr. Farnsworth makes a good point, but I think there is room there. It is out farther than it might seem.

Mr. Farnsworth stated I went down and looked at it, and I was not convinced.

Mr. Walls stated the depth of the water is fine going back there. We will probably have to clear out some of that vegetation.

Mr. Haskett stated yes.

Mr. Walls stated that will block you from getting back around. With the depth of the water, you can easily get a boat back that 20 or 25 feet.

Mr. Farnsworth stated I was just concerned about the amount of room back there and having to maneuver the boats around to get them back in there.

Mr. Berube stated we will have extra space with the larger proposal. How do the kayaks work? How are they launched? How do people get in the kayaks?

Mr. Haskett stated right off the boardwalk in front of the boathouse where it is shallow water they can step in.

Mr. Berube asked are the kayaks reserved in advance?

Mr. Haskett stated yes.

Mr. Berube asked with extra space on the dock, would it be advantageous to put a kayak out there? Would that make it easier to have a kayak already out there so people could just launch them from the main dock?

Mr. Haskett stated I can ask the people who use the kayaks. I do not know the answer to that.

Mr. Walls stated you would not want to have it out there all the time.

Mr. Berube stated no, I just mean when someone has reserved a kayak, we could have it ready to go.

Mr. Walls stated I think getting in it, you want to be in shallow water.

Mr. Berube stated I do not know where we are going to end up on the boats, but there are a lot of people moving here every day. I suspect at some point, boat usage will get to the point where we will add some boats, but we are not there at this point. I think for the small additional investment, we gain a lot of space, and that gives us flexibility.

Mr. Haskett stated the two extra fingers also give the dock more stability, as well, for the torquing and twisting the way it is designed at that point. I really do not have a concern with people bashing into the ramp because the ramp is 30 feet long and is quite a

ways out from the boardwalk dock itself. I would not say we could get two boats on each side of the ramp because of maneuverability, but it gives you the extra length on the fingers on the outer sides to dock more boats. It also gives more room for error on people's part when they are coming in.

Mr. Farnsworth stated the walkway that is in front of the boathouse looks like it is in rather bad shape.

Mr. Berube stated yes, it needs some work.

Mr. Haskett stated it does need some work and it is on the list. We budgeted money for that. There are a few improvements that need to take place with that building.

Mr. Berube stated with the larger dock and the overall width out front, we gain about six feet in each of the openings that would face the open lake. For people coming into those openings, it gives them even more space to prevent collisions. The width on the larger proposal is 25 feet, and the opening on the smaller one is 19 feet. We gain those six extra feet for collision avoidance.

Mr. Farnsworth stated I agree. The only one that proposed a covering as an option was TSI. Can a covering similar to what TSI proposed be put on the one we are discussing?

Mr. Haskett stated yes.

Mr. Farnsworth asked would it be about the same price as what they proposed?

Mr. Haskett stated I do not know the answer to that. There are always options for a covering for the type of dock that the Board is considering in fabric or an awning type of material. I do not know if we want a permanent floating structure with a roof out there or not.

Mr. Berube stated I would have big concerns doing that.

Mr. LeMenager stated it would become a sail.

Mr. Berube stated when it is windy, it is very windy along that opening. I thought the cover would be a nice thing, and then I thought about the wind.

Mr. Walls stated keep in mind that the only time people are out there is when someone is walking to the boat to get in it or the staff is out getting the boats ready or to maintain them, but they are not out there a long period of time.

Mr. Farnsworth stated I was thinking about someone getting caught out there in the rain.

Mr. Walls stated they will get wet.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to proposal #0808132 from The Dock-Ters for the boat dock replacement, in the amount of \$42,537, as discussed.

Mr. Walls stated we have \$3,300 left in the capital projects fund. Since we are doing an expansion, I would like to put that money toward this project and then be done with that fund so that we do not have to account for it anymore.

Mr. Berube stated one of the proposals shows hatteras light power pedestals. I checked into them, and they sell for \$375 each, which is pretty cheap. Every boat needs a power outlet. Right now, we have boxes strung along the dock with extension cords. While that works, if we are going to have a nice dock, I think we should have some of these power pedestals strategically placed. I do not know if everyone noticed, but they also have a fluorescent light that is down lighted at night, which would throw a gentle light on the dock. I do not know if there is any need for putting water out there, but these handle water. I certainly think we need electricity.

Mr. Haskett stated I completely agree. Now that we know what configuration of dock we are going with, I will get with the electrician to see what power needs we have down there. We have plenty of power and plenty of breakers since we planned for future expansion. I will have a proposal for next month for that.

Mr. Berube stated perhaps that is how we handle the capital projects fund that Mr. Walls just mentioned, however it all blends in. I thought these were great and I did not know how much they cost until I went looking. I was surprised to find they were only \$375 each. We are going to have a nice dock.

Mr. Haskett stated those will be a nice improvement to add.

#### **iv. Ashley Park Pool Renovations**

Mr. Haskett stated our staffing plan is to gear up in mid-October to start renovations. The pool company will be here probably in November when it is cooler. They will drain the pool, acid wash it, clean the tiles and so forth. We will pressure wash the roof and the building and do some painting. We have a few repairs to make, such as the ceiling. The pergolas are a question I have for the Board. If you stand and walk into the Ashley Park cabana, there is a nice pergola on the back side. That one is in good shape. The one on the left that sits off by itself is in great disrepair. My question is, do you want to renovate

that, or would you allow for the removal of it? When D.R. Horton constructed their building, it was built 14 feet too far to the right. It should have been centered. They were asked to install the pergola on the left to buffer the views. If you walk past it now, the oak trees have grown up around it. I will not say that I have never seen anyone around it, but rarely do I see anyone using it as any type of shade. It does not really serve a purpose. It would be cheaper to do away with it and leave room for tables there instead.

Mr. Walls stated I am fine with that.

Mr. LeMenager stated I am, also.

Mr. Farnsworth stated that is fine.

Mr. Berube stated we are charged with maintaining the infrastructure that we have. It is easy to just get rid of it, but that can have its own problems.

Mr. Walls stated I think we can use the money that we would spend on renovating it and put in some tables and make it nice.

Mr. Berube stated we could put some tables and umbrellas out there. The umbrellas we got really spruce up this area, as simple an idea as it was.

Mr. Haskett stated I agree. We can always use the parts off the pergola as we disassemble it as spares for future repairs.

Mr. Berube stated in looking at it, you would have to replace nearly every piece of wood on it.

Mr. Haskett stated that is correct.

Mr. Berube stated let us remove it and proceed as described.

#### **v. Consideration of Proposals for a Pool Lift**

Mr. Haskett stated I distributed some pages from Spectrum Aquatics for an ADA pool lift. I found a different manufacturer, and this one is from Game Time Products, who supplies a lot of our playground equipment. These are both water-powered options and are less expensive than the previous proposal. They do not require the bonding to the pool; therefore, our staff would be able to install these without having to go through the State and County for modifications to the pool to do so. Either of the two would be good options.

Mr. Berube stated I have read about the bonding. Are these lifts made of metal?

Mr. Haskett stated they are stainless steel.

Mr. Berube asked this company says in a statement that bonding is not required?

Mr. Haskett stated it is put into the ground with anchors and such, but they mention nothing about the bonding.

Mr. Berube stated the bonding and the mounting is not a big deal. It sounds like it is, but even if we have to bond it, it is simply a matter of running a decent size cable from any of the rebar that is part of the pool structure to the metal that would be part of the lift.

Mr. Haskett stated that is correct.

Mr. Berube stated I have read about the bonding back and forth, and there are two schools of thought on it: it is ridiculous, or it is required. Basically, you need multiple electrical faults throughout the whole system, and possibly someone could get shocked under the right conditions just standing in the water. I agree that bonding on something like this is probably ridiculous.

Mr. Haskett stated these are water powered, so in the event of lightning, that is the least of your worries. I provided option 1 and option 2, which are two different brands. I prefer the more streamlined look of option 1, which is about \$1,000 more. I did look on Amazon to compare with other lifts, and I did not see the quality there. These are commercial grade.

Mr. Berube stated there is no doubt that sometimes you get what you pay for. What is the difference between option 1 and option 2?

Mr. LeMenager stated the two pictures look exactly the same to me.

Mr. Haskett stated the difference is subtle, but if you look at the bars going down into the pool, that is where the difference is.

Mr. Nicholas stated the arm is taller and skinnier on one of them.

Mr. LeMenager stated it looks like the more expensive one is taller.

Mr. Haskett stated that is correct.

Mr. LeMenager stated frankly, I prefer it shorter.

Mr. Berube stated the smaller this is, the better. They appear virtually identical except for some fit for spas.

Mr. LeMenager stated I am trying to see where the justification is for an extra \$1,000. Would Mr. Haskett have any problem with option 2?

Mr. Haskett stated I have no problem with option 2.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to select option 2 for the ADA-compliant pool lift, in the amount of \$4,740, as discussed.

**vi. Field-Related Invoice Items**

Mr. Berube stated there was an invoice included this month for Cunningham's. Was that the printing of boating agreements?

Mr. Haskett stated yes, the boat user agreement forms.

Mr. Berube stated it is my understanding that every time someone uses a boat, they have to sign one of those agreements.

Mr. Haskett stated that is correct. That is the rule adopted by the Board.

Mr. Berube stated we are planning on a rules workshop next month, and we should consider revising that. I think we could do with a one-time signature on the agreement. We are spending a lot of money on paper for every use.

Mr. Haskett stated we are, and it is time consuming. I have a stack of forms in my office that will never be looked at again.

Mr. Berube stated I presume Mr. Haskett has a list of things for us to consider at the rules workshop next month.

Mr. Haskett stated I do, and I will add that to the list.

Mr. Berube stated I think we are aiming for simplification.

Mr. Haskett stated yes.

Mr. Berube stated there was an invoice from Chapco Fence for gate magnetic locks. Did they wear out? Were they damaged?

Mr. Haskett stated they wore out, probably from the gate slamming shut and people trying to force them open. That is really the only reason we found. It was not short circuited. One was replaced. We purchased two to have one as a standby. Once in a while, we have minor issues with the gates.

Mr. Berube asked it was not vandalism?

Mr. Haskett stated no.

Mr. Berube stated we still have one invoice from Century Link this month.

Mr. Haskett stated it should have said final bill on it.

Mr. Berube stated I did not see that. I saw local service from August 7 to September 6. The one bill disappeared, but this invoice indicates service from August to September.

Mr. Haskett stated I will check into it.

Mr. Berube stated I have a copy I will pass to Mr. Haskett. There is a bill from Amazon for Irish Setter Men's 8-inch work boots.

Mr. Haskett asked did you see the note that went along with that charge?

Mr. Berube stated no.

Mr. Haskett stated we did a trade-off with one of the staff members who had replacement lights for the tunnels, big commercial lights. He needed some work boots, so we made that trade. I hope it was acceptable to do it that way other than transferring money back and forth.

Mr. LeMenager stated that is fine.

Mr. Walls stated I also questioned it because there was no note, but I have no problem with that.

Mr. Haskett stated I can forward you the note that should have been included.

Mr. Berube stated that is an adequate explanation. I am the first one to advocate for employees, but \$132 for work boots is a lot of money. Now I understand it. My last question is on gasoline usage. Three months ago, we spent \$143 on gasoline. Last month, we spent \$228 on gasoline. This month, we spent \$323. We have the same number of people working: three. I went back three months because we have had three employees since then. Gasoline more than doubled in three months. I know we did some pressure washing and some other things, but the price of gasoline has not gone up; it has gone down. Gasoline is an attractive commodity. Unless Mr. Haskett is aware of why the usage is ramping up, I think we need some sort of control on gasoline usage. It can be as simple as a little form that indicates someone took a five-gallon can and poured it in to the Bobcat with the date, unless there is something that I missed. We have people in that area we do not know. We know our staff, but other people are in and out of that facility. A five-gallon container of gasoline can disappear quickly.

Mr. Haskett stated we monitor it closely. I have not seen any issues with cans disappearing. It is in one particular location, and one person—Mr. Rick Druckenmiller—comes to me when we need fuel. I have not noticed any huge fluctuations that would indicate theft or anything like that. We have done a lot of pressure washing, which accounts for a lot of the fuel. You have to fill the tank three or four times a day, which is half or three-quarters of a gallon each time. That would account for it. In the past, I had a

sign-in and sign-out sheet, but it did not seem to work well or prove much of anything. Anyone can write anything down. I am open to suggestions for a better system.

Mr. Berube stated I am not saying anything is going on, but you look at trend lines, and the trend line for gasoline is straight up. We have the same number of people. We did some pressure washing, but it is still a lot of gasoline for pressure washing. I understand the tank holds a gallon or two. I do not know if there is a problem here, but before it gets out of hand, the trend line shows we will be buying 30 gallons of gasoline every day. Maybe we have a simple sheet that tells people we are watching. It does not have to be over complicated.

Mr. Nicholas asked where is the gasoline secured?

Mr. Haskett stated it is in five-gallon containers.

Mr. Nicholas asked where are they filled?

Mr. Haskett stated Sunoco, across the street.

Mr. Walls stated this goes along the same lines as what I discussed with inventory, just making sure that everyone is covered. There may not be a problem, and there probably is not one, but we just need to make sure everyone is covered and have some sort of log that shows who took fuel for what purpose on what day. I still need to meet with Mr. Haskett on the inventory items, but I think Mr. Berube is right, something simple that shows the usage. I know it is hard because we do not have a pump that says how much was taken out.

Mr. Berube stated they just carry out the five-gallon containers.

Mr. Haskett stated that is correct.

Mr. Berube stated it is pretty easy to estimate how much was used.

Mr. Walls stated they are still just writing down their estimate of what they used.

Mr. Berube stated we are not pointing fingers at anyone. We need to have controls. This is a business. It is the people's business, and shame on us if we do not monitor where everything goes.

Mr. Nicholas stated there is a lot of temptation on gasoline. I think we are foolish to think that is not a possibility. It is worth talking about. The problem with fuel management systems is they far exceed any shrinkage that you are seeing, and I see this because we own fleets of equipment in many places. It is more about manual tracking.

Mr. Berube stated if the people who handle it think they are being watched, sometimes problems just disappear.

Mr. Haskett stated we will improve on this process.

Mr. Walls stated there was a large bill from Sprint. Did we switch to Sprint?

Mr. Haskett stated yes.

Mr. Walls stated I am guessing it was at a savings.

Mr. Haskett stated yes.

Mr. Berube stated it is hard to see it because they billed us for a partial month and a full month, as well as equipment purchases. We now have an iPad for irrigation maintenance. It includes the purchase of three phones. I looked at the bill, and the only thing that is missing from the original agreement is the \$100 number port-in credit. We have not received that yet but it comes from Sprint on the 61<sup>st</sup> day of service, which is fine.

Mr. Walls asked is there old equipment to turn in?

Mr. Haskett stated it is still in my office. They said they would give us \$20 to \$30 each for the iPhones.

Mr. Berube stated I looked in eBay and they are worth \$60 or \$70. If the Board agrees, you can give them to me and I will sell them on eBay on behalf of the District.

Mr. Walls stated that is fine, if it is worth all that hassle.

Mr. Berube stated I will sell them on eBay.

#### **vii. Consideration for Additional Field Staff**

Mr. Berube stated I have a summary to distribute to everyone of what I am proposing, which is one more staff person. This is more looking forward. As Mr. Rinard mentioned earlier in the meeting, it is not always easy to hire people. It does take time. First, I would like to have two staff people receive certified pool operator training to maintain the pools, which would eliminate Robert's Pools. While that contractor does provide clear water, I think we can get better pool service overall. There are a lot of things that are lacking, in my opinion. Second, pool security is an issue, as a resident raised earlier in the meeting. This year, we spent a little money with the sheriff's office, which provides a big symbol that we are watching, but the deputies are not going to check access cards and they are not going to get into things other than horseplay and criminal activity. We need people on staff who will check access cards and watch what is going on. It is additional eyes on the facilities and would include spending time in the facilities, largely during the five or six

months of pool season. During the non-pool peak season, we have sidewalk repairs that we have spent a lot of money on recently. There are dozens more panels that need replacement. Sidewalk repair is not cheap. The last time, I figured that bill at about \$50 per square foot for panel replacement. We replaced 2,000 square feet, and it cost \$11,000, which is about \$50 per square foot, or \$800 per panel. When this fourth person is not working primarily with the pools, we can switch, along with other staff members, in doing sidewalk panel replacements ourselves in-house. There will be an equipment cost for that, and I understand it is not free, but we would have fairly decent control in-house.

Mr. LeMenager asked did we budget for an additional staff person?

Mr. Berube stated yes, the way the numbers work out, there is \$30,000 in the current budget for what we anticipate to be a half-time person. It is hard to figure that out exactly because we moved it around. Looking at the current monthly costs of staff, we have about \$30,000 there. The current pool service is about \$15,000 per year. I anticipate we will spend a couple thousand dollars a year on pool security, which may or may not be effective. I took the liberty of taking half of the sidewalk cost and putting it on the plus side. We have about \$52,000 in the budget right now for these items. The estimated full-time salary is about \$50,000. Pool operator training should cost about \$2,000. If you take the other half of sidewalk repairs and put it in, that adds \$5,500, so the subtotal is about \$57,500. Looking at these numbers, that means we are adding about \$5,000 annually to have a fourth staff person. It probably would not be for a full year because it will probably take several months to get someone hired. This is largely forward looking. The fourth person would not only be attached to pools or sidewalks but some available time where he can assist the other staff members.

Mr. Farnsworth asked what happened to the part-time position? How are you going to go about that?

Mr. Berube stated that is where I got \$30,000. We anticipated a part-time employee, but just seeing the way things work, I do not think a part-time employee really works. I think you need someone full-time who is integrated. A part-time person shows up and asks what he should do today, and he hangs on the full-time staff people looking for direction. We need someone who is independent and ready to work.

Mr. Farnsworth asked do we have a lifeguard at any of the pools?

Mr. Berube stated no.

Mr. Farnsworth asked can this fourth person serve that function?

Mr. Berube stated as part of the pool operator training, I suppose they could take CPR training and perhaps lifeguard training, if that is the way we want to go. I do not anticipate this person would be at the pool all day. Someone would largely be assigned to the pools to do chemical testing and look around at what is going on, but they are not necessarily going to stay in the pool enclosures all day. They will be flexible in moving around as needed.

Mr. LeMenager asked you are suggesting that we get rid of the pool service that we currently have?

Mr. Berube stated yes.

Mr. LeMenager stated my concern is pools are something where the County does come and check up on us. You are suggesting two people be qualified to do that.

Mr. Berube stated yes.

Mr. LeMenager stated there is some risk there, going from a professional pool company that keeps us legal and going to a couple staff people we have trained that may have some turnover.

Mr. Berube stated it is not our training. It is certified operator pool training. They would have a certificate.

Mr. LeMenager stated I understand, but you may still have turnover. There is a little risk. In general, I am in favor of the proposal, but I want to hear what Mr. Haskett thinks.

Mr. Haskett stated I do not have any issues with the current pool cleaning company. I think they have done a very good job. I understand Mr. Berube's concept of wanting to add more staff. If we can get the right people trained for it, then I do not think there should be an issue. The only thing I want you to be aware of is, when you are a certified pool operator, that does not give you the ability to make any repairs on the pool. We would still have the cost associated with things that the current pool company does, such as changing out chemical feeders and other minor repairs. We would still have the backup of other various suppliers to be able to get repairs accomplished. It makes me a little nervous.

Mr. LeMenager asked would it be safe to say that all these little things will cost a lot more if someone comes out who does not have a bigger contract with us?

Mr. Haskett stated most likely. The current company does some things, like the chemical feeder, as part of their normal service. We are billed for the feeders but not for her time involved in it. They have been very good to us, but that will not last forever. Companies come and go. My major concern is the quality of the pool. Pools are the first thing for residents to have concerns over, especially when your children are swimming in there. We hear it all the time, and that is a liability I am concerned about, when you are talking chemical analysis. It takes a special person to do chemicals in a pool.

Mr. Berube stated that is the reason you send them to school and get them certified with a certificate, as with anything else. That is how the people who do the pools now get involved with it. They are all licensed. To the extent of repairs, I agree that repairs have to be done properly. Once again, the staff members we have here are smart. Much of what goes wrong with the pools, I have seen Mr. Haskett fixing and a lot of it is pretty simple. When the repairs are bigger, we have Spies or someone else come out and charge us for repairs at times, anyway. I think it is a blend. I have had pools most of my life. They are not commercial pools, but the theory is the same on a bigger scale. Our pools run 24/7 with the pumps, and most of the chemical feed is done automatically. There is certainly some balancing done. One of the reasons the pools are nice and clean is because we pay to have those pumps running all day and all night, as well as having the automatic feeders. I would not propose this if I did not think our staff had the ability to get involved in this.

Ms. Burgess stated if you decided to try it and for whatever reason you want to go back to Robert's Pools, that is always an option.

Mr. Berube stated yes. The key is, every once in a while, there is raccoon feces in the pool or diaper mishaps or various other things. If we have a couple employees who are certified, they will know the law, which is very specific when feces get in the pool. I would think for an immediate response basis, our staff is handling it now. It happens more often than you think. We had half a dozen incidents this year.

Mr. Farnsworth asked how are raccoons getting in?

Mr. Berube stated they come right through the fence and they sit in the corner when the water level is down on the shelf. Raccoons get into everything, including the trash. We will need to address the sidewalks at some point. We can continue to spend a lot of money repairing sidewalks, or we can have our staff do it.

Mr. LeMenager stated Mr. Gary Moyer has mentioned that Celebration has two full-time employees who do nothing but sidewalks.

Mr. Berube stated we will need some equipment, such as a diamond-cutting saw for cutting out the panels, an electric jackhammer to break them up, and some other minimal equipment. There are dozens of blue-painted and orange-painted sidewalks, and others that are not painted yet. We are going to be in the sidewalk business

Mr. LeMenager stated we are definitely in the sidewalk business. For residents who are new to this sidewalk discussion, there is a fundamental flaw in the design of traditional neighborhood developments, which is the space between the sidewalk and the road is too narrow. Our sidewalks will continue to be destroyed, and this will go on forever. Whoever came up with the traditional neighborhood development concept back in the 1950s was not an arborist. So every community in the United States that follows this particular design style has this exact same problem, and we will have it forever, as well.

Mr. Berube stated if we are going to spend money to get people certified to do this kind of work, I think as part of that additional training and additional work load, I would not have a problem giving them a little more money in their salary. We will let the development company decide that as their employer, but from my perspective, if you are going to invest money in people and get them trained and ask them to do more work, then they would probably appreciate a little more money.

A Resident asked would you repeat the figures you mentioned earlier about replacing sidewalks?

Mr. Berube stated it was \$11,265.

The Resident stated that is \$50 per square foot.

Mr. Berube stated you are correct. I moved the decimal point incorrectly. So it would be \$80 per panel instead of \$800. Whatever it is, we are spending a lot of money on sidewalks and we are at the mercy of an outside contractor. They did a decent job, but there were a number of complaints after the fact regarding cleaning up. They walked onto my porch and used my electricity and my water from the spigot. I really did not care, but it would have been nice to be asked to use it. With our staff, we would have a little more control over that.

Mr. Walls stated I need more time to digest this. I will defer to Mr. Haskett to tell me what the staff can do and is willing to do and what we can use a fourth person for. I think the pool activity is fine, but they will not be there all day. A lot of the problems the residents are having at the pools happen at night with people jumping the fence, and the staff person will not be there then.

Mr. Haskett stated we will certainly do anything the Board wants to accomplish on that theory. As long as the money is there, we can certainly make it work. If it is for future cost savings, we can certainly make that work. I think we can keep a fourth person very busy. There are a lot of things to do. When we take on extra projects, like the shade structure, it takes away from their normal daily duties, such as trash, bathrooms, and irrigation. It would be beneficial, as long as the numbers work out for it to be cost effective, by getting rid of the pool company. I am not sure about the numbers, but we will do our best to make them work.

Mr. Berube stated I see three employees who are really busy right now. We already have three vehicles, which is always a consideration when we hire additional staff. We need a way of getting them around. Typically, most days we would not have four employees on staff. When we do, it could be because two guys are working on a big project. So the need, as I see it, for a fourth vehicle is not there yet, which reduces the overall cost of adding another staff member. We already have three vehicles to move around, so that is the advantage there. If they became certified pool operators, then Mr. Haskett's scheduling could be such that one pool operator is here all the time.

Mr. Walls stated I would hope that we could also mitigate some overtime needs, like when some of the staff gets here early for boat reservations. We might see some savings there, too, possibly.

Mr. LeMenager stated I would not be opposed to adding a full-time fourth employee and keeping the pool company.

Mr. Berube stated for a certain period of time, we will have to keep the pool company. There will be a transition for maybe half the year or more. We do not know how long it will take to get someone certified. They need to be trained, and it would be nice if Robert's Pools knew it was coming and she would help with the transition from her company to our staff. I am sure she would accommodate that.

Mr. Haskett stated I am sure she would. I expect nothing less from Robert's Pools.

Mr. Farnsworth stated I am leery of it.

Ms. Kassel stated the sound quality of the connection is abominable. I have only heard about 20% of what some of you have been saying. I understand we are considering hiring another employee. I did not hear all the arguments for it, so it is hard for me to have an opinion because I did not hear all the conversation.

Mr. Berube stated the most important part probably is that Mr. Haskett feels we can keep a fourth person busy within the parameters of the proposal that I presented. Budget wise, it is about \$5,000 additional each year to funds that are either already budgeted or will be spent for a fourth person.

Mr. LeMenager stated Mr. Haskett also has some concerns about getting rid of the pool company.

Mr. Berube stated there will be a transition from the pool company to our staff, and there will be some time to get our staff members certified as pool operators.

Mr. LeMenager asked do we need to decide this today? I heard Mr. Walls say he would like to think about it.

Mr. Farnsworth stated I would like to table this for now.

Mr. Walls stated I would appreciate some time to look at this further and maybe come up with some specific job duties and a description.

Mr. LeMenager asked has Mr. Haskett seen this before?

Mr. Haskett stated Mr. Berube has kicked around the idea and we have discussed it.

Mr. LeMenager stated this is the first time you have seen it formally.

Mr. Haskett stated yes.

Mr. LeMenager stated in general, I like the idea. Let us give everyone a chance to think about it and decide next month.

Mr. Berube stated Mr. Moyer's office will forward a copy of the proposal to Ms. Kassel, and we will discuss this at our meeting next month.

#### **viii. Miscellaneous Field Issues**

Mr. Berube stated there is a missing bench and a trash can around the dog park area. There is a square plot for the trash can, but it has not been there in several months.

Mr. Haskett stated that is being replaced. It was damaged and we are moving it to the little park where the sidewalk comes together since that was a bad location for it.

Mr. Berube stated behind that area to the left is a rectangular cut-out along the fence where there used to be a bench.

Mr. Haskett stated that bench was also damaged and we were not able to identify who did it. There is also a picnic table where we are using parts and having AmeriTrail make new legs for it since that is less expensive. It will be similar to what we did right behind the swing set.

Mr. Berube stated when we removed the fence around the dog park playground, we said we were going to landscape around it. Is that on the list for Davey to do?

Mr. Haskett stated no, but it should be.

Mr. Berube stated I think the boards are still in the ground, and it needs something to set it off, some sort of sprucing up.

## **FIFTH ORDER OF BUSINESS**

## **Developer's Report**

### **i. CDD Defaults**

Mr. Nicholas stated Ms. Kassel asked a question at an association meeting, wanting to know how many CDDs have gone into default and how many bonds have gone into default, which I thought was a good question. I did not have the exact number then, but we knew it was a large number. I looked it at our database, and there were \$325 million in defaulted bonds in Osceola County alone. I stopped counting in the State at \$5 billion in defaulted CDD bonds. There are a few nearby that have gone through some issues, and they had much bigger bond issues than Harmony has in terms of the size of the debt.

Mr. Berube stated for audience members who may not understand the significance of that, this entire facility is built through the issuance of municipal bonds. The majority of your CDD fees every year are to pay back the debt on those bonds. The debt service is much bigger than the cost of operations. Basically, if the money dried up here, we would all be facing a huge debt obligation or having it go into default. Harmony Development Company pays about 70% of the cost of those bonds. The reason bonds usually go into default is because the developer looks at the big picture, realizes they are not going to make any money, and they walk away to leave it in the hands of the home owners. It is a risk when you buy into a CDD. It is one you take on, knowingly or unknowingly. The point is that the developer here has stood through the thick and the thin of this and maintained their obligation to keep all of us in a place that looks like this. I do not think they are going anywhere ever. Financially, your community is very strong, largely thanks to the checks that the developer writes every month.

Mr. Nicholas stated eventually we will go somewhere.

Mr. Berube stated that is the key. There are some residents who think the developer is bad and does everything wrong. But they pay the majority of the bills, and that is important to all of us. When places go into default, things change. You do not have the ability to hire another employee to manage the swimming pool. You have to wonder if you have enough money to pay the electricity and the chlorine to keep the pool going. It is a very different outlook. We are very stable in Harmony.

Mr. Nicholas stated I wanted to follow up on Ms. Kassel's question from the other meeting.

**ii. Alley Inspection**

Mr. Nicholas stated the District engineer contacted us and he will be here Monday. We are going to inspect some of the alleys that I think he will recommend to be first on the replacement cycle, including some things like drainage slope and deteriorating asphalt. He apologized that he could not attend today's meeting.

**iii. Interlocal Agreement with the School District**

Mr. Nicholas stated the District's legal counsel will mention that we had some discussions on the 0.2 acres outside the Harmony Community School that is due to be transferred to the CDD for landscape maintenance. That agreement was on the agenda for the School Board. They sent me the interlocal agreement and the quit-claim deed language, which I forwarded to the District engineer and the District's legal counsel. We received the attorney's comments and forwarded them to the School District's attorney. There is one thing left, which is probably minor, but most of the CDD's comments were accepted. That should be back on the agenda at the School Board, provided we can proceed to give that to the School Board in a week or two. I will let you know when we get on their agenda.

**iv. OUC Street Light Agreements**

Mr. Nicholas stated we continue to attempt to negotiate on behalf of the CDD for better terms, a release of debt, shorter maintenance periods, and other items. We met last week and I am meeting with them tomorrow. There are nine contracts in total, when you consider the neighborhood lighting as well as the phasing infrastructure for the roads. There are nine contracts because they all happened over time as blocks of lights came online. The oldest of those contracts is a little more than 10 years old. The newest is about four or five years old. I am expecting at some point very soon to be able to come back to the Board and share what OUC is prepared to do. With all negotiations, there is a

give and take. I think you will see some of that in whatever potential offer comes from them. Our goal is to reduce the carry costs of the operation and maintenance for the CDD on a monthly basis. We are addressing that monthly cost, but we are also keeping in mind the present value of money, interest rates, and those related things. I will be able to come to the Board soon and hopefully explain the options.

Mr. Berube asked is each of those contracts on a 20-year basis?

Mr. Nicholas stated yes.

Mr. Berube stated I read the agreements, but I do not remember what happens after 20 years. Something changes. You can ask OUC to take them out, which they will but they will charge you for that. Or you can continue with the poles. Is it then just operations and maintenance?

Mr. Nicholas stated it is just maintenance and energy. The utility company will always own the street light infrastructure. The light poles in the ground in Harmony are part of the utility's distribution network, so it is not like we buy the pole and then we own the pole. The utility company will always own the pole. The payback is to pay them back for the hard cost of the pole itself as well as their installation, but you will never own them. That is critical to this discussion. Because you will never own the poles, OUC is reluctant to relinquish the maintenance duties to a third party because it is their property. They want to have a handle on that. There are ways to negotiate the basis of costs and the scheduling and those things, whether they retrofit them with LEDs a couple years from now or something else. There are ways for them to justify that and it is part of the big picture. It is important to remember that OUC is not a private company. OUC is a governmental entity, and they have specific parameters within which they lend money for these poles. They cannot just negotiate with us to reduce the interest rate, even though we may deserve a better interest rate. It is governed by a State Commission. One of the alternatives is potentially to take one of these contracts and buy it out and try to negotiate the premiums down or whatever else might be involved. The CDD has some cash. We have a tremendous relationship with OUC. There will be a trade-off. I do not know what it will look like yet, but we will present the facts. I suspect it will be a mix of present-value discussion of cash, a raw whole-dollar payback, and annual and monthly expense reductions. I think it will be all those things wrapped into one recommendation. We are getting close, but as I said about six months ago, this is dealing with a government. If it is

tabled at a meeting, then it is a month before it comes up again. This is the process, but we are dealing with the CFO of the company and his top people. We will have something very soon.

Mr. Berube stated for the benefit of the audience, you may be wondering how much it costs for street lights. Our cost is \$384,000 annually to have the street lights. It is a big number. That is why we are investigating what alternatives there might be to continuing to pay this bill every month. There are positives and negatives. We watch every dime we spend. When there is \$384,000 we are paying, we ask ourselves what we can do. To that end, there is another block of lights coming online.

Mr. Nicholas stated we will not sign up for any new contracts until we have something addressed with these. We have some time since that neighborhood will not come online until March. I think this is the right time to be talking about this. OUC has already volunteered some concessions. It is a healthy discussion, and it will be positive for the CDD. If the CDD is no longer in the hands of primarily the developer as the landowner and major assessment payer, all your lots are platted. So all your CDD assessments are collected through the tax collector. In November, everyone gets their real estate tax bill, and the tax collector distributes that money. But you have an annual budget, so you are spending money every month. The CDD manager and accounting group have to figure out how to manage that cash when they get a large receipt of money in the fall and how to make that last until September of the following year to pay the bills in July, August and September. In those scenarios, resident-controlled CDDs will often set a high operating reserve policy limit so they have up to three months of operating reserves on the sidelines, should anything not be able to stretch to the fiscal year. It is quite common. This Board has a similar policy with operating reserves. It has a three-month policy for operating reserves. The difference here is, on the operation and maintenance, the community is spending somewhere between \$100,000 and \$120,000 per month for operations and maintenance in Harmony. I get a bill for \$77,000 of that every month. This CDD does not have the same cash management risk as a 100% resident-controlled CDD. If you receive your salary paycheck once a year and you still have to buy groceries 11 months from then, you would have to be really particular about how you save that cash. Here, we are supplementing the monthly cash in the reserve amount. The reason I bring this up is that I suspect the OUC solution may require us to look at some of

that stagnant cash that the CDD has and potentially do something with it in a trade for monthly expenses.

Mr. Berube stated in reality, our shortfall per month is about \$50,000. Even if we wanted to maintain a three-month policy, our reserve could be \$150,000, rather than the \$376,000 that it is now. That would free up \$225,000.

Mr. Nicholas stated it is part of a big discussion. When the OUC proposal does come in, I think it will be a complicated matter with a lot of things to consider. I am introducing this issue for the way I think this might be headed, and we need to look at the whole picture.

Mr. LeMenager stated I would like to make sure we understand how the new section is being funded and how the improvements will be eventually transferred to the CDD. Clearly, the CDD is not paying for it.

Mr. Nicholas stated that is correct.

Mr. LeMenager stated but you will be creating facilities that will be transferred to the CDD.

Mr. Nicholas stated yes. Just like with every new plat for every new neighborhood, the CDD receives a right-of-way from the back of the curb at the road, which is a County-dedicated street, to the back of the curb. The streets are installed, and the County sends their engineers out to drill the cores and make sure everything is to their engineering standards. Eventually, the County takes ownership of the roads and the obligation to maintain them. The alleys and the rights-of-way remain the responsibility of the CDD. We build all the neighborhood infrastructure. We pay for the underground. We do the distribution network. What is left is above ground, including the poles, landscaping, sidewalks, and so forth. When the CDD takes ownership of those rights-of-way and alleys, as well as the surface water storm network and connections to the surface water storm infrastructure in that new pod, the CDD becomes the operation and maintenance entity for the surface water storm network and also takes ownership of the rights-of way in the same template as in the other neighborhoods. From the back of the curb to the other side of the sidewalk, which includes a landscaped easement with turf, trees, irrigation, and a strip of concrete, becomes the CDD's.

Mr. LeMenager asked how many retention ponds will be in the new neighborhood?

Mr. Nicholas stated there are two.

Mr. LeMenager stated they are digging one now and there is one more to be dug.

Mr. Nicholas stated there are two being dug; you just cannot see the other one.

Mr. Berube stated there is one on each end.

Mr. Nicholas stated yes. There is one in the back in the northwest corner of the parcel, and there is one on the north side.

Mr. LeMenager asked will there be any parks in this neighborhood?

Mr. Nicholas stated there are two parks, and they are small pocket parks. We have some swing sets and tot lots planned for them. They are very well landscaped. All those infrastructure costs are the development company's initial expense of building it. Those will be conveyed and will end up as public property.

Mr. Berube stated it is coming.

Mr. LeMenager stated I do want to make it clear that there is no obligation on our part to accept. That will be an issue to discuss with counsel. It has nothing to do with this particular neighborhood. I am forward thinking, and I keep seeing plans for another pool. Personally, I am 100% against that.

Mr. Nicholas asked where have you seen plans for another pool?

Mr. LeMenager stated I have heard talk about the big piece of land across from the school.

Mr. Nicholas stated for the record, we have not shared any plans for any additional facilities. There are more facilities planned as there are more residents because they will need more services and facilities. Be careful with where you get your information because there have not been any plans shared. It is a point taken about the facilities and what is acceptable and what the community needs. I think we are as acutely aware of that as anyone on the Board. We will keep monitoring that as it grows, and we check feedback.

Mr. LeMenager asked was our permission asked to destroy our property again and put in that hideous parking lot next to Lennar?

Mr. Nicholas stated it was not. That is a private lot.

Mr. LeMenager stated the lot is fine. They knocked down our easement.

Mr. Nicholas stated in all these plats, there are notes in every plat of conveyance. Every time a piece of private land needs to be accessed, it can be accessed through CDD property. That is the only way this works. It is quite common in every neighborhood. It is

a new showcase home and an activity center. People will be there. We need off-street parking for people. Part of that off-street parking is reserving a model. It is quite a careful and expensive thing to do. The alternative is not to provide off-street parking and then have people's homes with vehicles parked in front of them more often. There is a trade-off of issues.

Mr. LeMenager stated to be clear, there were two other builders who did not build any off-street parking. I do not know if there was a movement against parking on Schoolhouse Road in front of David Weekley's model. I appreciate that it is Lennar's style.

Mr. Nicholas stated we asked it of them, and they provided it.

## **SIXTH ORDER OF BUSINESS**

### **District Manager's Report**

#### **A. Financial Statements**

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

Ms. Burgess stated you will receive financial statements through the end of September at your next meeting. Once we do that, we will close out the books and get started with the audit for this fiscal year. There are overages and underages in various line items. The net result is that we are under budget so we do not have any major categories that we need to be aware of. Some of those have been discussed throughout the year as to why we are over budget.

Mr. Berube stated as usual, the financials look pretty good.

Ms. Burgess stated the notes are very helpful.

Mr. Berube stated yes.

#### **B. Invoice Approval #161 and Check Run Summary**

Ms. Burgess 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.

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

Ms. Burgess 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**

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

Ms. Burgess stated if there is no objection from the Board, beginning October 1, I will reset the counter on the website. Instead of having some of the same items that look like they never change because you have had a counter for two years, I will prepare a report as of September 30, and then October 1 will start a counter for the new fiscal year.

Mr. Berube stated that is fine.

**E. Discussion of Future Workshop Dates**

Ms. Burgess stated there is a note at the bottom of the agenda indicating the change in meeting date from October 31 to October 24. The originally approved calendar included the October 31 date for the meeting and the workshop, and staff thought you probably would not want to meet on Halloween. We are proposing to have your October meeting on October 24 with the workshop at 4:00 p.m. and the regular meeting at 6:00 p.m.

Mr. Berube stated yes.

Ms. Burgess stated the annual schedule has probably already been advertised, but we will publish a cancelation of the October 31 meeting and publish a one-time advertisement for October 24.

Mr. LeMenager asked did they publish the annual meeting schedule?

Ms. Burgess stated I believe we already did that in the Osceola News Gazette. We will publish one notice to move the meetings to October 24.

Mr. Walls stated we would have to publish another advertisement anyway for the workshop.

Ms. Burgess stated yes.

**F. October Meeting Date and Workshop**

Mr. Berube stated we will have our rules revision workshop on October 24 at 4:00 p.m. and the regular meeting will begin at 6:00 p.m. or as soon thereafter as possible.

Ms. Burgess stated the workshop does not have to be solely for rules. If there is something else you would like to discuss at the workshop, we can include that.

Mr. Berube stated we had a brief discussion on that and we will focus on rules.

Mr. LeMenager stated I will need to check my calendar for my availability that evening.

Ms. Burgess stated I do not need a motion to change the October meeting date. Everyone is in agreement, and we will make that change in the schedule. Did you want to discuss any future workshops? Or did you want to take them on a case-by-case basis?

Mr. Berube stated we will consider them on a case-by-case basis.

Mr. LeMenager asked is this workshop just for rulemaking?

Mr. Berube stated yes.

Mr. Nicholas asked will we receive some sort list of topics for the workshop?

Mr. Berube stated we will look at the rules package.

Mr. Nicholas asked everything?

Mr. Berube stated yes.

Ms. Burgess stated there are some things missing that need to be clarified and included all the way through. There are some things the Board was interested in changing.

Mr. Berube stated I think the majority of it will focus on pools and facility usage as well as the boat usage agreement and related items. The hot items are pools, facilities and boats. They are all three related. Everything else seems to run without too many problems, but those areas seem to generate some heartburn.

Mr. Nicholas asked is fishing included?

Mr. Farnsworth stated I was going to suggest we discuss that.

Mr. LeMenager stated I agree we should discuss fishing.

Ms. Burgess stated if anyone has any comments that you would like Mr. Qualls or our office to coordinate or comments that you want to send to us, send them to Mr. Moyer and copy me. We will include those comments in the workshop agenda, and we will also include the whole rules document for Chapter 4 for the recreational facilities.

Mr. Berube stated I think everyone should go to the website and look at the whole rules package and bookmark whatever you want to discuss. We can discuss everything and come to some sort of conclusion. I think we can do that in two hours.

Ms. Burgess stated Mr. Moyer apologized last month for his absence. He is in trial this week for a defaulted CDD.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

**i. Agreement with the School District for Landscaping**

Mr. Qualls stated there are two things I want to make sure the Board approves. One, the School Board is insisting on a reversion clause that provides that in the event the District is dissolved or terminated, the property will revert back to the School Board. I advised the School Board that language Section 190.046, Florida Statutes, for dissolving or terminating a District provides that before a District can do that, it has to take care of any outstanding items. One of those would be to determine who will maintain the facilities of the District moving forward. It makes no sense to say that if the District is dissolved, then the property will revert because in order for the District to dissolve, the property would have to go back to the School Board. I do not know that it is worth spending a lot of time on that.

Mr. Walls stated if they want that language, let them have it.

Mr. LeMenager stated I do not have a problem with doing that, but I would disagree that it would automatically revert to the School Board. It will automatically revert to whomever we decide to give it. It sounds like they just want a guarantee that they are the ones who will get that property. It seems reasonable.

Mr. Qualls stated that is fine if you think it sounds reasonable. I am not going to make a big deal about it. I spoke my piece and made my legal point. For everyone to be aware, the interlocal agreement provides that the District will pay all closing costs. I want to make sure the Board is comfortable with that before I advise that the agreement should be executed. All the other minor points we made as far as definitions and legalese were accepted by the School Board, so we should be in good shape.

Mr. Nicholas stated I do not have a closing statement from the School District. I will not get one until the School Board approves the agreement. The value on that 0.2 acres is zero dollars today. The document stamps and deed will be zero dollars. I do not know if they will try to wrap in their attorney's hours. I have not seen the statement, but we have to do one thing at a time. We need to get this in front of the School Board. When we see the closing statement, if it is unreasonable, we will either pay it or negotiate it down. I am not expecting anything outrageous. I am expecting a very reasonable statement.

Mr. Berube stated that is fine. It is a little disconcerting to hear that we will pay everything.

Mr. Nicholas stated that is standard language.

**ii. Department of Transportation Agreement**

Mr. Qualls stated for quite a long time, the District has had an agreement with the Department of Transportation (DOT) regarding the landscaping of the median along U.S. Hwy 192 at no cost to the District. I have been asked to look into and I have been working with DOT in revising the scope so that additional plantings to be made would be funded by the developer. This is an interlocal agreement and we are trying to revise the scope of services. We sent this to DOT three weeks ago and had not heard back with them. I followed up a couple days and will try to get that moving.

**B. Engineer**

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

**EIGHTH ORDER OF BUSINESS**

**Supervisor Requests**

Mr. LeMenager stated I promised to bring up the issue of fishing, and it sounds like we are going to talk about it next month. Bottom line, the position of each of four Board members is pretty clear. Mr. Farnsworth needs to decide his position on fishing because the other four members are pretty clear on where we stand.

Mr. Farnsworth stated I have a question that arises as a result of something that was raised by Mr. Berube. Namely, there are rules on the books for the CDD and for the HROA. My question boils down to, if we define the rules a certain way and they define them a different way, whose rules take precedence?

Mr. Berube stated the CDD. We or some other entity owns the ponds, and HROA does not.

Mr. Nicholas stated it does not matter. There is nothing adversarial going on. If the CDD takes a position that is changing, we will go to the association and ask for the language in that part to be changed. This is administrative.

Ms. Burgess stated the HROA rules may have been done before the CDD adopted its rules.

Mr. Nicholas stated that part is really easy to resolve.

Mr. Berube stated fishing will be part of next month's discussion.

Mr. Farnsworth stated I read a lot of comments on the Facebook page.

Mr. Berube stated I think we all have, and it is the longest diatribe that I have seen on any other commentary on any other subject.

Ms. Kassel stated I would ask that we use a better phone system. I have not heard so much of the meeting that it is silly. It is unacceptable and unprofessional that Board members can come to the meetings but people on the phone cannot hear most of what is going on.

Mr. LeMenager stated perhaps we should invest in a conference phone that is purposely designed for these types of calls.

Mr. Walls stated many times, the issue is with the service itself.

Mr. Nicholas stated we have spent \$1,000 on one of those phones.

Ms. Kassel stated the only time it was completely clear was when Mr. Qualls was talking. Otherwise, it was not clear at all. Most of the time, the static was so loud that it was hurting my ears. As I am talking, I am not hearing static. It has something to do with this bridge line, I am guessing. We need to change it. There have been problems too many times, and this has been the worst. I have missed virtually all of what has been said. I have caught bits and pieces here and there. We also need to set this up 15 to 20 minutes earlier. We need to connect that much earlier to address any problems. This is certainly not the first time that I have tried to get in on time or just a few minutes early and been shut out of a meeting for 15 or 20 or more minutes. That is unacceptable as well.

Mr. Berube stated we understand. There was a problem with the access code at this end this morning and did not have anything to do with you.

Ms. Kassel stated then do not start the meeting until it is connected.

Mr. Walls stated part of it is, I think you need to be present at the meeting.

Mr. Berube stated we will look into a better conference system. There has to be some technology that will get us off the copper lines.

**NINTH ORDER OF BUSINESS**

**Adjournment**

The next workshop is scheduled for Thursday, October 24, 2013, at 4:00 p.m.

The next regular meeting is scheduled for Thursday, October 24, 2013, at 6:00 p.m.

The meeting adjourned at 10:50 a.m.

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Gary L. Moyer, Secretary

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Steve Berube, Chairman