

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, March 30, 2017, at 6:00 p.m. at Harmony Golf Preserve Clubhouse, 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	Assistant Secretary

Also present were:

Gary Moyer	Manager: Moyer Management Group
Tim Qualls (<i>by phone</i>)	Attorney: Young Qualls, P.A.
Rick Mansfield	Davey Commercial Grounds
Ashley Roberts	Davey Commercial Grounds
Gerhard van der Snel	Harmony District Staff
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

Mr. Angel Cruz stated we have a petition for the pond behind our houses. I obtained signatures from almost everyone. I tried to get everyone to sign it, but I have at least four signatures.

Ms. Kassel asked what is the content of the petition?

Mr. Cruz stated some woman called and told Mr. van der Snel to spray the pond, which they did, but it looks worse. We thought it was going to be better, but it is worse. I know you have the equipment to cut those grasses and pull it out. When we bought the house, it was beautiful. My neighbors all said the same thing.

Mr. Berube stated the genesis is correct, that about a year or 18 months ago, a resident came to us to say a lot of green material is growing up and ruining their view of the pond so that they cannot see the water anymore. We knew what was going to happen when we decided to spray it. The chemical will kill the plants, and they will turn brown and fall down. That is the normal course of events when you deal with aquatic plants. What we did not anticipate was how long that would last. They will eventually

deteriorate, and they have deteriorated significantly. I looked at it a couple times in the past few days because Mr. van der Snel mentioned your concern to me. I hesitate to tell you what we are going to do. Anything we do with the pond generally turns into something you do not anticipate. With aquatics, when you pull them out, there is usually a bulb or a seed pod. When we pull it, it spreads. Once it spreads, the problem worsens.

Ms. Kassel stated it is wintertime and just coming into spring. It has been very dry. From the picture, it looks pretty bad. As Mr. Berube said, things will regrow. Because it has been so dry, the water level has gone down. All the plants that would be growing in the water around the edge that provide a nicer view without blocking the view are prohibited from growing right now because it is so dry. I do not know if it is possible to weed whack any of the dead material.

Mr. Berube stated it is pretty heavy. The majority of stalks are large in diameter. They are pretty crunchy which I discovered when I went in and broke some of them off. It is deteriorating, but it is not doing it fast enough. I think a weed whacker will wear out the line trying to cut the stalks. The only efficient way I can see to get rid of the brown material is to go in and pull it all out, which brings its own set of issues.

Ms. Kassel stated so there is no way we can cut any of it down and take out just what we cut.

Mr. Walls stated it looks like it has already fallen down.

Ms. Kassel stated it looks fairly level.

Mr. Cruz stated it has fallen down. One thing we talked about was not letting it grow too high. Maybe you can cut it a little bit every three months so it does not grow too high.

Ms. Kassel stated our policy is, twice a year we bring it back down.

Mr. Cruz stated I did not know that.

Mr. Berube stated remember, this is in the water. This is not the buffer zone. These are cattails that were in the water about four feet. That is what you are seeing. The buffer zone exists and is green. There is also some new green growing among that, but the majority of this is the old cattails that have collapsed and have broken off generally just above the water level, so it is a marshy area. That is what you are looking at. As Ms. Kassel indicated, our policy is to let the buffer zone on the edge of the pond grow, and we cut it twice a year. What grows in the pond is being allowed to grow.

Ms. Kassel stated cattails are generally considered an invasive species.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 26, 2017, and February 23, 2017, Meetings

Mr. Berube reviewed the minutes and requested any additions, corrections, notations, or deletions.

Ms. Kassel provided two minor corrections to the January minutes that will be incorporated.

On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, unanimous approval was given to the minutes of the January 26, 2017, and February 23, 2017, meetings, as amended.

FOURTH ORDER OF BUSINESS

Subcontractor Reports

A. Landscaping: Davey Tree

i. Monthly Highlight Report

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

Ms. Roberts reviewed the highlight report and current activities, and responded to questions and comments from the Board.

ii. Neighborhood O Landscape Report

Mr. Berube reviewed the proposal from Davey for maintenance of neighborhood O.

Ms. Kassel made a MOTION to approve the landscape maintenance proposal from Davey for maintenance of neighborhood O in the monthly amount of \$1,308.
Mr. Walls seconded the motion.

Mr. Berube stated there was not enough time to provide proposals at the last meeting, so we received proposals this month for neighborhood O maintenance, at \$1,308 per month. I calculated the number of acres that are under Davey's contract and figured out our cost per acre annually. They came in 10% under what I calculated that neighborhood O was worth. I think \$1,308 per month is fair, and it is less than our cost per acre per year for the rest of the property. I figured the cost per acre at 80% because neighborhood O is a lot more barren than the rest of the property; less work has to be done. They came in under that estimate, so I think it is a good deal.

Mr. Farnsworth stated I do not have a problem with the price. There are a couple errors that I suggest you correct. I do not know what a "waik" is, and I think they meant "prior" to start of service, not "price." Under "Accepted by," it just has "Company

Name” that should be filled in. The other is just a note as to what it will cost on an annual basis for fiscal year 2018.

Upon VOICE VOTE, with all in favor, unanimous approval was given to the landscape maintenance proposal from Davey for maintenance of neighborhood O in the monthly amount of \$1,308 beginning April 1, 2017.

iii. Proposal for Tree Pruning

Ms. Roberts reviewed the proposal for tree pruning at OUC street lights.

Mr. Berube stated the genesis of this was a request by OUC that we trim back all the trees around the street lights because some branches may interfere with the solar collectors or sensors on top of the lights. I know we do not have \$40,000 in the budget to prune these trees. I am not sure our maintenance contract with OUC says that we have to keep everything away from the lights. If a light fails, we pay annually for OUC’s maintenance for them to fix the lights. It is not our fault. They have thousands of streets lights all over central Florida that have trees growing around them. If OUC wants to trim the trees, they can do it. If a tree branch breaks their light sensor, I think they are still obligated to fix the light. Having said that, it is probably not a bad idea to get the tree branches away from the lights, but I recommend we do that as part of our rotating annual tree trimming schedule that we provide for the main streets and the interior streets, which are coming up later on this year. We can make that part of Davey’s contract to make sure the trees are trimmed and cleaned up around the lights as part of that package. I recommend that we decline the proposal for tree pruning as presented.

Mr. Farnsworth stated with that explanation, I agree. When this showed up in the agenda package, I was reading the line items. It looks like we have 583 trees in the community total, and then it says 452, so it looks like 131 do not have anything to do with it.

Ms. Kassel stated no, it is 583 trees, but the number of street lights that will be impacted is 452. In other words, one street light could have two trees, one on either side.

Ms. Roberts stated that is correct.

Mr. Berube stated they will have to prune 583 trees to clear 452 street lights.

Mr. Farnsworth stated that was not clear with the wording of these line items.

Ms. Kassel stated I am looking at the cost and thinking that in the past, we have spent about \$18,000 or \$19,000 to trim half the trees in the community. I do not remember how many trees we have.

Mr. Berube stated I do not remember, but I recall about 1,100 on the main roads and about an equal number on the interior roads. This is a pretty stout proposal.

Mr. Walls stated Ms. Kassel's comment is the same as mine. We spent generally less than \$20,000 to do half of all the trees, and this number came in really high compared to what we have done in the past. I think what is included in this scope is a lot less in terms of the work that we had done. I was concerned about that. I am fine with the plan to bid it out when we get there to see what we get. Even if we needed to do the work, I would not accept this number.

Ms. Kassel asked does anyone know if we are obligated in our contracts with OUC to trim the trees near these lights?

Mr. Boyd stated I do not know.

Ms. Kassel asked what about Celebration?

Mr. Moyer stated that would be unusual. I am not sure I have seen a provision that puts that obligation on the District.

Mr. Berube stated I have read the agreements. If a car takes out a light pole, they will go after the driver and not the CDD. They keep the lights operating, and we pay pretty dearly for that. We will decline this proposal.

iv. Sod in Neighborhood H-2

Ms. Roberts stated the sod on Milkweed is not St. Augustine florata. It is not what you have at your homes. It is palmetto St. Augustine. It will always be lime green. It will always be short, and the soil is very compacted. Two days ago, I went around with Signature Sod and inspected the entire property. It also has mole crickets. They will come up with a plan for alleviating the mole crickets, and I will introduce it to Mr. van der Snel. That sod will always look that way.

Mr. Berube asked is that the only place we have that type of St. Augustine?

Ms. Roberts stated yes.

Mr. van der Snel stated the reason I asked is because at previous meetings, I notified the Board of the state of that sod and that it is a different type of sod.

Ms. Kassel asked do we need to go back to the developer about this?

Mr. van der Snel stated that is up to the Board to decide. I would advise it.

Mr. Walls stated we have been discussing this almost two years.

Mr. Berube stated we had some concerns in the beginning with the color of the sod. When it was installed, it turned brown pretty quickly. We found an issue with the irrigation at the time, but I do not recall what it was. Once we figured it out, we turned on the water and it greened up, but it is a sod that turns brown and goes dormant in the winter. It is really showing that now. It must be cheaper sod.

Ms. Roberts stated yes, it is bottom-of-the-barrel sod.

Ms. Kassel asked do we approach the developer and ask them to work with us in replacing it?

Mr. Berube stated we can try.

Mr. Walls stated we have quite a bit of leverage because they still have neighborhoods to turn over to us. If they rebuff us, we can rebuff back with these new neighborhoods.

Mr. Berube stated they have been rebuffing us pretty significantly lately because they turn it over the landscape company. I will ask Ms. Roberts to send me an email with what you described.

Ms. Kassel stated also include the compacted soil, which had to be the case when the sod was put down. If the likelihood of mole crickets is increased when sod is stressed or soil is compacted, that would aid in the argument.

Mr. Berube stated I will have that conversation with the developer.

v. Landscaping in the Town Square

Ms. Roberts stated we completed warranty items in the square. We just finished the roses, so the square is completely done.

vi. Tree Inspections

Mr. Berube stated last month, you provided us with a tree inspection report with a number of recommendations. I know I am catching you off guard, but I am trying to keep track of it. One recommendation was root collar excavating along with fertilization on many trees, as well as many trees are suffering from deep planting or excessive mulching, and other things on the list. You made many recommendations, but we do not have a plan as to what is next. That is what I am asking you to provide. If you point out a problem, tell us what we need to do, how much it will cost, and how long it will take.

Ms. Roberts stated I know that for the trees on the square, you have been given recommendations previously and you have done certain things with them. It is mainly the

same things that have to be done as well as recommendations on actually taking more trees out. I will provide that information to you.

Mr. Berube stated a lot of that predated you. Tell us what you want to do and how much it will be.

Ms. Kassel stated we are also expecting proactivity, which is something we did not have before. I was the one who pointed out those trees to Davey. As a CDD Board member, I should not have to look to do preventive maintenance or to find trees that are starting to fail because Davey has not done that. When this proposal comes in, you should evaluate the trees in the neighborhoods to see if there are other problem trees we need to address. Perhaps you have done that to some extent, but we did not see where they were in this narrative.

vii. Warranty Item Replacements

Mr. Berube stated last month, we discussed a list of warranty items before Ms. Kassel arrived at the meeting. We tabled that to this month's meeting.

Ms. Kassel stated we had proposals from Mr. John Rukkila in April 2014. We went back and forth, and at the end of 2014, these materials were finally installed. A number of things failed within the first six months. We asked Mr. Rukkila to get replacements. We had other proposals that I do not have with me, such as the tabebuia trees that replaced the annual beds. Because of being behind schedule and short staffed, and with seasonal items all combining, even though it was Davey's responsibility to replace the materials, they did not because they did not have the staff or it was the wrong time of year. In other words, by the time they got the staffing, it was summer and not the appropriate time to do the replacements. Then it became winter, and it got buried under other things and never happened. That is why I brought it to you as items that Davey installed and were warrantied. I had offered what turned out to be an invasive fern that I have in my yard, which would look great and probably do fine, but I thought it was inappropriate to intentionally install invasive plants on CDD property since we are an environmentally intelligent community. Instead, Mr. Rukkila found these swamp ferns. He is the one who came up with the idea for them. He is the one who sourced them. He is the one who talked with the supplier. If they were the incorrect material for the application, it was not a CDD decision to go with it initially; it was based on his recommendation. That is why I brought this to you. I know it seems like it was a long time ago, and it is – three years. They were not installed April 2014 but much later, in the fall or winter when planting

season was appropriate. Then they failed within six months or so and were never replaced. It kept getting put on a list of things to be replaced. In discussing this with Mr. van der Snel, one area is the Schoolhouse/Cat Brier turnabout where the dancer sculpture is. We had a proposal for about \$1,800 or \$1,900 for work in that area that was installed but failed within two months. A couple other proposals were lump sum for the area, some of which survived, for example in the square on Dahoon Holly when you turn left off Cat Brier. Part of the proposal was to fill gaps between the existing minima jasmine, which was done and survived. Then there were also replacements with firecracker, butterfly bush, society garlic, and loropetalum. Those other things failed and were not replaced, but it was a lump-sum amount, so it is hard to determine what the cost of those are. I am estimating for all the things we would have to replace, and I do not know how much the tabebuia trees were.

Mr. van der Snel stated we were credited \$491 for the tabebuia trees.

Ms. Kassel stated I am estimating it is about \$3,000 or \$4,000 worth of plant material. It is not a huge amount, like \$10,000. One of the areas was the Schoolhouse/Five Oaks turnabout with the dancer where we spent about \$3,600, and now we just redid that area, which according to Mr. van der Snel, we paid for. We can discuss it to see what we can come up with to make it work for both of us.

Mr. Berube stated I think our concern is, when we do any of these projects or upgrades, there is an expectation that it will be a durable planting. We have a contract for annuals because we know annuals are going to die, and they do. Some of them die in a month, as we have seen in some of the plantings that are there now. Others will last the entire three-month period. It is a shame to remove them, but it is time. We understand they rotate, which is why we have an annuals contract. All the rest of this material, even perennials, should go on for a number of years. I call them durables, things that are going to last. What is the expectation for plant life? Five years? Ten years? I am not sure. There is no disagreement that many of them die. Davey has agreed to replace some. While I appreciate your candidness, I think it was a little strong to say in your report that you have no idea how they were maintained or planted or watered or who did what, and since it is from three years ago, you can do nothing about it now except to provide the labor if we provide the plant material. I think that is an unfair split for us. You just heard the

details from Ms. Kassel, and she is absolutely right. Since Mr. Mansfield arrived, we have been talking about this, and I do not recall when he first came here.

Mr. Mansfield stated my first official day was June 1, 2016.

Mr. Berube stated this is one of the first things he heard about, and here we are nine months later still discussing it. To say that it was installed in 2014 and now it is 2017 and some of it is too old that you do not know what happened does not cut it.

Mr. Mansfield stated the issue is, we also do a lot of things for free. Even as a goodwill gesture after the storm, we did not charge for any work we did cleaning up storm damage. We do a lot of things like that. This is one item that goes so far back and is why Ms. Roberts has taken the stance she did. If we want to split hairs that way, we will install it, but there will be less work on Ms. Roberts's part to do anything free going forward. I think that is what you have to look at, a give and take both ways.

Mr. Walls stated to me, it is very cut and dry. We pay Davey to take care of the plant material. It is not our job to log how it is maintained or how often it is fertilized. That is your job. To say that you cannot verify what happened to these things is not on us. That is on you to keep track of and make sure things are happening to make these plants live.

Mr. Mansfield stated I completely agree with you in concept. When we talk about watering, we are not watering these plants. Someone else is.

Mr. Walls stated yes, but it has been a long-standing agreement that if your people see an area that is not getting enough water, you tell us. I think that is happening right now. That may not have been happening before, but again, that is not on us. We are relying on you to take care of our plants, grass, and trees. That is where I am coming from and I think where everyone else is coming from on this issue. We are not asking you to give us things for free. We are asking you to replace material that should be alive now but died. I think that is on you, not us. That is why we are asking. We are not asking for handouts. I understand you are company and I want you to make money. But I want you to stand behind your product, too, and the service we are paying for in this community.

Mr. Berube stated the notification system on water works. Mr. van der Snel was on vacation two weeks ago and Ms. Roberts sent me an email to say east Five Oaks is looking very dry. I contacted Mr. Mike Scarborough, and within 30 minutes, he was here and it was being watered. We do not know if it had run earlier or what the case was, but when you said something, we had backup for Mr. van der Snel to take care of it.

Mr. Walls stated to be clear, I am fairly happy with the way things are running now, and I want you to know that. We are just trying to fix what happened before.

Mr. Farnsworth stated there was a transition period when things were not running right.

Mr. Berube stated that is correct. None of this is the fault of Ms. Roberts or Mr. Mansfield.

Mr. Mansfield asked can you quantify the number of plants? If you tell me it is 500 plants, that is one thing. If it is 3,000 plants, that is another thing.

Ms. Kassel stated I can prepare that for you. The issue with areas like Dahoon Holly or Beargrass, as I was explaining before, the proposal had total numbers but no numbers for individual species of plants. I can go to those locations and guess how many plants.

Mr. Walls stated I do not think we need to get to that level. You know the areas, and I think we can give you the areas. Let us look at the areas and see what we need to do to get them back up to par. We trust you to tell us what we need to do that.

Ms. Kassel stated aside from the swamp ferns, I do not think it is several thousand plants. It is probably a few hundred plants.

Mr. Berube stated Ms. Kassel is willing to look at the proposals and the areas and put a number together. I think there will be a certain amount of trust on both sides. We are not going to rack up the number of plants, and I am sure Davey will not beat us down too hard on what you think. Ms. Kassel will meet with Davey to come up with a number we can all live with. Then we can resolve this.

Ms. Kassel stated it is not that much, just these areas that are staring me in the face every time I walk my dogs, day after day, month after month, year after year.

Mr. Mansfield asked will there be any type of plant changes? The other thing that has to be agreed upon is for you to tell us the exact plants you want installed in place of those ferns. If you think of something you want, we need to know what those are.

Ms. Kassel stated yes, variegated jasmine. We know they survive in those kinds of conditions.

Mr. Berube stated everything we suggest needs to pass Davey's tests.

Ms. Kassel stated yes. If I suggest something that you do not think will work based on your experience, tell me.

Mr. Mansfield stated if you want a groundcover, that is one of the best.

Ms. Roberts stated it looks like jack frost only brown.

Ms. Kassel stated it is not really green but is low growing. We have some on Cat Brier in one of the parks under pine trees. That is where the swamp ferns were, under pine trees.

Mr. Berube asked does it look good all the time or look dead in the winter?

Ms. Kassel stated it looks good all the time.

Mr. Berube stated right around the area where the tabebuia died are some plantings in the grass that are green but turn pink every once in a while. Is that mimosa?

Ms. Roberts stated yes.

Mr. Berube stated when mimosa is dormant like it is now, it looks terrible. The variegated jasmine will not look like that?

Ms. Kassel stated no.

Mr. Berube stated if Ms. Kassel likes it and it will not go dormant in the winter and Davey is fine with it, that is good. We do not need anything else that looks bad.

Mr. Mansfield stated she already has the authority to make any of those changes.

Mr. Berube stated Ms. Kassel will meet with Ms. Roberts. I do not think the Board needs to approve anything. We have had this discussion. We are fine letting them take care of it.

Mr. Walls stated yes.

viii. Soccer Fields

Mr. Berube stated the soccer fields in the neighborhood G park that both have Bermuda grass got some sort of rye treatment this winter. They both suddenly look bad. It happened very quickly.

Ms. Roberts stated that is what happens this time of year. The rye grass has died out. It is an annual rye grass. The Bermuda has not fully come back. The sand hill cranes do not help. They were tearing up the field, along with the grass not coming back yet and the rye grass dying.

Mr. Berube stated I believe the cranes are not looking for grass but for bugs.

Mr. Mansfield stated yes, they tear up the grass looking for bugs.

Ms. Roberts stated we spent two hours last Friday filling in buckets upon buckets of dirt in those fields.

Mr. Berube asked are the cranes a symbol of bugs in the sod that need to be addressed?

Ms. Roberts stated no, they are just looking for food.

Mr. Mansfield stated it tells you there are earthworms and everything that should be there, which is why the cranes are there.

Mr. Walls stated the difficulty is that soccer season is happening right now, and the grass is in a bad state.

Mr. Berube stated school will also be out in about six weeks. What is your anticipation for the way these grasses will look in a month?

Mr. Mansfield stated in 30 days, they should be green. The reason the fields look brown now is because the rye has declined faster than normal due to the temperatures. It is that way everywhere. It will grow back in faster. Areas that have declined early are starting to green up. This has just happened in the last week or two.

Ms. Roberts stated it is in transition.

Mr. Mansfield stated it will take about 30 days to fully transition. That is what it usually takes to go from the rye to being green.

Mr. Berube asked looking forward to next year, should we do something different with treatment of both those turf areas to avoid this transitional period, which I think is going to get worse with traffic?

Mr. Mansfield stated if the weather continues to stay warm and get warmer, the recommendation is to go 50-50, like we did in Celebration this year. We did not over seed a lot of the Bermuda parks, and they are green already. The ones that had rye grass have browning and less of an ability to come back. It is a weed, so you are fighting the combination of the two. They are to the point where they are not going to be over seeding next year. We will go strictly with Bermuda, which will look brown for about a month but will green up faster and will be a sturdier grass. It will also stay green longer because it does not have any of this, plus there are pre-emergents that can go down in the fall, which will help the turf all year with weeds and being better. You cannot apply pre-emergents if you are going to seed it with Bermuda.

Mr. Berube stated I think we will remember this conversation six or seven months from now.

ix. Turf Issues

Mr. van der Snel asked do you have a proposal for the turf calculation?

Ms. Roberts stated I have not gotten that in yet for what we discussed at Five Oaks.

Mr. Mansfield stated I just got the email as we arrived at the meeting. It is 8,820 square feet. A truck load is 9,000 square feet, which is how we buy it, at \$.99 per square foot, or \$8,910.

Ms. Roberts stated that is for east Five Oaks.

Ms. Kassel asked what happened to that sod?

Mr. Berube stated there is a section of sod in question as to whose fault the sod is. It has gone back and forth. We have not finalized it. Has all the herbicide application been done throughout the property?

Ms. Roberts stated yes.

Mr. Berube asked including bahia and everything?

Ms. Roberts stated yes. We applied granular and liquid.

Mr. Berube stated so if weeds remain, the herbicide did not reach those areas?

Ms. Roberts stated you should not see any weeds except for the bahia. That is a weedy grass.

Mr. Berube asked is it correct that you cannot get weeds out of bahia?

Ms. Roberts stated we can in certain areas. A lot of bahia here is not irrigated. What we put down on the bahia is a granular, polyurethane coating. It takes moisture to release that. The lack of rain is not helping.

FIFTH ORDER OF BUSINESS

Developer's Report

Mr. Berube stated Buck Lake in the area of the boathouse – the dock, the boats, the south shore of the lake – is getting covered with algae. It looks awful.

A Resident stated I went out kayaking, and it was horrible.

Ms. Kassel stated it is partly the time of year.

Mr. Walls stated we have had no rain.

Ms. Kassel stated it is a bad time of year and no rain.

Mr. Walls stated a good rain would take care of a lot of that.

Mr. Farnsworth asked rain will help?

Ms. Kassel stated yes, it will oxidize and mix things up.

Mr. Berube stated the problem is, it looks awful. Some of it is bright blue and green. If you look at it carefully, it breaks off and floats away. Fungus is on the bottom and it leaves an oily film on the water. It smells like sewage. I was hoping Ms. Amber Sambuca would be here tonight so I could mention it to her.

Ms. Kassel stated I do not think the developer has been doing any kind of maintenance on Buck Lake or Cat Lake.

Mr. Berube stated I will add that to the H-2 sod request.

Mr. Walls stated it expands across a good portion of the west and south portions of the lake. It will just have to go away.

Mr. Berube stated they can treat it, but it will be expensive.

Mr. Walls stated it is quite extensive in the lake.

Ms. Kassel stated they are supposed to be maintaining the lakes. It is part of their obligation to treat those lakes. Whether they do or not is another story.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Engineer

i. Sidewalk for the Park on Butterfly Drive

Mr. Boyd stated I am happy to report that after a long and arduous process, the sidewalk for the park on Butterfly Drive has been approved by the County.

Mr. Berube stated that email came out at 4:00 this afternoon.

Mr. Boyd stated I have a copy of the set of plans and the approval to distribute to the Board. I will forward this to the contractor. I understand you have spoken with him and he is still geared up to do this work. I spoke with Mr. Berube last week about this last week and want to present it to you for your consideration. When we started this effort, the Board decided to go an hour at a time for our services under that contractor. Since he was never turned loose, we have not been paid for anything related to this project. I brought a copy of the invoice and the agreement that was sent to him but was never executed. I wanted to see if instead of this agreement going through the contractor if the CDD could directly pay Boyd Civil for our services associated with this task. The one thing that would be left open is, we had hourly construction-based services for whatever might be needed, which is most likely a final inspection and a punchlist and closeout with the County. Our hourly rates in his agreement are higher because they are 2015 rates. We have never changed our rates to the District since we started in 2012. I may come to you in the future about that, but it is a separate issue. I wanted to see if we could have our services to date compensated directly by the Board as opposed to the contractor. Perhaps the CDD could even take this contract in its entirety, so we could invoice you for hourly services associated with construction. In that case, it would be the lower rate that we are

using for District engineering services. I provided a copy of our invoice and the agreement with the contractor for your consideration.

Mr. Berube stated he was not going to put a handling charge on the engineer's bill but simply do a pass-through charge to us. From his perspective, it should not make any difference.

Mr. Boyd stated that is correct.

Mr. Berube stated basically, Mr. Boyd wants to get a year's worth or so of bills paid now rather than wait for this contract to be completed, for however long that might take.

Mr. Boyd stated yes.

Mr. Berube stated I do not see any reason not to do that. I will ask that Mr. Boyd contact Mr. Justin Ferrell to make sure he knows what is going on.

Mr. Boyd stated I have not spoken about this with him yet.

Mr. Berube stated I think the only reason we combined it all was to keep it in one contract, so when the billing went through, it would all be charged to the right account. From Mr. Moyer's perspective, the only thing I think he will want to know is to make sure that the invoices designate they are for Butterfly Park construction project, so that it is applied to the right budget line item. You should talk with Mr. Ferrell and make sure he is fine with it. I think Mr. Moyer will be fine with it.

Mr. Moyer stated yes.

Mr. Berube asked does the Board have any objection?

Ms. Kassel stated no.

Mr. Walls stated I do not think it matters either way.

Mr. Berube stated Mr. Boyd will be paid sooner, and it is not an unreasonable request.

Ms. Kassel stated he has not been charging us in his monthly invoices for this work, although I am not sure why.

Mr. Boyd stated it was intended that all work associated with this project would be rolled into that contract. We did not anticipate at the time that it would be strung out this long with all the issues we incurred. I will check with Mr. Ferrell and let Mr. Moyer know his response.

Mr. van der Snel asked am I supposed to sign off on those invoices?

Mr. Moyer stated in this case, no. The Board is aware of it.

Ms. Kassel asked was the permitting fee paid?

Mr. Boyd stated I believe the District paid it directly. The inspection fee is separate from the permitting fee.

Ms. Kassel stated what you distributed says that prior to the pre-construction meeting, a permit fee for filing shall be submitted to this office.

Mr. Boyd stated I will verify that, but I believe it should be an inspection fee. I believe you paid \$600 for the permit fee with a credit card online. There is always an inspection fee that is due at the pre-construction meeting, which is calculated on 2.5% of the construction costs.

Ms. Kassel asked does construction include the trees?

Mr. Boyd stated yes.

Ms. Kassel stated it also requires that you submit a full set of approved plans, stamped and water marked by the County, printed and provided for the County inspection staff for the pre-construction meeting. Any idea what the timeline is for getting this done, the inspection done, submitting whatever you need to, and getting construction underway?

Mr. Boyd stated item 3 that you are referring to is the plans that the County stamped as approved, and they are in their electronic system. Our permitting technician started downloading those this afternoon, so we should have stamped plans from the County tomorrow. Then I will forward them to Mr. Ferrell and find out his availability. As soon as we have his availability for a pre-construction meeting, we will contact the County. We should be able to get it scheduled hopefully in the next week or soon thereafter in the following week.

Ms. Kassel stated I will ask that you send an email to Mr. Moyer to be forwarded to the Board with when it looks like construction might begin on the project.

Mr. Boyd stated I will do that. The timing will depend on Mr. Ferrell more than anything else.

Mr. Walls stated as I have said before, we still need to come up with a total cost for this project and what budget lines we are going to pay it from because we will not have enough money in the construction fund.

Ms. Kassel stated we have \$29,651 or something like that in the construction fund.

Mr. Berube stated now that we have the landscape plan, we know what kind of trees we need to find, which is the missing item in this project.

Mr. van der Snel asked do you want me to work with Davey on that?

Ms. Kassel stated we know Davey's prices are pretty high, but we do not know if they are considerably higher than others. The problem is that the required caliper and height of the trees make it so that you cannot just put in a little twig of a tree.

Mr. van der Snel stated but they have to be planted by a landscaper.

Ms. Kassel stated yes, they should be planted by a landscaper.

Mr. Walls stated it will be a big job.

Mr. Berube stated it will be to buy and plant the trees. I would suggest starting somewhere other than Davey. There are a number of nurseries around. Let Davey have last refusal. We have already been at them twice about these trees, and they were not very competitive either time.

Ms. Kassel stated they were not very competitive with their proposal for trimming trees at OUC street lights.

Mr. Berube stated that is correct. Until we come to terms with the sod, I am not amenable to giving them any additional work. The sod is a big deal. The 9,000 square feet they are talking about is just the tip of the iceberg. We need to remember they gave 300,000 square feet in Celebration. They are screaming about that, and they admitted it. Our little sod issue is not over yet, and they are fighting back hard. Hopefully we will have another meeting with Mr. Mark Svozil next week.

Mr. van der Snel stated yes, he will be here.

ii. Neighborhood I

Mr. Boyd stated a few months ago at a meeting, the Board authorized us to submit neighborhood I transfer to South Florida Water Management District (SFWMD) for maintenance, and Mr. Moyer signed it. SFWMD has a new policy now where they want the District's Chairman to sign. We need to get that re-signed.

iii. Neighborhood O

Mr. Boyd stated I brought the transfer for operation and maintenance for neighborhood O. This is strictly related to the stormwater management system. I will ask the Board to approve this and get it executed by the Chairman tonight.

Mr. Farnsworth asked are there any issues with it?

Mr. Berube stated no, it is routine.

On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, unanimous approval was given to approve the transfer of the stormwater management system in neighborhood O from SFWMD to the Harmony CDD for operation and maintenance.

iv. Swale in Neighborhood F

Mr. Boyd stated the developer has given Jr. Davis notice to proceed with the swale in neighborhood F improvements, so those should start very shortly.

B. Attorney

Mr. Qualls stated I reached out to Mr. Dan Seabrook with OUC and sent the Board members an email. The first one did not go through, so I re-sent it after the meeting started. The bottom line is, there is a discrepancy between the amount that was in the chart created by Mr. Farnsworth on Drake 2 and the amount cited to us by OUC. I sent all the particulars. The math is wrong by my calculations in either one you look at. It is wrong to the good for Harmony CDD, but I am a lawyer, not a mathematician. I am looking for the flexibility to double-check the numbers and see if the Board is comfortable in the event there is a discrepancy. Since I have consulted with Mr. Berube throughout the process, would you mind helping me and providing more of the details since my email did not go through?

Mr. Berube stated yes. Last month, we approved contract #9 for \$233,986. If I recall correctly, the number OUC gave us back was \$260,000 or \$263,000. We could not figure out how they got there, and we asked for an amortization table on how they got that number. They seemed loathe to provide that information, but they stick by their numbers. As I thought about this, I remembered when Mr. Brock Nicholas and I got into this about six or seven years ago when all this started. We came up with the 10-year buyout limit, but that is not part of the contract. What we figured out when we had all the schedules from back then was, if you pay them off during the first 10 years, the premium they charge is a lot more than 10%. Until you cross 10 years, the amortization hits you really hard up front, so you do not get that return on investment that you calculated.

Mr. Farnsworth stated I listed the early-pay fee as 10%, but you are saying it is more than 10%.

Mr. Berube stated yes.

Mr. Qualls stated I went through the contract, and it was signed in July 2007 with a 20-year term at \$3,264 per month. If you do the math, the number OUC cited to you for

the prepay amount of \$260,466.33 is less than what I calculate for that time period but more than what Mr. Farnsworth calculated. At last month's meeting, I said this would be simple and I would not bill any time for this. My time will end up being pro bono because the math is messed up from what I can see.

Mr. Berube stated it is.

Mr. Farnsworth stated all of this originally came from tables provided by Mr. Moyer. I just massaged them to come up with these numbers. The particular date cited as the beginning date does not jive with the records we have for #9. It matches the date for #8. That accounts for some of the cost difference between \$233,000 and \$254,000, but it is still less than \$260,00 that OUC is coming back with, even if we incorrectly submitted #8 instead of #9.

Mr. Berube stated the only way you can tell when it starts is to look at the bills. They said that until the lights are installed and energized, there is no bill. You would have to go back to 2007 or 2008 to see what month the first bill came in to know when it started and when it will be 20 years hence.

Mr. Farnsworth asked where did the amortization table come from that we started with?

Mr. Berube stated OUC.

Mr. Farnsworth stated then we are working from their dates.

Mr. Berube stated yes.

Mr. Walls stated to me, this should be simple. The amortization tables for these contracts are in their records somewhere.

Mr. Berube stated Mr. Qualls asked for that.

Mr. Qualls stated I asked for clarification from Mr. Seabrook as to why there was a discrepancy. He said the only difference he can think of is, the initial payment dates are different than the execution dates of the contracts. The payments do not start until all the lights are installed and energized. Look at the spreadsheet we sent and look at the initial payment dates. D-2 and E were executed July 2007 but did not start billing until May 2008. If you look at what they sent, however, it is a 20-year deal. On D-2 and E, which are the Drake contracts, they are saying the prepay amount is \$241,000, and you would have a savings of \$119,000. Mr. Farnsworth has an early payment of \$233,000 compared to a savings of \$126,000. You are not that far off. By my math, if you take the monthly

term of \$3,264 times 240 months, that is \$783,000. You are about halfway through that. the prepayment amount should be around \$391,000. If you are comfortable with it, even though there is a discrepancy, if OUC has made a mistake based on my math, it is to the benefit of the District.

Mr. Walls stated what we do not know is if these payments were the same over all the months or if they were front-loaded. They are billing us for this, and they have a number that is ticking down. It is in their billing system, and if it is not, that is a problem. They should be able to print something out that says as of today, this is how much we owe. It should be an official document, not some spreadsheet that someone created or that we provided and they are updating. They should show what we owe on a contract if we paid it off today and how much the check should be.

Ms. Kassel asked can we get that from them?

Mr. Qualls stated I will need to go through all the records they sent us. I sent their spreadsheet to your emails.

Mr. Walls stated I received the email and am looking at it.

Mr. Qualls stated I know you know what you are doing. Math is not my strong suit.

Mr. Walls stated what you are doing is correct. We just do not know what the payment schedule was and is for these individual contracts.

Mr. Farnsworth stated I thought we did.

Mr. Walls stated yes. It would be nice if they would print this information from their billing system so we can have an official document. They are subject to public records requests.

Mr. Qualls stated yes.

Mr. Walls stated so we can ask for this information, not that we have to go that route. We can if they continue to give us a hard time, as Mr. Berube mentioned.

Mr. Berube stated Mr. Qualls asked for it specifically, and we got this.

Mr. Qualls stated they are not giving me a hard time. I see this all the time. It is just bureaucracy.

Mr. Berube stated they give you something to shut you up for the moment and see if you go away.

Mr. Walls stated some of these guys may be lower-level people. I do not know any of them. It would be nice before we issue a check to have an official bill.

Mr. Qualls stated yes. We can get that. If we cannot, then as I mentioned, there is a problem. Another funny thing is, they say the monthly payment amount is \$2,712, but the contract says \$3,264. I do not know if they are looking at the right thing. We will get something more than a spreadsheet, and I will provide it to you as soon as we receive it from OUC. Then we will look for direction next month.

Mr. Farnsworth asked what did they say the payment amount was?

Mr. Qualls stated \$2,712.80, but I am looking at the signed contract that says \$3,264 per month. It has only a 3% escalation fee, so that is off quite a bit to your benefit.

Mr. Walls stated I want to be sure they are not quoting the wrong number or putting the wrong numbers in the spreadsheet.

Mr. Qualls stated maybe we tell them that we want to know the correct number but if it is higher than what they sent, then they should lock us in.

Mr. Walls stated I understand \$6,000 to \$8,000 because it may be off by three to five payments. We still need something official that shows the amount to pay.

Mr. Qualls stated I agree.

Mr. Berube stated this is not an exercise in futility. We are going to pay these contracts off steadily. Once they give us all the outstanding ones, then at least we will know exactly where we are, and we will not be going back and forth every time we try to pay one off in asking them for another spreadsheet. They should give it all to us now. We still have seven more to go.

Mr. Qualls asked can we not get from Severn Trent the amounts that were paid toward these lease agreements instead of having to go through OUC?

Ms. Kassel stated we still need a number from OUC.

Mr. Berube stated OUC is the one that provides the number for which we write the check.

Mr. Qualls stated I understand, but what if Severn Trent comes back and says the numbers are higher when OUC's number is lower?

Mr. Walls stated I am not concerned about going back ten years and figuring out what we paid. What would be nice is if OUC can produce an amortization schedule going forward for the contracts we still have out there.

Mr. Berube stated they can do it because they did it once.

Mr. Walls stated if they can produce that report, it would alleviate my concerns. As I said before, if we have it, then going forward whenever we want to pay down one of these contracts, we can go down the spreadsheet at any time, say 2018 in month 10, and know the amount.

Mr. Farnsworth stated if they regenerate the report, it will also allow us to check the percentage we are getting hit with.

Mr. Qualls stated that makes sense to me. I will reach out to OUC.

Mr. Berube stated they must have these spreadsheets. When Mr. Nicholas and I first did this, he got the reports from OUC in Excel files. It was all laid out, and it came from OUC.

Mr. Farnsworth is that where this information originated, from their amortization tables?

Mr. Berube stated yes, it was done in 2012.

C. Field Manager

i. Facilities Maintenance (*Parks, Pools, Boats, etc.*)

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

Mr. Farnsworth asked what was the refurbishment on the pergola?

Mr. van der Snel stated there is a pergola near the outside restrooms, and it was cosmetic.

Ms. Kassel stated it is along Five Oaks Drive.

Mr. Farnsworth asked is that something you are going to be taking care of?

Mr. van der Snel stated it is pending, so we are still working on it.

Mr. Farnsworth stated it can be pending for five years. What does that mean?

Mr. van der Snel stated it is a cosmetic refurbishment. If it has a 1x4 on it that is rotten, we remove it and put new wood on it.

Mr. Farnsworth stated you are going to be taking care of it, is what I am hearing.

Mr. van der Snel stated yes, he does it when he has extra time.

Mr. Berube stated instead of “pending,” it should say “in progress.”

Mr. Farnsworth stated this pocket park was another issue, as well as a non-responsive builder.

Mr. van der Snel stated we constantly get concerns from residents that trash is in the ponds and the conservation areas. I repeatedly ask the builders to take care of that once a week. They are non-responsive to that. I just wanted to note it for the record that it is happening. Ms. Sambuca knows about it. The builder supervisors know about it, but it continues to happen.

Mr. Farnsworth asked is there anything that anyone can do to prod them a little?

Ms. Kassel asked when you talk with the builders every week, do you copy Ms. Sambuca on that?

Mr. van der Snel stated no, I go to them and speak to them. Richmond American is not as bad as Lennar, but I ask and it is not happening. The CDD gets the trash out of the ponds because it happens every week. I just wanted to make the Board aware of it.

Mr. Farnsworth stated I just wondered if anything could be done about it.

Mr. Berube stated you can ask Lennar and Richmond American to have their contractors pick up their trash, but they do not do it.

Mr. Farnsworth asked is there any prodding the developer can do? Would they be willing to do it?

Mr. Berube stated when Ms. Sambuca is in the right mood, she will say something them. They will pick it up one or two weeks, and then it stops. The builders here hardly have any employees. All the contractors working for them are subcontractors. They will all say it is not their debris, for example, it is roofing materials and they are the countertop guy. The electrician will say the trash is from the plumber, and so on. The fact is, our staff spends a little time picking up the trash and keeping the place looking neat. The Board just needs to know what is going on.

Mr. Farnsworth stated the last item is damage to the pocket park.

Mr. van der Snel stated there were two small pocket parks in H-1, and they are building right there and also installed sidewalks. There was damage because of the equipment, so we had to fix it.

A Resident stated the trash is a mixture between the builders and the people who are looking through it to see if it is anything valuable or recyclable. They drive in their pickups and debris falls out. Or it rains and it washes out. I have seen people drive in and I know they do not live here but they go fishing on those ponds at the park by the golf

course. I have seen Coke cans and other trash on those ponds. I have seen fish stuck on those cans, and the trash builds up.

ii. Facilities Usage (*Boats and Others*)

The monthly facilities usage report is contained in the agenda package and is available for public review in the District Office during normal business hours or on the website.

Mr. Walls stated regarding the dock permitting, was Mr. Boyd involved in that?

Mr. Boyd stated I did some legwork on it. As we have discussed in the past, any changes to that dock require permitting, not just through the SFWMD but also through the Army Corps of Engineers (ACOE). The ACOE has been looking at the property for some areas where they believe are encroachments, so we are working with them to resolve. They both are minor. One is basically a mapping discrepancy that we are working through. The other is where some material was stockpiled on what is going to be neighborhood M in the future that encroached across the line slightly. We already submitted a plan to restore that area. We are not in a position to submit anything to ACOE for the new improvements until these items are resolved.

Mr. Berube stated to be clear, if we just fixed what is there, that requires permitting.

Mr. Boyd stated I was told by the environmental consultant with the ACOE that even repairing what is there could potentially be a problem at the moment.

Mr. Walls stated I heard they would approve anything nowadays.

Mr. Berube stated not on this level, only if you are the Board of County Commissioners.

Mr. Boyd stated if you want to proceed with those repairs at some point, I can queue it up again and see if there is a way to do it.

Mr. Walls stated yes, it is in bad shape.

Mr. Boyd stated some progress has been made on the issues I mentioned. Personally, it seems like something we ought to be able to figure out how to do.

Mr. Berube stated it is a borderline safety hazard.

Mr. Boyd stated I think the bigger concern we discussed was expanding the beach area for the canoe launch. That is the bigger concern in how they would look at it. For the repairs, I think we need to make another run to get those approved. Water levels have dropped substantially, so the launch area is not as bad as it was.

Mr. Berube stated the water is covered with blue-green algae, so no one wants to go in it.

Mr. Boyd stated I will take another run at getting the repairs authorized, hopefully without any permitting effort.

Mr. Farnsworth asked does that mean we will do two things? We will repair something and then go back and replace it?

Mr. Berube stated no.

Ms. Kassel stated it is one or the other.

Mr. Berube stated we are going to fix it.

Mr. Walls stated we just need to get it in working order.

Mr. Berube stated to replace and expand it will be virtually impossible and will take forever. We just want to fix it so that it is useable right now. It will be a minimal expense. Then when this all dies down, we can make a decision about expanding the area. Right now, it is borderline scary.

Mr. Farnsworth stated that was one of my questions. It appears in the boat list that a few kayaks and canoes are going out. I thought the launch facility was kaput. Where are they being launched from?

Mr. Berube stated right where they always have been. One of the decks has a hole in it, some of it has risen, and some has collapsed. Just by looking at it, everyone can tell you have to be careful walking, but that is not what the residents expect. They do not want to have to be careful walking on the dock facility that they are paying for. That is the problem. Visually, people know they have to be careful which is why I am not making it a bigger issue, but it needs to be fixed.

Mr. Farnsworth stated no one is arguing that. I just wondered how you were accomplishing anything with as bad as it looks.

Mr. Berube stated with care.

A Resident stated sometimes, it is very difficult to get into the kayaks because when you have rainfall, sometimes the water is over the top. It is very slippery and very unsafe. The little beach that is there has disappeared with rainfall. When the water goes down and you can see a little bit of beach area, you can launch a kayak from there. It is tricky, and we do a lot of kayaking down there.

Mr. Berube stated it is two steps. We need to restore what was there, and in the future, we will probably need to redo the whole thing.

Mr. Walls stated they you say to fix it, the dock that is there now will not work at the level it is at. I do not know if it has sunk down or the water level has come up.

Mr. van der Snel stated the walkway is supported by six-inch by six-inch posts. Hurricane Matthew lifted up those posts. Manually, we cannot lift those posts or bring them down. One choice is to tear down the whole walkway and rebuild it, which was my choice to do right away. A temporary repair is not as easy as you might think because of the posts. They are all in the ground.

Mr. Walls stated I am not saying we put a band-aid on it because it needs to come up. We need to rebuild it higher off the water.

Mr. Boyd stated I need to go out with Mr. van der Snel so I can see exactly what needs to be done.

Mr. Berube stated if you want to lower the face, the only fix would be to take the dock off and cut the tops of the posts off. They filled in on the bottom now, so they will not sink. If you want to restore it to the way it was, you would have to remove all the decking, cut off about six or eight inches of those posts, restore the dock onto the newly cut posts, get it level, and then fix all the boards. That would be a temporary fix until we decide we can get it permitted to expand the beach and make the dock bigger. We need some action very soon. It has gone on long enough. It should be a simple fix, but it does not always turn out that way.

A Resident asked what about a floating dock on top of air-filled barrels? Then you can put the planking over it. That is what we did on the lakes where I grew up.

Mr. Berube stated anything we change has to be permitted.

Mr. Boyd stated a section at the end is floating, the part where you actually get on the boats.

Mr. Berube stated yes. That part floats, and the rest of the dock is fixed. We have never had a storm like that.

Mr. Walls stated the problem is, the boathouse is fixed in place and the boats are at a certain level fixed in place. If the dock comes up or down, it becomes difficult.

Mr. van der Snel stated The Dock-ers said they could work something out to have a floating dock. They actually prefer to do that to the whole dock. When water rises or goes lower, the dock will go with the water.

Mr. Walls stated it may require some modifications of the boathouse because of how the boats sit in there, with a dock going up and down next to the boats.

Mr. van der Snel stated yes, but that is minor.

Mr. Berube stated one step at a time. We will get there.

iii. Facebook Report

The monthly Facebook activities report is contained in the agenda package and is available for public review in the District Office during normal business hours or on the website.

Mr. Farnsworth asked was the damaged sidewalk issue taken care of?

Mr. van der Snel stated no, it is still pending. We are grinding sidewalks, and we are doing the outskirts first. Next week, we will do the inside.

Mr. Farnsworth stated I could not figure out what the damage was.

Mr. van der Snel stated it was a side curb that had some damage and needed some concrete work done.

iv. Pond Report

The pond report is contained in the agenda package and is available for public review in the District Office during normal business hours or on the website.

v. Access ID Cards

Mr. van der Snel stated when I make access ID cards, I sometimes have seven cards for one household. I do not know if those seven people actually live in that house because they are no longer required to have a driver license with the Harmony address. I just wanted to make the Board aware that anyone can say they live with their uncle or father in that house, and they could get an access ID card. It is happening more and more with the new development and bigger houses and bigger families, which is great. However, for me, if the driver license address is not a requirement, it is very hard for me to check.

Mr. Farnsworth asked are they children?

Mr. Berube stated no, a lot of adults are making the request. If you recall when we first redid the rules for access cards, we put a driver license with a Harmony address requirement on the license in order for a renter to get an access card, to verify that person

actually lived in that house. Then we got some pushback from one resident, maybe two, who did not want to change their existing license from Maine or Canada or wherever.

Mr. Farnsworth stated I understand that pushback because my reading of that portion of the rule never said the driver license had to have a Harmony address. That was not the requirement for a driver license. That was part of the personal identification because we wanted to be able to see their face and identify that they are who they say they are. That is what the license was for, not to prove they are a resident in this community. Other documents can prove that.

Mr. Berube stated the license is one way he can know for sure. Then we put other qualifiers in, but we took the license requirement away. Now what is happening is, he is getting multiple requests from adults living at an address, all with different last names.

Mr. Walls stated I voted against doing that.

Mr. Berube stated that is correct. We should not have backed off having a Harmony address on the license. Now is not the time to do this, but it is something we need to think about. In a couple months, we will have workshops for the budget and rules. It is time to look at the rules again, if only for that one line item to put the driver license requirement back in. This is getting to be a problem.

Mr. Farnsworth stated that is for chapter 4.

A Resident stated I reside in Canada, and I live here six months of the year. I will never have a Harmony driver license because I do not get a driver license in Florida.

Mr. Farnsworth stated there is an issue requiring someone to have a Florida driver license. That is wrong.

Mr. Walls stated there are exceptions, and there has to be a way to handle those exceptions. For the most part, if you are a permanent resident, I am pretty sure you have to change the address on your license. We discussed this a long time ago.

Ms. Kassel stated if you are a part-time resident, you are still eligible to receive an access card.

Mr. Walls stated yes, but there are other ways to handle that.

A Resident stated we can have a title or a lease agreement.

Ms. Kassel stated yes, and we have provisions to that extent.

Mr. Berube stated this is something we thought might be a problem when we changed the rules. As it is turning out, there is a problem. We are not going to solve this tonight,

but keep it in mind for when we have the workshops in a few months. ID requirements need to be clarified.

Mr. Farnsworth stated driver license does not have anything to do with proof of ownership. It has to do with proof of personal identification and that you are who you say you are.

Mr. Berube stated it identifies where you live.

Mr. Farnsworth stated no.

Mr. Walls asked what does it matter who you are? We do not need to discuss this now.

Mr. van der Snel stated I just wanted to make the Board aware that this is happening now.

Mr. Berube stated keep a list of discrepancies you run across. We will have workshops in the summer for the budget and for rules. I was not going to do rules because I was not aware of any problems, but now we can have a rules revision in a budget workshop.

Mr. Farnsworth stated what you seem to be citing is neither proof of ID nor proof of ownership; it is proof of residence.

Ms. Kassel stated let us wait for the workshop to discuss this further.

Mr. Farnsworth stated that is a third item we did not address.

Mr. Berube stated yes. We thought there would be problems, and as it is turning out, there are. People are always finding loopholes. Rules are made to be broken, but it is happening too often. I can tell you what is going to happen. He is issuing 20 to 40 cards each month. When there is abuse with some houses, the pool area is going to be full, and a lot of people are going to be complaining about how packed it is.

Mr. Farnsworth asked until we get this done, is there any way you can keep track of how many cards are issued to a particular address?

Mr. van der Snel stated yes.

Mr. Farnsworth stated let me see that list.

Mr. Berube stated show him the addresses that have more than two cards. People who have two are fine.

Mr. Farnsworth stated even three cards. We are looking for the ones that have five or seven cards.

vi. Pool Sure

Mr. Farnsworth asked what was your recommendation for the controllers?

Mr. van der Snel stated I want to continue the leasing program from Pool Sure for the ORP controllers because it has shown to be more accurate and reliable. When Pool Sure ended their contract as being the all-in price, it started March 1, so we are on a billable cycle. They said they would take off the controllers because it was in the all-in price. However, the controllers were so adjusted to our pools – kiddie pool, Swim Club pool, Ashley Park pool – and everything was working fine. It takes a couple months for the ORPs to adjust. We took two ORPs out at the kiddie pool and Ashley Park pool.

Mr. Berube stated we never really went over what happened. If you recall, we had a contract with Pool Sure to supply us with chlorine, chemicals, the ORPs, and the sensors. They took care of all that. It started two years ago. They came in, it was a good deal, and we jumped on it because the ORPs and the chemicals were included. It was a flat rate, and it was a really low price. As it turns out, the price was way too low, as we expected. Starting in July or August last year, they wanted out the following month. They did not want to do it anymore because they were losing huge amounts of money. We replied that we were sorry to hear about their problem and reminded them of their contract that ran through February 28, 2018. They did not like that response, but they continued. We had a few meetings with them. The bottom line is, we are going to go on a metered delivery system for chlorine and the chemicals. It will still be cheaper than Spies. Now these ORP controllers come up. They did not want to leave the ORPs in for free, even with us buying the chemicals. We said that was fine since we had our own ORPs. We could remove theirs and put ours on. We left ours for the Ashley Park pool sitting out, and it had chlorine and other acids in it. They do not work very well after they have been sitting there for a couple years.

Mr. Walls asked who is making these decisions, Mr. Berube or Mr. van der Snel?

Mr. Berube stated we both talked with the pool guys.

Mr. Walls asked who made the decision to pull this out? This is the first I am hearing of any issue with the contract or anything like that. This is something that needs to come to us so we know about it.

Mr. Berube stated it seemed pretty routine.

Mr. Walls stated if someone wants out of a contract, this Board should be aware of that, and one Board member should not be making decisions on the fly. I understand Mr. Berube is the Chairman, but you cannot make decisions for the Board.

Mr. Berube stated that is correct.

Mr. Walls stated when stuff like this happens, I want to know.

Mr. van der Snel stated I think I put it in my report.

Mr. Berube stated it was included in the notes.

Mr. Walls asked that they wanted out of the contract?

Mr. Berube stated yes.

Mr. van der Snel stated I can try to find it.

Ms. Kassel stated I do not remember seeing anything.

Mr. Walls stated I do not, either.

Mr. Berube stated it did not involve a Board decision. We just told them they had a contract with this Board until February 28, 2018, and that they needed to stay with it.

Mr. Walls stated that is fine, but if they are saying it is a service issue and they want out, that could create an issue if they just quit. I want to know about this kind of thing when it happens.

Mr. Berube stated bottom line, we put our ORPs back on, but they do not work right anymore. They still have their ORPs sitting there, and it is a matter of putting their ORPs on, which makes them responsible for the maintenance of the ORPs. They are fairly high maintenance because the sensors are in the water, and chlorinated water flows through them. If we throw ours away, that is about \$1,400 each. They will also require two sensors annually on average, and they are \$200 each. How many ORPs do we have?

Mr. van der Snel stated we have two ORPs that we used.

Mr. Berube stated letting them put it on the ongoing lease program for \$60 a month is an automatic winner for almost forever.

Mr. Farnsworth stated I was not trying to object to what he was doing. I was just trying to understand it.

Mr. Berube stated there is a whole story behind what is going on.

Mr. Walls stated if they had come to us up front and said it was going to be \$60 per month to keep it on, I would have that was fine and we could have approved it. But we never heard about this. I do not want anyone making decisions in the background without

bringing it to the Board. That needs to not happen. Just because you are Chairman does not mean you make decisions on behalf of the Board.

Mr. Berube stated I was a side party to this.

Mr. Walls stated you really should not be in these conversations. That is getting into the policy discussions in terms of employees. We have never had this discussion about what authority we are going to give to each one of us to make decisions outside of a meeting. If you look at the strict way the Statutes are written for this Board, each one of us is a policy maker, and that is all. That does not mean we cannot help in certain areas, but if we are making decisions on how the CDD is going to be run, it should come through this Board, all of us collectively.

Ms. Kassel stated agreed.

Mr. Walls stated this issue is a sensitive one for me because a lot of people use the pools. When they are not working right, residents get upset about it, and I hear about it. This is a sensitive issue that we should all be part of making the decision.

Mr. Berube stated to be clear, the pools have never been out of balance. They have never failed a chemical test, which happens every day. There has never been a water quality or a safety issue. It has always been maintained.

Ms. Kassel stated that is not the point.

Mr. Walls stated I understand, but if someone is saying they want out of a contract and there is a possibility they might quit, I want to know about it.

Mr. Farnsworth stated I raised a bigger issue than I thought it was.

Mr. Berube stated there have been a lot of good points raised. I believe it has been noted in the past, and people just read it and moved on, not understanding the significance. I could be wrong, but we read a lot of information. I understand your point. It is not a problem if you want more things to come to the Board. To be clear, we are buying chemicals from Pool Sure, the same chemicals we were getting before, and we are on a delivery system with monitors on the tanks. All that has changed is the fixed price that we used to enjoy, which is gone.

Ms. Kassel stated to Mr. Walls's point, we had a contract with them, and now it is changed. As Board members, we had no idea that it is no longer the fixed price and that it changed based on supply. Now we are looking to go to a lease. We have a contractor with

whom we have had a contract, and now it is changed but the Board was not made aware of it.

Mr. Walls stated that should not happen outside of these meetings. That is what I am saying. Those decisions should be made here and only here.

Mr. Farnsworth stated some discretion is to be allowed, although it is not much.

Mr. Walls stated we are talking about a structural change in how this contract is being handled. I understand it is not a large dollar amount, but apparently, the contract ended and the Board did not do anything about it.

Mr. Berube stated there was nothing to do; it ended.

Mr. van der Snel stated they ended it.

Mr. Farnsworth stated what was going to happen after it ended is something that we should have discussed or told about.

Ms. Kassel stated yes.

Mr. Walls stated we should never get to the end of a contract and have no plan. That should never happen. I am looking at both of you.

Mr. van der Snel stated it is on me.

Mr. Berube stated it is on us both because we knew what was going on. It just seemed that it was going to continue. The pool supply issue was never in jeopardy. The supplier will be the same, and the chemical is going to be the same.

Mr. Walls stated I understand what happened. A contract ended and was changed, but nothing came to the Board.

Mr. Berube stated I understand. The increase will be \$60 per month, and they will handle all the maintenance on those ORPs going forward.

Mr. Farnsworth stated I have no problem with that.

SEVENTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements for January 31, 2017

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 through February 28, we are 75% collected on our non-ad valorem assessments. Last year at this time, it was 78%, so we are right where we expect to be this time of year. Expenditures are well under budget by \$139,000.

Mr. Berube stated the place is not falling down, everything looks good, and we are not spending all the money we thought we would. We do not have anything big pending that is going to come up.

Mr. Moyer stated that under-budget amount does not include the \$300,000 for the street lights that we have not spent; otherwise, it would be much more. We left it as a line item in the budget, knowing we will probably spend it.

B. Invoice Approval #203, Check Register, and Debit Invoices

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

Mr. Berube stated we made a change in how an invoice is classified for Water Equipment Technologies for the manifold for the splash pads in the amount of \$3,250. It was put into the park line item, but it should have been put in swimming pools. A splash pad is a swimming pool; the State licenses it as such because it uses chlorine. We need to make that change from this month's invoices.

Mr. Moyer stated Ms. Kassel pointed out to me the Boyd Civil Engineering invoice should be \$1,712.88, not \$487.88.

Ms. Kassel stated they forgot to add in the \$1,225.

Mr. Berube asked have you been holding all the billings for Butterfly Drive sidewalk project separate?

Mr. Boyd stated yes.

<p>On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, unanimous approval was given to invoice approval #203, check register, and debit invoices, as presented, reclassifying the Water Equipment Technologies invoice to pools and correcting the Boyd Civil Engineering invoice to \$1,712.88.</p>

C. Acceptance of the Audited Financial Statements for Fiscal Year 2016

Mr. Moyer reviewed the audited financial statements for fiscal year 2016. The auditors gave a clean audit opinion, meaning that the financials we provided to them as of September 30, 2016, fairly represented our financial position as of that date. The reports in the back of the audit are required by the Auditor General or State law. One deals with internal control, and they did not identify any areas they were concerned about relative to internal control over financial reporting. There is a section dealing with compliance with

rules, law, ordinances, bond covenants, and such, and nothing came to their attention that would indicate we were not in compliance. The management letter is where they can point out things that may not be material but nonetheless are suggestions to make our reporting system better, but they did not have any such suggestions for this fiscal year. Finally, they determined that we did not meet one or more of the conditions that would trigger a financial emergency, which is a defined term in State law with certain items that they identify. We did not meet any of those items, which means we are not in a state of financial emergency.

On MOTION by Mr. Farnsworth, seconded by Mr. Walls, with all in favor, unanimous approval was given to accept the audited financial statements for fiscal year 2016 and to authorize staff to file it with the appropriate State agencies.

D. Facility Usage Application from the Harmony Community School

Mr. Moyer reviewed the facility usage application from the Harmony Community School for learn-to-swim lessons May 8 through 11 and May 17 through 20.

Mr. Berube stated we have routinely authorized these in the past.

Mr. Walls stated a couple months ago, Mr. Qualls had some problem with the terminology they wanted to add to the permit. I do not know if that was resolved or not because he was going to work with them.

Mr. Berube stated I looked at this application, and it is the standard language we have. Apparently, they have not worked it all through.

Mr. Walls stated we have a separate agreement.

Mr. Berube stated yes, an interlocal agreement with the County. This request came in on the regular form. I think we have routinely approved these for years, and I recommend we approve this one. There has not been a problem yet.

Mr. Walls stated I think we can approve it pending legal counsel's review of the agreement.

On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the facility usage application from Harmony Community School for learn-to-swim lessons for May 8 through 11 and 17 through 20, subject to review of the interlocal agreement with Osceola County by the District's legal counsel.

EIGHTH ORDER OF BUSINESS

Topical Subject Discussion

A. Discussion of Employee Policies

Ms. Kassel stated I wondered why there was no heading on this initial page. I do not know who created it. The following page says in bold that it is the Harmony CDD field services progressive discipline policy.

Mr. Farnsworth stated there seem to be a lot of formatting inconsistencies. I had the same question of where it came from. It has Harmony CDD field services name on it. Was it picked up from someone else and our heading put on it?

Mr. van der Snel stated yes. I provided this to Mr. Qualls and Mr. Moyer and also to Mr. Berube for his review and to FRM. It is a guideline. If you read the FRM agreement, that is pretty much what will be dealt with. We are employees of FRM.

Ms. Kassel stated I have a few comments on this set of policies. In the second paragraph on the first page, the last sentence “any employee who receives a second written warning” is unclear whether a second warning is the same as a first warning. In other words, a first warning results from an employee that is tardy or leaves work prior to ending their shift three or more times. For an employee who receives a second written warning, does that mean an additional three times? It is not clear, and it needs to be clear. After the second written warning, an employee will be suspended or terminated. Does the second written warning require three times, or can you give a second written warning after one more time?

Mr. Berube stated as it is written, it requires three more times.

Ms. Kassel stated it is not clear.

Mr. Walls stated I think certain things like that need to be tightened up.

Ms. Kassel stated yes.

Mr. Walls stated I made a list of things that I will distribute, things that I think policies approved by this Board need to cover. I had some questions about the start time. I am not a labor law person, but can you require people to come five minutes before their actual start time? Maybe you can, but I do not know.

Ms. Kassel stated I do not know, either.

Mr. Walls stated these are things that need to be looked into. It will take a long time to hash through all these things. I tried to come up with a starting point of things I think this Board needs to cover. There may be other things. Maybe we go back between the Board and staff to come up with written policies that cover these things.

Mr. Qualls stated that makes sense. We can go through and redline them, and the Board can review the comments and take them from there.

Mr. Walls stated in looking at these documents, none of them have ever come to the Board. None of this is really policy of the CDD because of that. We may have been operating under implied policies, but we have not adopted these documents.

Mr. Farnsworth asked how much of this is our purview and how much of it is really FRM's?

Mr. Qualls stated ultimately, it will be this Board. Only this Board can adopt policies. As Mr. Walls said, a policy does not have to be in writing. It just has to be consistently applied. The key is, whatever this document is, it is not your official policy because you never adopted an official policy. This is a good start to begin the process.

Mr. Berube stated when this was set up, which was new to all of us at the time, the recommendation at the time was to find a contractor, FRM in this case, to set it all up with them and use their guidelines. As I recall, the vast majority of policies that you see here with the Harmony CDD heading came from a guidebook that FRM provided and Mr. van der Snel modified.

Mr. van der Snel stated that is correct.

Mr. Farnsworth stated that was the question.

Mr. Berube stated this has been run by FRM, who is the major employer, and Mr. Moyer is the local employer. He is the one they all actually work for. Mr. van der Snel is the onsite supervisor. That was the recommendation at the time on how to set it up. We have done this for almost three years.

Mr. Qualls stated you said it was recommended. I remember many sessions where this was discussed, and we always advise that the District should not be in the business of employing people and that should go to the District manager. Be that as it may, the Board entered into a contract with FRM, which is an employee/payroll management service. I have been doing this long enough to know that someone could argue that the buck stops with the Board, so it would behoove the Board to have a policy on these things. You have Harmony personnel, whether it is through FRM or otherwise, managing the works of the District on a daily basis. Who advised who, what, when, and where will all be in the record. Moving forward, our strong advice is that it is incumbent on the Board to have a policy that is solid and applied consistently.

Ms. Kassel asked does Severn Trent have an employee handbook that has this type of content?

Mr. Moyer stated yes, absolutely.

Ms. Kassel asked can we use that as a baseline?

Mr. Moyer stated yes.

Ms. Kassel stated what prompted me to make my inquiry was, a third employee left that I heard from regarding working conditions that they were facing. I think we need to have one of these policies. Within the policy should be that there is always an exit interview with the CDD manager when an employee is let go or quits. I do not know if that is part of the policy, but I would like that to be part of our remediate policy.

Mr. Moyer stated I will provide the Severn Trent policy. That is general practice for them.

Ms. Kassel stated it has not been happening with the employees who have left our employ, either voluntarily or involuntarily, in the last couple years.

Mr. Moyer stated to my knowledge, that is correct.

Mr. van der Snel stated Mr. Moyer was notified prior to their termination.

Ms. Kassel stated yes, but that is not the same as an exit interview.

Mr. Farnsworth stated I had looked at other policies from companies and governments. In some ways, some elements of this policy document are reversed. What is listed under general is normally up front.

Mr. Berube stated these may not have been scanned in the exact order they would be presented. I do not think there are any page numbers. It might be scanned back to front or somehow assorted.

Mr. Qualls stated I know the formatting is important, but it is really the language and the intent that carry it.

Mr. Walls stated I think we should not be handing this out to employees at all yet.

Mr. Farnsworth stated not yet.

Mr. Qualls stated the employees have to understand what is expected, but it does not have to be this document. To me, the important thing is that we are reviewing it, and we will get it together. I think we do not need to reinvent the wheel. Certainly Mr. van der Snel has some expertise, as do many others including Mr. Moyer, so I think we keep moving forward. We have to let the employees know what the expectation is. If this has

been handed out to employees, then a discussion must be had with those employees, in my opinion, to let them know the Board is reviewing it in case they want to get involved in the process. The important thing is that the District and the people working for the District be on the same page. If this has been handed out, then it is what the people are anticipating and expecting. If it is going to be changed, which I am hearing from the Board that it will, then the employees need to be made aware of that. You are a government, and everything happens in the sunshine. I know of accusations from people who have left the District, but other than that, I think the record of the District is very good, and none of the accusations have been vetted one way or the other.

Mr. Walls stated I do not think there is an issue. I am not opposed to anything in these documents. My concern is that it has not officially been approved by the Board. I am fine that we operate under this for now until we get it the way we want.

Mr. Qualls stated the District manager, who manages the works of the District, can help a lot.

Mr. Farnsworth asked when the employees are actually hired, who hires them?

Mr. Moyer stated they are actually FRM employees.

Mr. Farnsworth asked are they given or shown or read or signed anything?

Mr. van der snel stated there is an agreement in the package, which is the last page, as well as the policy provided in the agenda package.

Mr. Farnsworth asked this is what FRM already uses?

Mr. Berube stated yes.

Mr. Farnsworth stated if this is what is already being used, I am a little confused as to what we are contributing.

Mr. Berube stated FRM is the employer in Sarasota, the “mother ship.” They handle all the legal requirements, worker’s compensation, payroll, and taxes, and they provide the basic guidelines. Local management is Mr. Moyer. The onsite manager is Mr. van der Snel, and he guides the staff on a day-to-day basis. In general, when Mr. van der Snel advertises for a position, people will come in and fill out an application provided by FRM.

Mr. Farnsworth stated it is an FRM application, not a CDD application.

Mr. Berube stated that is correct. Mr. Moyer sees it, and if he does not have any problems with it, then it goes to FRM to approve, which it generally is, and then hire. The

documentation includes the W-4 and other requirements. Once that information is provided to FRM, then Mr. van der Snel can bring them on board. From there, he becomes the onsite manager. They know if they have a problem and want to go around him, they go to Mr. Moyer.

Mr. Qualls stated I appreciate what Mr. Berube said, and I think that is a fair description. I would change it slightly to say that the mother ship is the CDD Board of Supervisors, the government. The government has a contract with the subcontractor that provides certain services. The buck stops with the District. The only thing I would tweak in your analysis is the CDD Board is the mother ship. If someone is terminated and wants to sue, I guarantee they will include the District in the lawsuit.

Mr. Berube stated the contract spells out the relationship between FRM and this Board, which is being a co-employer; they share employer responsibility with the Board. That is the legal language in the contract.

Mr. Walls stated that is why it is important that we have policies.

Mr. Farnsworth stated we will have to change some words and the headers, but we could almost take their employee policy and literally endorse it if we agree with it.

Mr. Qualls stated I thought Mr. van der Snel drafted this policy.

Mr. van der Snel stated I did, but I used some guidelines from what I looked up. I remodeled it to the onsite requirements. The reason why I did this is because as a supervisor, I need to be able to tell my staff what the policy is. The FRM agreement did not go into that depth.

Mr. Qualls stated I appreciate that, but your job is to carry out the policy of the Board. I remember some emails going back and forth on this. You are such a good professional and can handle all of this, but the key is, that we do not need to belabor, I hear the Board saying loud and clear that these will be the Board's policies, so the Board will take a hard look at them. I think it is pretty straightforward, and we can get it done.

Mr. Berube stated the reality is, we knew all this was happening, and it has been going on all around us. When it all started, it happened quickly. Our guidance was that this is how it works, and we have let it work. There have not been too many problems until people are terminated and are not happy, so they start complaining about things. I think that is what brought it to the table. It is fine that it came to the table, and it should be brought to the table. We should have this discussion.

Mr. Qualls stated the Board is doing its job and doing what it is supposed to do. This is a policy discussion.

Ms. Kassel asked are the employees getting this now?

Mr. Berube stated yes. They get a package that includes how vacation days work, when they start, what health insurance is, how many days off, and so forth.

Mr. Farnsworth asked do we have to repeat that? How much do we superimpose the specific guidelines for this facility on top of what FRM provides?

Mr. Walls stated there are no FRM policies.

Mr. Qualls stated you keep saying that FRM provides something, but this is something Mr. van der Snel did.

Mr. Farnsworth stated the agreement says it is from FRM.

Mr. Walls stated it is just one page.

Ms. Kassel stated it is an agreement, not policies.

Mr. Farnsworth stated so FRM does not have policies in place.

Mr. Moyer stated you need to review these in the light of what we are. We have five employees. This is not IBM or Severn Trent. I will provide you with the document that you requested, which is probably 75 pages. I think that is a little overboard for the scope of what we are doing.

Mr. Walls stated that is why I printed this information for everyone. It looks like a lot, but it is really five topics that we need policies on.

Mr. Farnsworth stated I tried to find boilerplate policies online, and that is what I was running into, something like what Mr. Walls provided.

Mr. Berube stated we give employees three additional pages for vacation policy, sick time, and acknowledgement that they work for a public government.

Mr. van der Snel stated as well as acknowledging that they are given a phone.

Mr. Berube stated they know the phone is not theirs. It is all pretty well documented. We will obviously not make Mr. Walls's policy available to everyone.

Mr. Walls stated we should. I think we should give them guidance on how that process should work. We do not include specifics.

Mr. Berube stated we will not share how much everyone makes.

Mr. Walls stated if someone requested the document that said how much a certain person makes, they would have to ask for it, and we would have to provide it to them. That is not an issue with government employees. It is all public record.

Mr. Berube stated every month, there is a lot of detail on the FRM invoice. We purposely do not put it in the agenda package because it includes name, address, social security number, and salary.

Mr. Walls stated I understand, but if someone wanted it, they could ask for it. We would redact the appropriate information.

Mr. Berube stated yes. Nothing is hidden. It is just a question of how much you want. Mr. Qualls will redline this information, and we will incorporate everyone's questions and move forward.

Mr. Qualls stated I think Mr. van der Snel did something that was a necessity to do, and it worked. Mr. van der Snel carried out the right thing. The employees have been given this, it is a policy, and it is functional. All we are doing is acknowledging what we have been using and making sure everything is up to date. You have had a policy, and it has worked. You are reviewing it to make sure what is written is consistent with the policy that has been applied and the employees understand it. Severn Trent's policy is 75 pages. I understand Enron has a 300-page ethics manual. I do not want us to get caught up in what other people do. We have governmental clients that have policies, as well. If the employees have been receiving this, it is at least a starting point. With what Mr. Moyer sends and what we have, we can add information and modify the policy.

Ms. Kassel stated the biggest thing that I am requesting, because this agenda item was added at my request, is to include the policy that the District manager does an exit interview anytime someone leaves, voluntarily or involuntarily.

Mr. Qualls stated the Board can entertain a motion to make that your policy. It will be written in the minutes. If that is the will of the Board, there is no need to wait.

Mr. Walls stated they know now, so when someone quits or is terminated, Mr. van der Snel will set up an exit interview. When we get around to doing this in writing, we can include it in the policy.

Ms. Kassel stated that is fine, as long as it happens.

Mr. Qualls stated the thing that concerns me is, I think this Board does not ultimately want to be involved in all the management functions of employment. We need to look at the contract with FRM and make sure everyone is on the same page with it.

Ms. Kassel stated let us make sure we are covering ourselves adequately with due diligence when we have employees who leave and are making claims. That is all I was concerned about.

Mr. Berube stated the recommendation from Mr. Qualls is for Mr. van der Snel to tell the employees that the employment policies they are currently working under are being reviewed by the Board, and beginning tomorrow, they will be offered an exit interview with the District manager if they quit or if they are released from their duties. Is that what Mr. van der Snel should tell the staff tomorrow?

Mr. Qualls stated if you say that to staff, they may wonder if they are going to be fired. That is not my bailiwick, but I think the key is that Mr. van der Snel is managing the staff and is doing a good job. The minutes will reflect that the Board is looking at this policy and making sure it is up to date, with one change noted in the way interviewing will be done. Perhaps do not mention the exit interview part. The key is that the employer and the employees are on the same page. This does not undo anything under FRM. Since this was provided by Mr. van der Snel, then I think it is excellent for the Board to be looking at it.

Mr. Farnsworth asked does anyone have any experience with any CDD having this type of situation?

Mr. Qualls stated most CDDs we represent do not have this type of situation. It is unique.

Mr. Farnsworth stated so we cannot look to someone else's example.

Mr. Qualls stated there is always precedent, but not in the CDD realm. The District manager has much more experience than I do.

Mr. Farnsworth asked what do we do with this going forward?

Mr. Qualls stated you have done it.

Mr. Berube stated we are not doing anything with it at the moment.

Mr. Walls stated we will come back next month for further discussion.

Mr. Berube stated we will have a redlined copy and numerous discussions. I am sure it will carry into our summer workshops and be added to the rules to clear up this final policy to make sure it is a clean document.

Mr. Qualls stated that would be the best approach if you are doing those workshops anyway.

Mr. Berube stated we will have the budget done pretty quickly, and we think we will have minimal rule changes. This will help fill a two-hour workshop.

NINTH ORDER OF BUSINESS

Supervisor Requests

Ms. Kassel stated I want to apologize for getting up and walking around. I had spinal surgery a couple weeks ago, and I am not supposed to be sitting for more than 30 minutes. It is not something I normally do, and I hope I did not look impatient. I just needed to move.

Mr. Berube stated you look uncomfortable.

Ms. Kassel stated I am.

Mr. Walls stated we are glad you are up and walking around after spine surgery.

Mr. Berube asked will you be okay?

Ms. Kassel stated I hope so. I am moving, so that is good.

TENTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for Thursday, April 27, 2017, at 6:00 p.m.

On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, the meeting was adjourned at 8:10 p.m.

Gary L. Moyer, Secretary

Steve Berube, Chairman