

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 25, 2014, 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	Assistant Secretary
Kerul Kassel (<i>via telephone</i>)	Assistant Secretary
Mark LeMenager	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young, vanAssenderp, P.A.
Steve Boyd	Engineer: Boyd Civil Engineering
Bob Glantz	Harmony Development Company
Joe Tramell	Harmony Development Company
Bill Kouwenhoven	Harmony Development Company
Gerhard van der Snel	District Staff
Chip Webb	Harmony Development Company
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

Audience Comments

There not being any, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the August 28, 2014 Meeting

Mr. Berube reviewed the minutes of the August 28, 2014, meeting, and requested any additions, corrections, notations, or deletions.

Ms. Kassel stated I have some corrections. On page 4, paragraph two, the third line should read “spend about \$2 million in advance to save \$1 million in total.” On page 18, the fourth line in the first paragraph should read “To the ease east of our parcel.”

On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the minutes of the August 28, 2014 meeting, as amended.
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FOURTH ORDER OF BUSINESS

Subcontractor Reports

A. Aquatic Weed Control

i. Bio-Tech Consulting Monthly Highlight Report

Mr. Berube stated I did not see a report in the agenda package this month from Bio-Tech. I presume that used to go to Mr. Haskett or Mr. Golgowski for inclusion in the agenda package. We need to let Bio-Tech know there has been a staff change for their report.

Mr. LeMenager stated one time when we were driving around, the pond near the Estates looks scummy.

Mr. Berube stated it has a bunch of green algae. I think this has to do with the oxygenation of the water due to the fountain because it is the only one like that. That is the only thing that makes sense. We will be talking about that later in the meeting.

B. Landscaping

i. Davey Tree Monthly Highlight Report

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

Mr. Berube stated I spoke to Mr. Garth Rinard earlier this week. He had a previous engagement for tonight. There is nothing of significance in the monthly highlight report that he needed to report on.

C. Field Manager

i. Dock and Maintenance Activities Report

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

Ms. Kassel stated I noticed that the gate at Buck Lake has been out for some time. I was just wondering when that might be addressed.

Mr. Berube stated it was taken care of four hours ago. This item was on the hit list for six weeks. Today we found the right guy who repaired it. It is back in operation.

Mr. Walls stated I noticed the bass boat was padlocked.

Mr. van der Snel stated we put a padlock on that because the Buck Lake gate was left open. There was an incident where the bass boat was taken out and not put back in the right order. There is a padlock on there now, and I am tempted to leave it on there because it is not a big inconvenience to remove it and put it back.

Mr. Berube stated people find out quickly that the gate is open.

ii. Buck Lake Boat Use Report

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

FIFTH ORDER OF BUSINESS

Developer's Report

Mr. LeMenager asked are you going to have some good news for us on a builder for Parcel H-1?

Mr. Glantz responded I believe that either today or tomorrow, Lennar is closing on eight lots in there as part of the takedown of all of the lots other than the townhome lots.

Mr. LeMenager stated well done.

Mr. Glantz stated our mutual friend, Mr. Brock Nicholas and his team are going to be building in there.

Mr. Walls stated I did receive a request from a resident today about the trails on the west side of the Green neighborhood. They said that they are getting impassable. I told them that you owned the land. In the past, Mr. Golgowski organized trail parties to go out and clear the trails. A lot of people like to use those trails.

Mr. Glantz stated I will confer with Mr. Golgowski on what he has done, but I know there is some routine maintenance of some of those areas to do some big clearing and mowing. What you may be talking about is actual heavy pruning, which is done selectively. We do routinely mow those areas. We mentioned some of the development activities that will be occurring. There is going to be quite a bit of activity in terms of dirt moving and earth moving. Jr. Davis is doing the work. I think everyone is familiar with Jr. Davis and his company. They did the work in Rosewood, which is H-1. That is forthcoming. We forwarded to Mr. Moyer's office the final bill from the electric company for the street lights.

Mr. Moyer stated that is being processed.

Mr. Glantz stated as it relates to the fountains and the lakes, someone has already done the work. We will continue to deal with the electric bill and propose something down the road. As I mentioned to this group at the last meeting, we are going to be making a proposal with some new land planning to reconfigure the area to the north side of the traffic circle at the entrance to Lakeshore Park. I am going to need some opinion from the engineer and others because it may require use changes to the land that is in perpetuity. We have a piece of property that does not give us any use.

Mr. Berube stated you mentioned the fountains and the ponds. The electric bills have already been changed over to us.

Mr. Glantz stated I believe I had an over-zealous person on my staff. I suggested to Mr. Haskett that we look into this and then someone told me that they already took care of it. That is exactly what happened. We will need to take those back. You can just forward us the invoices.

Mr. Berube stated I think it is about \$300. It is not a big deal.

Mr. Glantz stated we will take it back. It is inconsequential in our relationship. We can talk about that in the future in a more orderly fashion rather than someone switching it over, which was not the intent. Today we are focused on the Music and Art Festival, which is going to be taking place on CDD property. We thank you for that. I have not been here for any of the big festivals, but I understand for this one, we are expecting about 4,000 to 5,000 people per day.

Mr. Berube asked what about your personnel changes?

Mr. Glantz responded let us start with the CDD team. We have given notice to the CDD employees who are on the developer's payroll. We gave notice to three employees. A fourth employee resigned and took another job. The other three employees were given notice through the 29th when they will no longer be on our payroll. We are also going through offices. We have terminated the employment of Mr. Haskett, and Mr. Golgowski will be leaving at the end of this month. We are going through their offices and finding lots of files, which belong to the CDD. We are turning them over slowly. I have turned over some of the files to Mr. van der Snel already. We have multiple copies of all sorts of plans. We are going to be taking that task and I will be working with Mr. Kent Foreman who has a lot of familiarity with older portions of the community. He will know whether something is of importance or not. We will have a plan organization party. It will be a mess but we will have piles of plans and will get rid of duplicates. We will offer the District copies. I have already explained this to Mr. van der Snel and he is excited about completing his plan library, which is incomplete at this point. We are also finding a bunch of other files, which would be of interest to you. We do not necessarily need to have duplicates, but we need to make sure whoever has them has a good library. I think the spirit of everything is that we all collectively want to be able to find the information. That is what is going on. As I described to everybody in the past, Starwood

Land Ventures has their team of consultants and staff, and there is a lot of duplicity. We have made all of those moves in one period of time, and that has been completed. We are going to be changing management companies managing this facility here at the club. It will be seamless and will mean nothing to the residents. It will only be a benefit, we hope. We are not going to make the change if it is going to be negative. That would not be our goal or our role. I think with our short history with you, you have seen that we have made recommendations. I think you have seen without exception, all of those recommendations as being positive or a long time needed. We are seeing it and are making changes, whether it is this or having vehicle parking or changing the guard at the club. We are doing a lot of small but significant changes, which are all to your benefit. As it relates to the club, it is just a management change. It should be seamless to the employees who work here. It should be seamless to people who eat at the restaurant or play golf here, or better. It should not change anything. It has nothing to do with how we felt about Troon. It was just the style of management that we are moving to. It is a business decision. Rather than a fee, it is a lease, and Troon does not do leases. They only do fee arrangements. I just wanted to explain this because it raised a concern with some. The irony is that Starwood Land Venture was a shareholder in Troon up until a few months ago, until that transaction was able to be completed with Starwood Land Venture able to implement the plan, which we had recommended all along. Just as one more side note, we are going to be changing our sales office. Rather than having in-house sales people working out of the Harmony Sales Office and having hostesses there, we are going to get rid of the sales people. At the end of October, they will be no longer there. Instead we are just going to have sales people at the model centers with the builders. There are a lot of small changes and hopefully it is all for the better. Those are the types of things that we are doing. As far as the personnel moves with our team, we have basically completed all of those changes. I think that there is going to be some concern about Mr. Haskett, who was the catch-all and he would be the one to decide whether something was a CDD issue, an HOA issue, or a developer issue. That point person is no longer here. We want to work with the CDD Board to figure out a good clearinghouse. We do not want everything to go to Mr. van der Snel to decide where everything goes. That is not fair to him. We do not want everything to go to the HOA property manager or to my sales office. We need to figure that out. Mr. Kouwenhoven

has volunteered to take a look at that and see if we can come up with a better clearinghouse for questions. I was late to this meeting because I was grabbed by a resident who had a sidewalk issue. It is a Mr. van der Snel issue, but I do not tell the resident that I cannot help them. I sat there and listened to the resident for 15 minutes. Those are some of the changes. I am open to any questions. We have an open door policy as everybody knows. Anyone can come in and ask us a question or give us a comment.

Mr. Berube stated you already handled the final electric bill. The other issue I emailed to you yesterday. I am sure you are busy, but it had to do with the sod replacement that we received a bill for.

Mr. Glantz stated that is our invoice and belongs to us.

Mr. Berube stated you already have half of it.

Mr. Glantz stated we should be responsible for the entire bill.

Mr. Berube asked do you want that to be re-invoiced from Davey Tree to you?

Mr. Glantz responded yes. We will handle it. We had a push to do some major landscaping work in front to beautify the place. Whether it was on CDD land or our land, we just took care of it. That is our bill. I believe we had some overzealous people saying half of that is on CDD land, so bill it to them.

Mr. Berube stated that is why I sent it to you yesterday. The answer that you just gave is the right answer. When we do the invoice approval this month, we are going to have to remove that invoice from the invoice approval.

Ms. Kassel asked what about the 2004 debt service that was not paid from the developer side?

Mr. Moyer responded they are current. That is billed by the District directly to them. They pay that.

Mr. Berube stated when you look at the paperwork, it looks late, but it is always a timing issue.

Ms. Kassel stated the budget shows that it should be 90% paid and only 50% got paid according to the agenda.

Mr. Berube stated you are right. I noticed that, too. It is generally a timing issue. I think it happens at the same time every year, and every year we ask the same question.

Mr. Glantz stated I can tell you that it crossed my desk yesterday. I signed it, and it is in the next check run. Your question is appropriate. It is a timing issue.

Mr. Berube stated I just want to say, in all of your discussions with residents and with us, you are fairly straightforward. We had these two issues on the electric bill and the sod, and the right answers came. I appreciate the spirit of cooperation.

Mr. Glantz stated cooperation requires two cooperating parties. It goes both ways.

SIXTH ORDER OF BUSINESS

Approval of Personal/Individual Use Application for a Trunk or Treat/Food Drive

Mr. Moyer stated most of the permits that I receive on behalf of the District, I administratively approve, like birthday parties. That does not arise to the level where I have any concern that you Board members do not know what is going on. However, when I receive an application for 500 to 600 people using District facilities and I do not know this gentleman personally, I feel it needs to go before the Board. I do not know if the 500 to 600 people live in Harmony. You guys know what is going on. I took the liberty of putting this in your agenda package for your discussion.

Mr. Farnsworth asked why did he estimate that high a number?

Mr. Berube stated it is the Church of Life. He is going to circulate it to the other churches in the area. What they are anticipating is some cars, trucks, or a tent in the Town Square, doing some trick or treating, and having kids bring canned goods to support A Place for Grace, which is a support center in St. Cloud. The back story is that we are supporting A Place for Grace, which is probably a good charitable benefit. I do not see any problem with that. I would tend to think that his attendance of 500 to 600 is very optimistic, but maybe not. The big question is that the place is overrun on Halloween anyway. Everyone from 15 miles around comes to Harmony because they can dump their kids here, and there is only one way in and one way out so the kids cannot disappear. It is a fairly safe place. If you have been here on Halloween, you know it is busy. Will all of these people in the Town Square doing something charitable necessarily negatively impact the quality of life in Harmony on Halloween night? I do not think so. My opinion is that the whole thing looks okay for me.

Mr. Walls stated I question the wisdom of putting another 500 to 600 people through here and on the roads on Halloween night. I understand that we have a lot of people coming through, but this is more people coming through.

Mr. Berube stated I agree with you, but we do not know how many of those people are going to end up here anyway. It is a bunch of what-ifs.

Mr. Walls stated it looks like they are inviting people from all around St. Cloud and other areas. The concept and supporting charity, I do not have a problem with, but putting that many more people through on Halloween night, I have an issue with.

Mr. LeMenager asked where are these guys located?

Mr. Berube responded the City of Life Church. The pastor lives on Cupseed Lane. He is a resident.

Mr. LeMenager asked is this the local church?

Mr. Berube responded I do not know.

Ms. Kassel stated it is the Life Church of Central Florida.

Mr. LeMenager asked where is Life Church?

A Resident responded Narcoossee Road. They meet at the school. I used to attend the church. It is a fabulous church. There are great people. They have a little more than 100 members. The pastor is very well connected within the community with other churches. If he is inviting other churches around, you could expect that they would probably join in. I agree with Mr. Walls that any other night but Halloween night would be fabulous. The traffic on Halloween night is crazy. An alternative night would be better. A Place of Grace is a fabulous charity. It does need help. We should do something with them as a community. My only concern is the increase in traffic already coming to Harmony.

Ms. Kassel stated I wonder if we do this at Town Square if there is a way of putting out traffic cones and signs on ingress into the community on Five Oaks from Town Square so that the traffic coming from the Town Square is isolated. The other concern that I have is, this brings up a point that Mr. Walls has raised for the last several months. It would be good for the CDD to understand what kind of expense the CDD incurs in terms of personnel and whatever other expenses we may incur from these kinds of events. They are not free to the CDD.

Mr. Berube stated no, they are not.

Ms. Kassel stated I think it would be good for us to understand what those expenses are going forward.

Mr. Walls stated you have trash and electricity because it looks like they are going to have bands. That is an issue. My biggest concern is the traffic on Halloween night for safety purposes.

Mr. Berube stated it is a little unclear from the application when you read it. It says “Trunk or Treat will be an event that combines trick or treating and canned good collection.”

Mr. LeMenager stated I think he should have made a presentation to the Board. I agree with Mr. Walls. It seems like a bad day to do this.

Mr. Berube stated it is the only effective date. I know why they are doing it on Halloween. They are going to have a gang of people here doing trick or treating and collecting canned goods. They will also have a band playing on the stage. The event will draw attendees of Life Church as well as other area churches who will decorate their cars and trucks for the children and families to enjoy. They will also distribute Halloween candy around the Town Square. I imagine that means that they are going to park cars and trucks around the Town Square, have them decorated for Halloween, distribute candy to kids who are walking around, and collect can goods.

Mr. LeMenager stated the trouble is, it is assumed. This is a pretty big deal to be described in a half-page proposal with no details from somebody that we have no knowledge of his ability to organize big events. If he wants to do something like this, he has to do more of sales job than half a piece of paper.

On MOTION by Mr. Walls, seconded by Mr. LeMenager, with Mr. Berube, Mr. LeMenager and Mr. Walls in favor and Ms. Kassel and Mr. Farnsworth against, the use application for the Trunk or Treat/Food Drive for A Place for Grace was denied.

Mr. Berube stated please inform him of the Board’s concerns.

Mr. Moyer stated I will.

Mr. Berube stated we have some concerns about the traffic, more specifically about what is going to go on in the Town Square. This could turn out of control. Town Square is not the place to have an out-of-control event that we have authorized. It is all positive.

Mr. LeMenager stated we are open to the idea.

Mr. Berube stated we like the thought and the charity behind it, but if this turns into a mess in the square, that is not good.

Mr. LeMenager stated we should invite him to do something with the Winter Festival. He can coordinate with the Harmony Development Company.

Mr. Walls stated where we already have a lot of coordination up front.

Mr. Berube stated there is traffic control.

Ms. Kassel asked who would be the correct person to be able to put together the data on what the costs are to the CDD to run an event between 50 and 500 people?

Mr. Berube responded our blended cost of labor going forward per guy is going to be between \$33 and \$35 an hour.

Ms. Kassel stated I am not asking for us to try to figure it out at this moment. Who would be the person who could compute an events amount, in other words, the cost for the labor, garbage removal, electricity, and so forth? Could Mr. van der Snel come back to the Board next month and help us understand what kind of costs we are incurring when we do an event like this in the Town Square or elsewhere?

Mr. van der Snel responded yes.

Ms. Kassel stated thank you.

Mr. Moyer stated the experience we have in Celebration is, depending on staff's time, we contract with the landscape contractor to do all of the cleanup work the day after the event, and we get a proposal from them to do that. For traffic control, we require these permittees to hire an off-duty sheriff to maintain peace and quiet and traffic control. There is a fee for doing that, which is \$32 or \$34 an hour. I will work with Mr. van der Snel and come up with an outline on who the players should be. I think if it all falls on staff, that is going to be difficult.

Mr. Berube stated in regard to the cleanup of the Town Square, we will have the ability with people here to handle that. There may be other things like traffic control and things of that nature. We are not equipped to do that.

Ms. Kassel stated even so, there are costs to the CDD that we should understand.

Mr. Berube stated absolutely.

Mr. van der Snel asked is there any liability for an event?

Mr. Berube responded we have a general liability policy. In general, there is a risk to everything so I do not see too much of a liability.

Ms. Kassel stated we should know if exclusively approving additional events is included under that policy.

Mr. Moyer stated there is an indemnification provision for the permittee to indemnify the District. That liability would be with the church.

Mr. Berube stated that is all part of signing the application.

Mr. Farnsworth stated for any applicant.

Mr. Moyer stated that is right.

Mr. Berube stated I am sorry to have to deny this request, but it always comes back to the risk factor. Hopefully we made the right decision.

SEVENTH ORDER OF BUSINESS **District Manager's Report**

A. August 31, 2014, Financial Statements

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

Mr. Moyer stated the financials have not changed much from the previous month. As I indicated, we received all of our non-ad valorem assessments that were budgeted through the tax collector. Expenditures are pretty tight this year because we have done a lot of work. We have a \$29,000 positive spending variance on all categories. That is not typical of the District. We usually have slightly more than that after 11 months of our fiscal year. You are all aware of what we have been doing this year on special projects. We are under budget on expenditures and right on budget in terms of revenues.

Mr. Berube stated we did spend a lot of money for the attorney and the engineer.

Mr. LeMenager stated this still says the actual year-to-date change in fund balance is \$90,000.

Mr. Berube stated it is actually closer to \$49,000 when you figure it out. We are not done yet.

Mr. Moyer stated you have another month of expenditures.

Mr. LeMenager asked are we fully collected on all of our assessments?

Mr. Moyer responded yes.

Mr. Berube stated except for the \$77,000 from Harmony Development Company.

B. Invoice Approval #173 and Check Run Summary

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

Mr. Berube stated there is an invoice from Davey Tree for \$6,545.50 to be removed from this request.

Ms. Kassel stated it is on page 212 of the pdf. On page 178 of the pdf, there is a bill from OUC. The bill shows no history. It is for the Five Oaks Drive swimming pool. It says “not applicable” in the consumption history for 2013. I am wondering why that is.

Mr. Berube stated this is for the Swim Club. There are two meters there. Are you asking why nothing is there from August of 2013?

Ms. Kassel responded yes. The Swim Club has been there for years.

Mr. van der Snel stated maybe there is a change in meters.

Mr. Berube stated there were some meter changes. That should go to the account, not the meter. I do not know. That is a good question. The amount of money is about right for the Swim Club.

Mr. Walls stated the reading is from the meter itself.

Mr. Berube stated I do not have an answer for you, but I will look back at last year’s invoice to see what we had there and what is going on.

Mr. Walls asked Mr. Moyer, would you please have staff put these in two pdf files?

Mr. Moyer responded yes.

Ms. Kassel stated they are in two pdf files on the website.

Mr. Walls stated I understand, but he sent us one that was unreadable.

Ms. Kassel stated you can download it from the website.

Mr. LeMenager stated I just open the pdf and throw away the ones I am not interested in and create a new pdf file.

<p>On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to the invoices, as amended to remove the invoice from Davey Tree in the amount of \$6,545.50, as discussed.</p>
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Mr. Berube stated we have a trailer with two pods that belong to us. We store CDD property in the trailer, including spare parts for irrigation, valves, and a certain amount of office equipment that Mr. van der Snel uses, such as a desk, computer, printer, and various other items. We need to consider insuring them. Mr. Moyer and I discussed this, and we can either purchase a policy to cover it or we can add some money to our self

insurance line, which currently has \$50,000. My suggestion was that we take \$25,000 out of reserves and add that to that \$50,000 self insurance line.

Mr. LeMenager asked what would insurance cost?

Mr. Berube responded I do not know, but we are not spending any money if we are just putting money into that account.

Mr. LeMenager asked what happens if the whole thing burns down? What is it going to cost to replace everything? I like insurance better.

Mr. Berube responded a used trailer in that condition is probably \$9,000 to \$12,000.

Mr. van der Snel stated that is correct.

Mr. LeMenager stated that is assuming you can find a used trailer in that condition.

Mr. Berube stated it is what it is. I do not think we would purchase a brand new one, but maybe we would. What are the two pods worth?

Mr. van der Snel responded \$2,000 or \$2,500.

Mr. Berube stated it would be hard to believe that they would be \$9,000.

Ms. Kassel asked why would we not add this item to our reserve schedule?

Mr. Berube responded that is what I am trying to do.

Ms. Kassel stated no, you are saying to move money out of reserves into self insurance instead of adding it to the reserve schedule. Those are two different line items.

Mr. Walls stated they are different goals.

Mr. Berube stated if there were a fire in there, this is not repairs and updating.

Mr. Walls stated if you were to put it in your reserve for repair and replacement account, you would fund that over time.

Mr. LeMenager stated the question for me is how much an insurance policy would cost. If we are talking about \$1,000, that seems like a good alternative.

Mr. Walls stated I would be for self insurance.

Mr. Berube stated I like self insurance, as well. We are just moving money from one place to another and dedicating it. We have a \$50,000 line item that we call "deductible" because that is our deductible on our general insurance policy. I am suggesting that we increase that to \$75,000 so there is money to replace all of that equipment, which we just now took title to: the trailer, the contents, and everything else. This way we do not pay an outside insurance company, which is going to increase that premium up every year.

This is money that we already have. We just need to move it over and dedicate it in case we need it.

Ms. Kassel stated I am not even sure we need to do that. We should just say that we are going self insure it through our undedicated line item. We do not have to move anything anywhere.

Mr. Walls stated we do not have to move anything.

Mr. Berube stated if the Board is fine with not putting money aside, that is okay with me, as well.

Mr. Walls stated it is already set aside in reserves.

Mr. Berube stated it is a matter of acknowledging that we have it. It is there. It is our stuff now. If everyone is okay with just leaving it alone, we are okay with that. We will leave it stand.

Mr. LeMenager stated concerning that equipment, some time ago Mr. Walls encouraged us to start a system where we mark all of our assets. Are we still doing that?

Mr. van der Snel responded yes.

Mr. Berube stated there was an inventory that transferred to us in July or August. There was an inventory recap, and everything tied up.

Mr. LeMenager stated that is great.

Mr. Berube stated Deputy Jeff Curtis who is a resident watches the bicycle paths in the road very carefully. In fact, when he sees people parking in bicycle paths, he will have road patrol come through here and ticket them.

Ms. Kassel stated wonderful.

Mr. Berube stated that has happened several times. He has also realized that many of the bicycle paths that we have are improper and do not meet County code. Because he works for the County, he has managed to get the County agree to redo all of the bicycle path lanes, redo all of the markings in the roads, and make sure everything is okay. That is going to happen as soon as the County gets some guys out here. The question that he presented is in front of Lakeshore Park, in front of Mr. LeMenager's house. The County will install No Parking signs there to prevent the traffic jam that occurs frequently and also to inform people not to park in the bicycle lane. If the CDD so requests those No Parking signs along that strip, they will put those in as part of the repainting plan on the roads.

Mr. LeMenager asked where are people going to park?

Mr. Berube responded that is why I am bringing it to the Board. My first thought was no. My next thought was yes. Then I thought that this gets into a conundrum because you are right. If those 30 or 40 cars cannot park there, where do they go?

Ms. Kassel responded they generally do not park in the lot adjacent to Lakeshore Park. They park on the street instead. There is plenty of parking that is not being used at Lakeshore Park.

Mr. Berube stated perhaps.

Mr. LeMenager stated that parking lot holds 15 or 16 cars.

Mr. Berube stated putting all of those cars in there would be tight. The question becomes if we want more signs.

Ms. Kassel asked do we need signs? Can they just paint the curb?

Mr. LeMenager responded I am totally opposed to putting No Parking signs in front of my house.

Mr. Berube stated apparently that does not meet code. That is for fire lanes and things of that nature. His thought was that the County will install No Parking signs if we ask for them.

Mr. LeMenager stated no. We have enough of them already.

Mr. Berube stated I did not like the theory of signs, either. I like keeping the bicycle lanes clear.

Mr. LeMenager stated I do not actually see it as a problem. I live there and see it all the time. It is not a big deal. Every afternoon or evening, a bunch of people show up and do their activities there. They all get back into their cars. Once in awhile, they will leave a little trash. I will make sure that I go outside and talk to whomever is in charge and remind them to clean up when they leave, and they do.

Mr. Berube stated keep in mind, you are dealing with a deputy who looks at the legal aspect of things and says there is a problem here. If the Board says we do not want any signs up, I will inform him that the Board declined his request.

Mr. Walls stated I defer to Mr. LeMenager.

Mr. LeMenager stated I would actually say along Lakeshore Park, get rid of the bicycle lane. We have a nice wide sidewalk there. We are talking about kids on their bicycles. Let them ride on the sidewalk. This is the same thing that I talked about with

Mr. Jim Lentz back in 2004. The problem we have is, the community is designed wrong for the bicycle lanes. It makes no sense.

Ms. Kassel stated 95+% of the time, there is no one parked there and those bicycle lanes are used daily by many people.

Mr. Berube stated I agree.

Ms. Kassel stated I do not think we should get rid of them.

Mr. LeMenager stated they can still ride their bicycles there. It is not against the law.

Mr. Berube stated the Board says no to signs. Mr. Moyer, sometime back we had an issue with a house with a fence that encroached on CDD property. A couple of months ago, we sent a bill for that.

Mr. Moyer stated I am sure that it has not been paid. It was interesting that this gentleman stood before you saying that you should send the bill to him certified. We sent the bill to him by certified mail and he did not accept it.

Mr. Berube stated the issue is, we have an outstanding bill.

Mr. Moyer stated yes, we do.

Mr. Berube asked what is the next step?

Mr. Moyer responded if counsel would approve what I am suggesting to you, I think that we amend the tax bill to put it on his tax bill.

Mr. LeMenager asked can we do that?

Mr. Qualls responded I would not advise that, but I can look into it.

Mr. Moyer stated it is a specific benefit to his property for the fence that was moved. We have to prove that there was a benefit in order to assess him for it.

Mr. LeMenager asked would it be another line on his assessment?

Mr. Moyer responded we will amend the amount of his assessment on the tax bill.

Mr. LeMenager asked is that a lien?

Mr. Qualls responded I think that you have to actually get a judgment lien against this individual.

Mr. Berube asked are there other methods of collection? The tax bill is going to take us a year to get done.

Mr. Moyer stated that is probably correct.

Mr. Berube asked what about a letter from counsel saying he is running up legal fees that are going to get added to this bill?

Ms. Kassel asked have we revoked their access to the Swim Club and other facilities?

Mr. Berube responded we do not have that ability. The HOA can do things like that if you do not pay your fees. Our facilities are public access. We issue a card in exchange for a set of conditions. We cannot revoke a card for this. This is not a household-related fee, anyway. It is a nice thought, but we cannot do it.

Ms. Kassel asked is that true, Mr. Moyer?

Mr. Moyer responded I do not know what Mr. Qualls's opinion is, but I have been told that by other attorneys.

Mr. Walls stated they paid their assessment, so they get access.

Mr. Berube stated they are abiding by the rules for their access card. Do you want to go into collections with this?

Mr. Qualls responded I have done collections. Just bear in mind, there is only so much blood in a turnip. It does not hurt to send a letter and threaten getting a judgment lien. He cannot dispute this bill to my knowledge.

Mr. Berube stated he has had many opportunities. We all know the story. The problem is the background.

Mr. Qualls stated you get a judgment lien. The way it works is you line it behind all of the other creditors. Unfortunately, it is not like a tax lien, which is a first lien, superior to all other liens.

Mr. Berube stated I understand.

Mr. Qualls stated you have a lien that is basically a race to the courthouse.

Mr. Berube stated if we do not make a move, we do not get anything.

Mr. LeMenager stated he cannot sell his house until the lien is cleared.

Mr. Qualls stated with a judgment lien, if we placed it against the property, what you are saying makes sense.

Mr. Berube asked do you have some other method of collection?

Mr. Moyer responded that is as good as any.

Mr. Berube stated I will let the two of you coordinate that. We can add legal fees onto it. I know that we are going to pay the legal fees, but you are going to track the legal fees as part of the collection.

Mr. Qualls stated we are going to tell him that he owes x dollars or we are going to pursue all legal remedies.

Mr. Berube stated here is the problem that I see. The people who live here have already paid to move his fence. Why should they pay to move his fence?

C. Website Statistics

The website statistics are contained in the agenda package and are available for public review in the District Office during normal business hours.

D. Public Comments/Communication Log

The complaint log is contained in the agenda package and is available for public review in the District Office during normal business hours.

Mr. LeMenager stated I noticed that the resolution column is all blank in the communication log. It used to be filled in with Mr. Haskett's initials.

E. Approval of Engagement Letter from LLS Tax Solutions Inc. to Provide Arbitrage Rebate Services

Mr. Moyer stated as you are aware, there are now several firms doing this work. They are all charging \$600. This firm charges \$600.

Mr. Berube stated they just tell us that we have no arbitrage rebate to deal with.

Mr. Moyer stated exactly. We just have to do it as a requirement of the trust indenture.

On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, unanimous approval was given to the engagement letter from LLS Tax Solutions Inc. to provide arbitrage rebate services.
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F. Discussion of Staffing Alternatives

Mr. Berube stated starting on Monday, September 29, we will finally have a contract signed with a Professional Employment Organization, also known as a PEO. Their name is Florida Resource Management, or FRM. We have been talking about this for three months. The key to this is, it took all of this time starting in June until now to get this deal in place so we could terminate our contract with Harmony Development Company. It has been a long, tedious process with counsel and the manager being involved. Mr. van der Snel has taken the reins with this. He has been short one complete staff member all of his tenure here. He has been short two staff members for the last three weeks because one guy resigned. He has taken over the trailer permitting, which has taken far longer than it should have. It is still not permitted, but it is going to happen on Monday. The fire department and code inspectors are involved. It has to meet ADA requirements. It has been one thing after the other. The co-employment contract with FRM has been an

experience. Probably 200 hours of time has gone into that, far more than I ever expected, but that is the way it is. The bottom line is that we now have a contract with a PEO that runs from year to year. We have a benefits package, which is side by side. In 12 months, if we do not like FRM or the benefits package, we have a contract that we can go to market with, just like we do for landscaping or aquatic weed control. The pattern is there, and we can sell our package to somebody else because we will have an experience rating. We can do what we want with that. We do not want to change because there is big turmoil for these guys. Getting the contract through legal proved to be an experience. Our attorney does a good job of keeping us out of risk. Their attorney said that this contract was not going to fly. As it turns out, all of these PEOs have a very tightly written contract written in general by one very good attorney over in Tampa. He writes the same contract for all the PEOs. No matter where you go, if you do not like the contract, it is the same one. We went back and forth, and none of the PEOs will change their contract. However, Mr. Qualls managed to get one of them, the one we went with, to accept an addendum to their contract which addressed all of the concerns that Mr. Qualls had regarding the contract. That is all taken care of. The benefits package is set up for the employees with salary adjustments as needed. In the last couple of weeks, Mr. van der Snel has hired two new guys. It is important to understand that we have basically the same employment arrangement that we had with Severn Trent as well as with Harmony Development Company. This Board does not employ people. We are not employers. We have a co-employment arrangement with a PEO. It is run through the District manager. The same wording is on the contract. Our employment arrangement is the same as it was before, except now we are out in the real world where if we need to change something, if someone gets hit by a bus next month, it is just a matter of putting the contract out for bid. I think everybody is happy. None of the employees took a step back in pay rates or anything else. As it looks right now, we are probably going to come in about \$20,000 under next year's budget for the entire package.

Mr. LeMenager asked including legal costs?

Mr. Berube responded there have been some other things. The cost of the trailer compared to Mr. Haskett's estimate from last month is about double to get all of that done. That turned out to be a lot more complex situation than anyone anticipated. We also have to consider that Mr. van der Snel's time just got cut in half because he will

spend half of his time in a supervisory fashion instead of productive labor. The reality is that all of this got done. It should not exceed our budget for next year. Next month you will have all four guys here. We already made the step. Everyone is going to walk around in a shirt of the same color. All of the shirts have an emblem on the back and say Harmony Field Services. When residents see staff, they will be easily recognizable. Everybody will look the same. The shirts are labeled so people can see when they walk to the pool, they know who they are. When some guy is outside your house trimming a tree, picking up trash, or running around in the park, they will be instantly recognizable. I think several residents here had the experience over the last couple of months with how staffing is scheduled. Things are happening right now. Once something hits the Facebook page, in a few hours, things are in process. Ms. Kassel had an experience earlier this week with a bench at the dog park. Within a week or two, there were a couple of new benches in the dog parks. Things are happening. Mr. van der Snel has been busy with this. He took over a couple of months ago. Everything got dumped in his lap. He went from the guy cleaning swimming pools to managing people, taking care of a trailer, running the schedules, and taking care of the bills. Mr. Haskett's last day was the day to submit all of the reports to Severn Trent for this monthly package. The monthly package was late. I questioned it and they said they were waiting for the reports. When I told them not to be looking from Mr. Haskett and to look to Mr. van der Snel, all of sudden they said that they had those reports. He has not missed anything. That man has made it all happen.

Mr. LeMenager asked are we going to give him a raise?

Mr. Berube responded he received one when he took over the supervisory position and there was another adjustment for everybody. We brought all salaries in line to where they need to be, and all of that stays within the budget. It has been an interesting task. The two of us have worked very closely for the last couple of months. He has been doing the work. I have been doing the administrative work along with counsel and the manager. I think we got it all done. On September 29, it is a new beginning around here. At next month's meeting, you will see two new and two existing employees introduce themselves. Everybody is on a probationary period because that is the way this all works. It is all working out fine. We are in a new beginning.

Mr. Qualls stated I want to commend you for your hard work. This is a packet of the back and forth between us and the PEO. The contract without the addendum was rough. It legally had a lot of problems. With the addendum, we resolved most of the concerns. The contract is between the PEO and the District, but it is by and through the manager. That is the same arrangement as the one you had with Harmony Development Company and before that with Severn Trent. Through this co-employment arrangement, the PEO takes care of the workers compensation, FICA, withholding, and those items, but that PEO will not be managing the on-site field staff. That is your District manager's job and Mr. van der Snel's job. That is important because you do not want this PEO setting expectations as far as productivity or as far as what job needs to get done. I did review the record from the July minutes and the minutes from last month. I would like to clear the record by having a motion approving the arrangement with the PEO. You did exactly what the Board directed you to do in July and it took this long to get done. I think the record should reflect that this agreement is ratified.

Mr. Berube stated we normally do not do business behind the scenes, but this was so complex that if waited for a meeting, it would not have happened. It was Mr. Qualls's and my opinion that the Board had already said yes. I think everyone agreed to that. Now we have the final version in place. Monetarily it all worked out.

<p>Ms. Kassel made a MOTION to ratify the agreement with Florida Resource Management for professional employment services. Mr. Walls seconded the motion.</p>

Mr. Walls stated I want to thank Mr. van der Snel for getting this done. I know you have been short staffed, and I have seen you working very hard. We appreciate that and all of the residents appreciate that. I know it has been tough.

Mr. van der Snel stated Harmony is worth it.

Mr. Walls stated I want to thank Mr. Berube, as well, for all of the hard work he has put in. It is unfortunate that we cannot help, and I appreciate you taking the reins and making this happen.

Mr. Berube stated I appreciate that.

Upon VOICE VOTE, with all in favor, unanimous approval was given to ratify the agreement with Florida Resource Management for professional employment services.

Mr. Qualls stated I would like to request a copy of the contract when it is fully executed for my records.

Mr. Berube stated we talked about it and are going to have an organizational meeting with the guys on Monday. The big deal is that our on-site manager is not directly attached to this Board, but he can get input directly from the Board. Some of us have had contact with Mr. van der Snel directly, and that is fine. He has a CDD phone and knows how to make arrangements. There is scheduling that is going to happen. Things are working smoothly. I am not a boss; I was a facilitator to getting all of this done.

Mr. van der Snel stated it works great. I never saw anything as an order. Mr. Berube was very helpful through the whole process. It is going to be worth it. You are going to see changes in a positive way.

Mr. Berube stated you have already seen them.

Mr. van der Snel stated there is immediate communication and direct action.

Mr. Berube stated there are already several plans in the mix. The sidewalk project is coming up. The floors in the Swim Club bathrooms are getting ratty and can use tile on the floors. We need to paint the Swim Club building as the paint is getting faded. Instant action is the plan. We are not putting out fires and we have been two men short with minimal overtime up to this point. We had to hire two men almost overnight because our contractual requirements state that we are going in with four people. One was not coming on board and the second one quit. We hired a couple of guys in the matter of two weeks. One is a resident and the other is a non-resident. However, residents have preferential treatment. Monday is a big day and we have a new plan.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Qualls stated I just wanted to report about the trailer closing. Legally the closing date was yesterday. Everything has been executed. The only thing left that I have to do is take the DHSMV title certificate and transfer it in the name of the District. The original was mailed to me today. I will take that to the tax collector's office to get that handled. With all of the discussion about legal fees, I actually have a proposal, which I am inclined to bring up. Currently, the District pays me \$125 an hour. That is what you have paid

me since 2002. That is far below the market rate. Therefore, I had a proposal to raise that to \$175 an hour, which is still far below the market rate. I will never again charge a dime for travel or any other costs associated with that. That does not make sense to me because I am here a lot of the time. I do not want to be viewed as a Tallahassee attorney when I am serving the Board. I do a lot of business in the Orlando area.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor, unanimous approval was given to the proposal from Young vanAssenderp to raise the hourly rate from \$125 per hour to \$175 per hour, as presented.

Mr. Berube stated he has been waiting to raise this issue for six months, and I keep telling him to just bring it up.

Mr. Qualls stated I really appreciate working with all of you.

Mr. Berube asked will this take place during the October billing?

Mr. Qualls responded yes.

Mr. Berube stated thanks for your help with all the employee agreement issues. It went back and forth, and many items were on time deadlines. Mr. Qualls and I were exchanging emails with Mr. Casey Anderson at 8:30 on a Friday night.

Mr. Qualls stated commend your Chairman. He did a good job. The first version of the contract was absurd. That is the industry standard. I do not think any other organization would have provided any flexibility or leverage.

Mr. Berube stated you had some dealings with Mr. Anderson. They understood our needs, and he got it done. They are a small company. Two brothers run the place. They can make decisions on their own.

Mr. Moyer stated I thought it was strange that one of the changes we requested was to change "client" to "District." They would not do it.

Mr. Berube stated I spoke to his brother, Mr. Kelly Anderson, and he told me that their attorneys told them not to deviate from that boilerplate contract and do not call him to make any changes because he will say no. That is why you received the reaction you did.

Mr. LeMenager stated honestly, that is what we do in real estate all the time. Under no circumstances do we ever change the State-mandated contracts. We add addendums.

Mr. Qualls stated the great thing we did was we changed the contract to say this addendum is hereby incorporated by reference and is now part of the contract.

B. Engineer

Mr. Boyd stated regarding the alleys that are going to be repaved, we have the door hangers made with the notices to the residents. I provided them to the Board members. These are going to be distributed the first of next week. The dates listed for the alley work are for milling and repaving in the Birchwood and Drake neighborhoods. Some spot repairs will be made in the Green neighborhood. Several areas have been identified that are going to have work done on them. There will be restriping where the repaving is going on. These are the dates that the contractor gave us. These dates might vary a day or two, depending on what happens in the field with the contractor. On the days that milling is going on, you can still access your driveway because you still have a nice, clean, hard surface to drive on, as long as you are not in the way of the milling machine. Once the new pavement layer goes down, you will not be able to access your garage in those neighborhoods the day the paving is going on or probably the following day to let it cure. That is what we want everybody to be aware of. They will need to park on the street. We do not want to have anyone get trapped in their garage. Look for these notices if you live in those neighborhoods. The only doors that will get them will be houses that have alleys. If you live in those neighborhoods and your garage is on a County street, you would not get one of these notices.

Mr. Berube asked what are the streets that are encompassed in B-1?

Ms. Kassel responded Buttonbush Loop, Bracken Fern and Cat Brier.

Mr. Boyd stated we will be working in the alleys, not the streets.

Mr. Berube stated I understand.

Ms. Kassel stated all of those streets have alleys behind them.

Mr. Berube stated I will recap this meeting on the Facebook pages. I will put the specific streets. I do not know the names of all the streets in these neighborhoods.

Mr. Boyd stated if you would like, I can type up a different version of this and send it to you.

Mr. Berube stated this is the only one that I have a problem with.

Ms. Nancy Snyder stated there is also Five Oaks.

Ms. Kassel stated that has an alley that backs up to the street. It is the south side of Five Oaks, south side of Buttonbush Loop, west side of Cat Brier, and east side of Bracken Fern.

Mr. Berube stated we will specifically name the streets and the dates so residents have plenty of fair warning.

Mr. Walls asked should we be more specific and say not to park cars in your alleys and driveways on these days when the repaving is happening? It is not exactly clear. It just says when paving is happening.

Mr. LeMenager responded yes. We should say "Notice: Alleys closed Monday, October 6 to Friday, October 10" in great big bold letters because we all know how people are and they are going to be on that Facebook page on Monday, October 6 saying that somebody is behind their house and they cannot get out. We all know that is going to happen.

Mr. Berube asked are the door hangers already printed?

Mr. Boyd responded they are, but it is not very expensive to revise them. It only costs \$50 to get the batch printed.

Mr. Berube stated Allstate is going to come out and put cones across the alleys and probably use yellow police tape. Let them come out a day or two early. This way there is nothing going on with the alleys, but people who live there will get the impression we are getting ready to start. They will still be able to get in and out with the cones, rather than reprint the door hangers.

Mr. Walls stated I am just thinking about people who get home late one night and for some reason, so not leave for work until later the next morning after they have started.

Mr. Berube stated I think that we are okay with this rather than reprinting. They will have early notice and see the cones and the yellow tape.

Mr. LeMenager asked can we get some of those signs like the ones we put up for the CDD and HOA meetings? That is probably a better idea.

Mr. Boyd responded sure.

Mr. LeMenager stated if you do not subscribe to the newspaper, the chances that you actually open your front door are probably pretty slim.

Mr. Berube stated the signs come from the development office. I will coordinate this with Ms. Amber Sambuca.

Mr. Boyd stated the other item, which you received via email earlier this week and you should have copies of, pertains to the proposed expansion of two ponds. The first is the Lakeshore Pond, officially known as pond 2-2 or 2-3; those two ponds were combined. The other pond is 8-5, which is the pond on the east side of the west entrance close to U.S. Hwy 192. As you know, the developer has been working on plans to start two new neighborhoods: Hawthorne, which is the H-2 neighborhood, and Cherry Hill, which is the Parcel F tract. Unlike most of the neighborhoods in Harmony, these two neighborhoods do not require the construction of any new ponds. The ponds were previously constructed, and utilities were stubbed out so that these neighborhoods are the last on the west side of Harmony. The mass grading was done in such a way that the ponds were already built. As Harmony went from primary infrastructure roadways to neighborhoods, the mass grading of the developments were designed such that they would balance. In other words, we were not excavating a lot of extra dirt and were definitely not trying to import any dirt. Having said that, there was some export that was generated, with the anticipation that it would be used in the future so that the Harmony neighborhoods in the CDD would all balance. The stockpiles were placed south of the golf maintenance area. You might remember that at one time, there were some stockpiles located as you go up to Cat Lake to the right. However, planting being what it is, in the end, that dirt has been used in other ways over the years and has dwindled down to the point where we do not have the volume there anymore that was originally stockpiled. Along with that, neighborhoods F and H-2 still require a substantial amount of fill for various reasons, including the soil and groundwater elevations. When the plans were evaluated, we determined that we needed additional fill beyond what is available in Harmony. The preferred solution is always to obtain your fill onsite. We were looking at ways to do that. These are the two areas that make the most sense so we can balance the site. As you know from my email, these two areas asked to expand on the CDD tracts. That is the reason for us presenting this to you. There are several benefits that the CDD and the community would derive if this were to be done. Lakeshore is a very long, narrow lake. You have some water bodies less than 100 feet wide, and SFWMD typically requires lakes to be an average of 100 feet wide. The reason for that is that a larger water body is more stable. The biology is more stable. You are less susceptible algae blooms. Another benefit is from a community standpoint, it would be a more

visible water body from the street. Right now, you have a pretty rough, almost pasture-like field between Schoolhouse Road and that lake. That is the first exhibit. In the end, when the Cherry Hill neighborhood is completed and you are built out on this side, you are going to want a finished landscaped area there in some form. Right now, it is just bush hogged. Expanding the pond in that area could potentially give you a nicer finished park area with less area that has to be mowed, high-maintenance sod, and less irrigation.

Mr. LeMenager stated I am certainly in complete and total disagreement with respect to the Lakeshore Park pond. Now that you have given the real reason, which is that they lost the dirt, we have a nice chunk of land there that is in a nice location. We have discussed putting parks in that particular location in the past. Perhaps you were not at those meetings. Just to say that it is a nice blank piece of land, I would point out to you that this is a nice blank piece of land, too, that we are going to do something with someday. You are basically taking away one acre of park. It sounds like the real reason is, you do not have the dirt from where you dug it up before. I would point out to you that Harmony has 11,000 acres of land all over the place that runs for many miles along U.S. Hwy 192. Surely you can find enough dirt someplace else in Harmony to do that.

Mr. Berube stated my guess would be that this is prime dirt because these are two locations that are the closest to that new location.

Mr. LeMenager stated I agree it is cheaper.

Mr. Berube stated I agree with you that we are giving up some land with some value in the future. In regard to the value of the land, is nothing scheduled to go there ever? There is going to be grass from now until in perpetuity.

Mr. Boyd stated it is designated as open space on the master plan approved by the County. It cannot be used for any development purposes, such as any commercial or residential uses. It is open space and that is what it will be in perpetuity.

Mr. LeMenager stated you keep saying that it will be in perpetuity, but we both know that plats and plans get changed. Let us not talk about perpetuity. We are talking about a nice piece of land. We have had discussions in the past about making that a park. I remember specifically it was chosen as a site for a skateboarding park, which we decided not to proceed with. Please do not talk about perpetuity and plans at the County, which we both know can be easily changed.

Mr. Boyd stated I would not say easily in this case.

Mr. Berube stated the other one is the relatively new pond, which just became part of H-1.

Mr. Boyd stated correct.

Mr. Berube stated it is at the far west end of Hawthorne.

Mr. Boyd stated it is at the far east end of Hawthorne.

Ms. Kassel stated up against the tree line and marshy area.

Mr. Berube stated that would be open grassy area that we may lose a little bit of. There is no development.

Mr. Boyd stated it is part of the U.S. Hwy 192 buffer.

Mr. Berube stated I understand and see that. I am just making sure that I get the right parcel.

Mr. Walls stated that one I have no problem with.

Mr. Farnsworth stated I do not think any of us have a problem with that one.

Mr. Walls stated my hope was that at some point, which we talked about when it happened, was completing that sidewalk around the pond.

Mr. Boyd stated you would still be able to bring a sidewalk all the way around it.

Mr. Farnsworth stated that little block of land can be used for a lot more recreational things than water that you are just going to look at.

Mr. LeMenager stated I agree.

Mr. Berube stated perhaps.

Mr. Boyd asked since the CDD has no capital funds remaining, what types of improvements would you anticipate realistically put in there?

Mr. Farnsworth responded we do not have to do that right now.

Mr. LeMenager stated we are the caretakers of the public land and here you want to turn public land into a pond. It sounds like you only want to be expedient because you lost the dirt. I am sorry. We did not lose the dirt; you did.

Mr. Boyd stated there are other considerations. The dirt was not lost. It was used over time for various purposes.

Mr. LeMenager stated then whoever used the dirt for those purposes obviously got the value out of that dirt. Now they can pay up and bring in other dirt that they would have had to do if they did not use that dirt.

Mr. Berube stated we can argue about this back and forth but we need to make some decisions.

Mr. Boyd stated there are other reasons I would encourage you to consider before making a decision. The soil is going to be brought in from some location. Potentially it is going to be excavated on the east side somewhere, if not here. We will have trucks coming all the way across Harmony. The benefit from a sustainability standpoint is, you are not moving the dirt very far. It is right here where it is needed, which is always what we tried to do when we built neighborhoods. We try to avoid moving the dirt long distances. We try to obtain the source material right where it is needed.

Mr. Berube stated this is the best choice for the current development need. I completely understand that.

Mr. LeMenager stated it is the most monetarily efficient choice.

Mr. Berube stated I understand that, too, and I am not disagreeing with anyone.

Ms. Kassel stated for the developer, but not for the CDD.

Mr. Berube stated exactly right. The one thing that we all discussed is having a skateboard park, which we nixed for any number of reasons. The reality is that we will discuss putting a playground here for the next 20 years, and we will never move off ground zero. The one thing that we have discussed, which has been very popular, has been that concrete path around that same pond. That has been a gain for everyone who lives here. When you watch what goes on, it is exceedingly popular with the people who live here. Many people have asked why it does not go all the way around. That is a valid point. I am asking the developer if he would consider extending that concrete path around this new pond to make the connection. That way we can justify it to the folks who live here in giving up that acre of land. That is the most solid thing that we have ever discussed about doing with that area, and we just have not gotten to it yet. Now there is a chance to get to it. What do you think?

Mr. Glantz responded I think that is a reasonable response. How long is that path you are talking about?

Mr. Berube responded maybe 2,000 linear feet, less than half a mile.

Mr. Boyd stated less than 2,000 feet.

Mr. Glantz asked is it five-foot wide walk?

Mr. Berube responded it is only four feet.

Mr. Glantz stated it is in the range of \$40,000. We will certainly consider it. Right now, the plans are for Parcel O to have a large pond, which can be over excavated. In over excavation, when you get past a certain distance out from the edge of the shore, it needs to be a 4:1 slope for the slope's stability and safety. You can walk out 16 feet and then it goes to 3:1 or 2:1 slope. For Parcel O, we have the opportunity to over excavate. It is going to be a very wide pond. Once we get into that operation, we can get dirt very inexpensively. The question is if we should over excavate very cheap dirt right there. We do not have to do any additional dewatering. We are already going to be dewatering that pond. We can truck all of the dirt across the community. It is basically going to be neutral. It is not actually a cost savings. If it is a neutral cost solution, then it would just be us deciding to gift a sidewalk. Cost-wise, it is about neutral, but to the residents of Harmony, we are talking about moving several hundred truckloads of dirt.

Mr. Boyd stated we would be bringing in about 15,000 yards. Each truck holds about six yards.

Mr. LeMenager stated if we can save that chunk of land for potential future uses, that is certainly my preference.

Mr. Glantz stated if there is no desire by this Board to expand that lake, that is fine. I can tell you just by looking at the lake that it is a narrow lake. Mr. Boyd is absolutely correct. The new shape of the lake would be far superior, but if that is not the will of this Board, I do not want to push it. Cost-wise it is going to be neutral for us only because we are going to be over excavating another lake.

Mr. Berube stated I am neutral. Personally I like the water more than grass, but I am only one person sitting here. I think we are all in agreement that the H-2 pond is not an issue. I like the water and do not see a whole lot of future development going there. If you want to consider expanding that sidewalk around there, that is a fair tradeoff and maybe people will swallow that. I do not know.

<p>Ms. Kassel made a MOTION to approve the H-2 pond enlargement. Mr. LeMenager seconded the motion.</p>

Mr. Berube asked is this an all or nothing?

Mr. Glantz responded no.

Mr. LeMenager stated the ponds are separate.

Upon VOICE VOTE, with all in favor, unanimous approval was given to approve the H-2 pond enlargement.

Mr. Moyer asked is the over excavation a possibility for the existing lake?

Mr. Boyd responded it is more difficult because the existing lake would have accumulated some silt and unsuitable materials on the bottom. Dewatering an existing lake gets very messy. We did think about that.

Mr. LeMenager stated we can table the other one and you can do your numbers to decide which way you want to go.

Mr. Glantz stated you have to make a decision. Is this Board suggesting a trade of a sidewalk for that?

Mr. Berube responded that was my suggestion. I do not know how the other Board members feel. I think the sidewalk would be a nice gesture as it would be a gift from you. I think the residents would appreciate the fact that the loop will continue because a lot of people use that. In my mind, that is a fair tradeoff.

Mr. LeMenager stated if it is \$8,000, we can do that.

Mr. Berube stated it is not \$8,000.

Mr. Boyd stated it would be more for the sidewalk.

Mr. Glantz stated it is going to be \$5 to \$6 a square foot. At 2,000 feet by four feet wide, it is at least \$40,000.

Mr. LeMenager stated that is a decision we can make in the future. If it is cost neutral for you guys to over excavate another pond somewhere else, that would be my preference to save that for potential future uses. It is a nice chunk of land. I see Mr. Farnsworth nodding his head in agreement.

Ms. Kassel stated I have an inclination to agree with Mr. LeMenager to a certain extent. I see Mr. Berube's proposal as being quite viable, particularly since it would not only be a good tradeoff for residents, but I believe that it would benefit the developer in terms of building homes on the adjacent parcel.

Mr. LeMenager stated you can walk out your backyard and on the sidewalk to get your exercise. That would be nice.

Ms. Kassel stated if that pond is not enlarged, possibly that area could be used for some type of exercise station in the future.

Mr. Berube stated there was some commentary earlier when the sidewalk was first put in; the people who lived over there said that when the neighborhood gets built across the street, their sidewalks can tie into the loop. There is no doubt that the concrete pathway is going to be popular.

Mr. Walls stated I like the idea of the sidewalk, but according to the proposed plat, if you build the pond there, it is going to be close to these people's backyards. I do not know what kind of setup we are talking about for the backs of the houses.

Mr. Boyd stated this is obviously not the final design. Design considerations can be incorporated. There is quite a bit of space there. The narrowest points are where the pond already is.

Mr. Walls stated I am talking about if you extend the pond out where this line is drawn in back of these lots and if you were to extend the sidewalk around the pond, it is going to get close to the back of these lots.

Mr. Berube stated to the people who live there, it may or may not be a plus. It will be there when they buy the houses because by then, this will be done.

Mr. Glantz stated Mr. Boyd is moving forward on the design work immediately so if this is a contingent position, I would rather get a decision today so he can continue with his engineering design work versus coming back in 30 days, which is not going to work for us. I think Mr. Boyd needs to move forward. If it is the pleasure of this Board to say no, we accept that and are prepared to move on. If it is the pleasure of this Board to trade for the sidewalk and you can conditionally do it, then we will consider that immediately. To table this for 30 days is not an interest to us at this point. I think we need to proceed. We are going to be starting development on that site this month. There is a pre-construction meeting with Osceola County and Jr. Davis, who was awarded the bid, on Monday of next week with Mr. Joe Trammel and Mr. Boyd.

Mr. Walls made a MOTION to approve the excavation of the pond on Parcel O in exchange for completion of the sidewalk.

Ms. Kassel seconded the motion.

Mr. LeMenager stated I do not know if the plan is to scale, but it is going to be very narrow. To the extent that you push it back, especially if you consider the line of the rest of the pond and how far back the setback is between Schoolhouse Road and the pond,

this will be a much shorter setback than anyplace else. The only thing that I would like to see is more of a setback.

Mr. Boyd stated we would tie into the sidewalk that is on Five Oaks.

Ms. Kassel stated it is already pretty narrow.

Mr. LeMenager stated I can support this.

Upon VOICE VOTE, with Ms. Kassel, Mr. Berube, Mr. LeMenager, and Mr. Walls in favor and Mr. Farnsworth against, approval was given to approve the excavation of the pond on Parcel O in exchange for completion of the sidewalk.
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Mr. Berube stated Mr. Glantz, it sounds like you have some work to do. We appreciate the new sidewalk. Mr. Boyd will do some design work.

Ms. Kassel stated if that is their decision.

Mr. Berube stated that is true.

Mr. LeMenager stated they still need to make the decision as to whether or not they are going to do the sidewalk.

Mr. Glantz stated to save me from repeating this later, we are starting this coming week. Not only is the work commencing on this parcel, but it is also commencing on the Hawthorne parcel, which is on the east side of Five Oaks. Also next week, we start the work at the front entry as we described in the past. That will start with some of the wall being built, irrigation, and quite a bit of landscaping. Not related to any of that, we are also going to be doing some renovations to our sales office. Those two things are starting at the same time because they are both after the festival this weekend. We did not want to do any of those beforehand. The work that Mr. Boyd is doing just happens to be starting at the same time as that is the first approval date that the County would give us.

NINTH ORDER OF BUSINESS

Supervisor Requests

Ms. Kassel stated there were two copies of the Southern Park & Play invoices in the invoice summary. Was that a mistake?

Mr. Moyer responded I will take a look at it. It probably was a mistake.

Ms. Kassel stated I submitted a use application. I was not sure whether to do it as an individual or an organization, so I submitted it as an organization. It was for the conservation café, which has been an ongoing monthly group in Harmony for over 10

years. Now that Mr. Golgowski is not going to be at Harmony any longer, the residents need to take that over. I am submitting an application with Mr. Moyer to hold the October conservation café meeting. We used to be able to meet as a developer-sponsored organization, usually somewhere in the clubhouse in the banquet room or at Old Tavern. Now those places are closing at 7:00 p.m. and we meet at 6:30 p.m. or 7:00 p.m. I have submitted a proposal for Lakeshore Park for October 27, 2014, for the first resident-run conservation café. I wanted to know from Mr. Moyer if that was something that was going to need CDD discussion or something he can approve.

Mr. Moyer stated I looked at that application and those are the types of things that I approve under my authority. You will be getting that permit.

Ms. Kassel stated wonderful. Thank you. I wondered if the CDD Board might like to recognize both Mr. Greg Golgowski and Mr. Todd Haskett for all of their years of devoted service and wish them the best in their future endeavors.

Mr. LeMenager stated we all agree.

TENTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for Thursday, October 30, 2014, at 6:00 p.m.

On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, the meeting was adjourned at 7:43 p.m.
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Gary L. Moyer, Secretary

Steve Berube, Chairman