

**MINUTES OF MEETING
HARMONY COMMUNITY DEVELOPMENT DISTRICT**

A special meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, January 11, 2018, at 6:00 p.m. at the Harmony Golf Preserve Clubhouse, located at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Steve Berube	Chairman
Ray Walls	Vice Chairman
Kerul Kassel	Assistant Secretary
William Bokunic	Assistant Secretary
David Farnsworth	Assistant Secretary

Also present were:

Bob Koncar	District Manager: Inframark
Tim Qualls (via phone)	District Counsel: Young & Qualls, P.A.
Gerhard van der Snel	District Staff: Field Manager
James Whitaker	Servello & Sons Landscaping
Residents & Members of the Public	

FIRST ORDER OF BUSINESS

Roll Call

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

Supv Berube called the roll and stated the record will reflect we have a full Board.

SECOND ORDER OF BUSINESS

Audience Comments

A resident asked: How did the alleyways turn out for you?

Supv Berube responded: I was watching them work this morning. Did they finish today?

Mr. van der Snel responded: No, they did not.

The resident asked: How does it look so far?

Mr. van der Snel responded: It is 80%; striping needs to be done. The transition rings for the manhole covers are backordered and they are waiting for those.

Supv Bokunic stated: Visually it is an upgrade.

Supv Berube stated: The quality of the surface is much improved. There are a few little details to be worked out, but overall it was not a bad project. They did the paving quickly with minimal interruption to the residents, which is always a big deal.

Supv Farnsworth stated: There were a few complaints.

Supv Berube stated: Generally, limited to one lady who does not live there.

A resident stated: I do not know if this is the forum for this question but we come here because we do not know where else to go. We are fairly new residents and when we closed on our house and moved in we were told we needed to go to the Welcome Center to register to get access to the golfing, swimming and all of that. Every time we go it is closed.

Supv Kassel asked: Do you live in South Lake?

The resident responded: We live on Dark Sky.

Supv Kassel stated: That would be Mr. van der Snel.

Mr. van der Snel stated: For the golf membership you have to sign up at the golf pro shop, and for the access cards you can call me. You can go to HarmonyCDD.org and on the home page it has all of the steps.

The resident stated: Thank you.

Supv Kassel stated: It would be for access to the pools and the Buck Lake dock.

Supv Farnsworth stated: The form and instructions are available online.

The resident stated: I went to HarmonyFL.com and did not find it.

Supv Kassel stated: That is the developer's site. This is Harmony CDD.

The resident stated: We were not given any instructions and is why we are here, so thank you.

Supv Kassel stated: I will be happy to talk with you afterwards if you stay for the length of the meeting. There is the CDD, the HOA, and the developer; it can get confusing.

Supv Bokunic stated: To further complicate it, the golf is a for-profit separate entity for the golf and the gym. It has nothing to do with the CDD.

THIRD ORDER OF BUSINESS

Landscaping Services

A. Termination Letter from Servello & Sons

Supv Berube stated: As everybody knows, we received a termination letter eight or nine days ago from Servello & Sons. Mr. James Whitaker is here tonight; he authored the letter.

Supv Kassel stated: I called Mr. Whitaker after I received this just to find out from his perspective why five months into the contract they decided to terminate. I am sure he will have something to say on his own, but it seems to me we have developed something of an adversarial approach to our landscaping vendors over time and it has not boded well for the ongoing cooperation and performance of the landscapers.

Mr. James Whitaker, CEO Servello & Sons, stated: I will say there are probably three or four things. Frankly, I think they could be worked out if we could actually all sit down in a group and talk about it, but we have not been able to do that. First and foremost are the concerns with the contract and relationship with specific Board members. We have serious concerns with the control of the irrigation; it seems like every time we bring up drought or irrigation issues to the Board it is dismissed as untrue or irrelevant. The problem is the contract actually holds us accountable for turf damage which I know for a fact that the previous vendor has been or is being sued for turf. I inspected most of the turf that was discussed and a lot of it is drought damage. I have quite a few state certifications as a lawn and ornamental pest control operator and I actually used to teach classes for the Department of Environmental Protection for the BMP Program. This would also be a problem if we install new trees onsite. If we put these trees on, which is thousands of dollars, and one of these trees dies, once again we will be held accountable for any trees that we lose on that site, and it is a huge liability for a company our size. I do not know all the specifics of the lawsuit, but I know it was in the tens of thousands of dollars. If we drop the ball on something I do not have a problem having accountability for it, but irrigation and pest control services are related, hand-in-hand.

Supv Bokunic asked: Can you elaborate on the irrigation system?

Mr. Whitaker responded: Mr. Berube stated at the last meeting there is dollar weed and it seems like we are overwatering. There are areas that are getting too much water but you are never going to an irrigation system 100%. I have met with reps from other companies before and they have done controlled study tests in buildings with no wind, on soil with the most effective rotor head there is, and they got 80% with sensors placed side-by-side in a football field-sized room. You are always going to have irrigation issues, but when we notice hot spots throughout the property - when turf wilts and grass blades fold in half - that is the stage before drought damage. Once turf goes into wilt, what happens is the roots cannot uptake moisture and if you have a 90 degree day after that, you have dead grass. There are tons of hot spots on the property. You

asked me at the first Board meeting if I felt comfortable with the irrigation; I do feel comfortable with Mr. van der Snel's team controlling it if we are able to have a reasonable relationship. If we bring things up and it is addressed and not thrown to the side as being untrue or whatever, it is because it is what it is.

Supv Walls stated: The way I had envisioned it working was you are the experts, you tell us this area is dry, we go and take care of it.

Mr. Whitaker stated: That is how it is specified in the contract.

Supv Walls stated: That is how it should work and you are saying you are running into resistance from the Board. I have never talked to you about it.

Mr. Whitaker stated: If you go to the last meeting in the notes, Mr. Berube said there were no irrigation problems; we are overwatering and have dollar weed in areas. What you say is true, there are dollar weeds in some areas where you have good coverage, but the problem with the irrigation systems is getting good head-to-head coverage.

Supv Walls stated: My question is who is giving you resistance. My position is if you come to us and say we need to put water on this area, we should put it on that area. Who is saying we are not going to do that?

Mr. Whitaker responded: I am going by Mr. Berube's comments from the last meeting. We take it as a serious thing and you basically dismissed it.

Supv Farnsworth stated: That is at the meeting; we are talking about on a day-by-day basis. Are you getting resistance during that time?

Mr. Whitaker stated: Mr. van der Snel sent the tech out with Jason recently and the technician said "*we have some irrigation issues onsite; we have a clock down, we have a valve down, we have stuff going on*". I get that because we control the irrigation on probably 90% of the sites we do. It is unusual for us to have a contract like this without us controlling the irrigation to avoid these types of situations. In the long run we all have to be on the same page and every time we bring it up it cannot be that it is a bunch of bull.

Supv Berube stated: Let us back up a bit, first you mentioned the lawsuit with the prior contractor; there is no lawsuit, there is discussion back and forth. Lawsuits get you nowhere and all they do is pay the attorneys. Whether it turns into one, I do not know, that is somebody else's decision. You lead off with irrigation and I do not think anybody on this Board has mentioned anything having to do with turf quality related to irrigation simply because we recognized there

were 44,000 or so square feet or dollars worth of sod damage that are existing here and we know and understand that. We have asked you a couple of times to update the sod list and you have not done it because of good reason - we are moving into season and sod has not been available. Nobody is holding your feet to the fire for anything having to do with the turf because we know it is a mess. I know what the contract says but we are all big people here and tell me if I am wrong. Has anybody said you are killing grass out there and we are going to hold you responsible for it?

Mr. Whitaker responded: No, but the contract does stipulate it and I have to take it seriously; this is a large site. It is probably a little over one million square feet total.

Supv Berube stated: You have to remember, the contract starts as a boilerplate and some point in the past and rolls forward. The contract was not designed specifically for you and there needs to be some documentation in the contract. I can tell you this Board understands. We do this in public meetings, it is documented and we have agreed that the grass is a mess and largely we have been ignoring it because we have been focusing on other things such as the plant life, the weeds, and getting us up to snuff. I hear your concerns about the irrigation and we have kind of put it off; I get it, because it has not been a high priority focus from our position. The water is getting put somewhere; there may be hot spots, I guarantee there are, I noticed some today. *{But do you believe it is critical...}* to lead off with irrigation being a major concern for you?

Mr. Whitaker stated: Because it is a liability; that is why it is a concern and why I brought it up first.

Supv Walls stated: You are doing the right thing. It is in the contract, you need to follow the contract and we need to follow the contract.

Mr. Whitaker stated: It is my biggest concern.

Supv Kassel stated: Coming on the fact that there is a dispute with the prior landscaper.

Supv Walls stated: What I am saying is if you say there is a problem I want our guys to take care of the problem. I do not want there to be any resistance. If our guys think there is an issue they should come here and tell us.

Mr. van der Snel stated: There has never been any resistance.

Mr. Whitaker stated: I disagree. Mr. Miguez actually took you out and showed you an area near your office and you told him that was bull and there are more comments from you that we are going to talk about tonight. This leads me into my next segue that since the end of October we have been verbally berated regarding our staffing which is dictated by the specifications of the

contract. There has also been sideways threats made to Mr. Migues and myself by Mr. van der Snel, specifically, and I am over it. I do not need to walk on this property and every time Mr. Migues is saying this is what they told me today or this is what somebody said to me today.

Mr. van der Snel asked: Can you specify?

Mr. Whitaker responded: I am going to specify - I have times, dates and everything. This bugs me and upset Mr. Migues. On 9/9/17 Mr. van der Snel told Mr. Migues that he and his guys were “*stupid for trimming the seed pods and not the fronds at the pool area*”. For you to tell my employees they are stupid is totally uncalled for. On 10/13/17, I believe following the September meeting where there was some controversy about the weeds and getting the weeds under control, Mr. van der Snel told Mr. Migues, “*I am the mediator between you and the Board and your job is about to get much more difficult*”. On 11/28/17 you told Mr. Migues, “*once you piss us off there is no going back*”. So to me, if you want to fire us, fire us.

Mr. van der Snel stated: I do not have the authority to.

Mr. Whitaker stated: It does not matter; you should not be talking like that to my supervisor.

Mr. van der Snel stated: This is hearsay, is it on text or email?

Mr. Whitaker stated: I do have some texts. The next aspect to this is it is non-stop. You told me before the last meeting that I “*drew a line in the sand by cutting the labor*”. I want to clarify the cutting the labor - according to the contract specifications - if you read the contract word-for-word, and this is how I bid it, and every other company bid it, we bid it on the 42 cuts per year. For every commercial landscaping company, the industry standard, when contracts are laid out that way, you do lower your labor in the winter. It is the only time you make money in this industry; you lose money all summer long. If you do not make it up in the winter there is no point in having it. You told me specifically when I tried to have this discussion with you, Mr. van der Snel, you said “*you are not here to make money off the contract, it is off the extras*”. I do not care about the extras, we are a maintenance driven company. Because it is 80% of our revenue, I must make money off the contract; I cannot do it for free. If that is what you want in your contract it needs to be clarified that you want this type of labor on your contract. I have no issues with that, but I bid it for what the specifications of the contract are. I know this property was not in great shape when we took it over; and it still has a little ways to go; and I told you when we sat down that it is going to take us through the winter to really get this thing where we need it to be. This is not a one, two or three month fix, it is a year. You, have to spend some time on a property like this to really get it

back in shape. Mr. Greg Servello and I came out today and walked every key area on this property. Tell me the weeds are out of control now and I will disagree with you. They are not perfect, I get that there are still some weeds on the site, but I do not think it is out of control by any means. Considering we took this on in August and we got pounded by a hurricane after that. We need to get through this winter. We take pride in what they do. I had to meet with our guys today to inform them of what is going on here because somebody called another landscaper who happens to know one of our crew leaders and he called our crew leader and told him. Before this spreads through my team and they walk off the job, looking for another job I had to bring them together to say, *"I am meeting with the Board, take it easy, you guys are not going anywhere regardless of what happens with Harmony"*. They are good guys, they are good workers. The landscape industry is not an easy industry to manage. I would like to make this work; I think we can make Harmony a beautiful place, but it has to be a partnership. Mr. Feliciano has said it and I have said it from the beginning, but we just get berated every time we walk in here.

Supv Farnsworth stated: Please clarify for me what you mean by partnership.

Mr. Whitaker stated: I mean work together without the hostile environment.

Supv Farnsworth stated: That I understand; get the hostility out of it. What is the partnership you are actually talking about?

Mr. Whitaker responded: We are here for the same goal as you are. You want the community to look nice and we want the community to look nice; we want to be able to say that is one of our jobs, go look at it.

Supv Farnsworth stated: Beyond irrigation, we and Mr. van der Snel's people are not responsible for mowing, flowers, or anything like this. I am trying to understand exactly what you mean by partnership.

Supv Kassel stated: I think he means to have a more collaboratively approached relationship than a conflictive or adversarial one.

Supv Farnsworth stated: Definitely not adversarial.

Supv Kassel stated: I think that is all he means by partnership.

Mr. Whitaker stated: That is what I mean.

Supv Kassel stated: We are in a contract together and so we are not partnering technically or legally, we are partnering in the sense that we have a contract together so let us have a partnership attitude.

Mr. Whitaker stated: That is what I am saying.

Supv Farnsworth stated: I am just trying to clarify what was intended by the phraseology.

Mr. Whitaker stated: We deal with a lot of CDD, HOA, and COA Boards and, when you are dealing with Mother Nature, we cannot control something that is not controllable. On the labor issue we tried to meet to discuss it and we got no response at all.

Supv Farnsworth asked: Who did you try to meet with?

Mr. Whitaker responded: We sent Supervisor Berube and Mr. van der Snel, an email.

Supv Berube asked: When was that?

Mr. Whitaker responded: I can pull it up.

Supv Berube stated: It does not matter; I can tell you, I respond to emails and I am generally available unless I am out of town.

Mr. Whitaker stated: I think it was sent to Mr. van der Snel and you were copied on it. I will find it and send it to you so you have it.

Supv Farnsworth stated: I need to comment on something that was brought up before and was part of the employee structure. There is, or should be, an exact structure that is used for communications. First, your field man gets together with Mr. van der Snel. If they cannot work it out, it goes to you and him. It does not go to Supervisor Berube, or me, or any other single Board member. The first person it goes to after Mr. van der Snel is the District Manager; then it comes to us as a Board, not as a single member.

Supv Kassel asked: Supervisor Farnsworth, are you suggesting if Mr. Whitaker does not get the kind of response he wants from Mr. van der Snel that he goes to Mr. Koncar?

Supv Farnsworth responded: If they cannot work out what the issues are then they have to go to the next level of their management. Our next level is our District Manager, not the Board and not any member of the Board.

Supv Kassel stated: I agree. I am just trying to clarify. What you are saying is if Mr. Migues is not getting satisfaction from Mr. van der Snel then he should go to his supervisor, Mr. Scott Feliciano, and Mr. Feliciano should go to Mr. Koncar.

Supv Bokunic stated: This [*progression*] may not have been clear in the past.

Mr. Whitaker stated: It was not. I met Mr. Koncar, but did not realize what his position was until the last meeting that I was here and Mr. van der Snel introduced me to him.

Supv Berube stated: There have been a number of changes.

Mr. Whitaker stated: The labor thing seems to be a constant thing and I really wanted to talk about that.

Supv Farnsworth stated: This is my own opinion - we have no business in your knickers so far as the number of people you put onsite. That is not what we should be judging. What we should be rating is your performance.

Supv Bokunic stated: My opinion is we do not need to be micromanaging; you need to do your job.

Mr. Whitaker stated: It is a performance contract, but we have nonetheless been berated.

Supv Walls stated: Whoever is doing that needs to stop.

Supv Farnsworth stated: Agreed, that needs to stop.

Supv Kassel stated: On either side, anything like that needs to be documented so that there is a record.

Mr. van der Snel stated: I encouraged Mr. Migues to do that.

Mr. Whitaker stated: Mr. Migues has a record of every email and text that has been sent. It almost seems that we are being worked against to some degree in the field. A specific example is Mr. Migues was spraying weeds at Splash Park - we have to be spraying and hand pulling constantly - and Mr. van der Snel turned on the irrigation when he was spraying. He came and said "*I am spraying weeds*" and you said "*don't worry about it, it will only run for a minute*". It does not matter if it only runs for 10 seconds; if you wash Round-up off of weeds, it does not work.

Mr. van der Snel stated: I asked Mr. Migues "*is it a problem for you*" and he said "*no, I will be back later, do not worry about it*". You have to stay with the facts; this is hearsay. I offered him to turn it off and he said "*I will come back later*".

Mr. Whitaker asked: Did you turn it on while he was spraying?

Mr. van der Snel responded: I did not see him because I was at the splash pad area.

Mr. Whitaker stated: There are three sides to every story, I get that. I do not want to have this adversarial relationship; it does not make any sense. When I sent the letter I understood the termination clause terms, I had Mary pull it out of the letter because it does not pertain to us, but sometimes I guess that is what you have to do.

Supv Bokunic stated: You threw up a flare.

Mr. Whitaker stated: It was my intention. Either we can decide to work together or we cannot. I think it can be a good job and we can make some big improvements on the site, but

everybody has to be on the same page. If it is going to be an “us against them” mentality for the next year or nine months, then what is the point? We have contracts we have had for 8, 12, 15 years that we have a good relationship with. Are there problems, yes; but with this industry we deal with a lot of issues.

Supv Kassel stated: I will say one overall thing about landscaping in general. Every year it is warmer, the weather is getting less predictable and weather events are getting more extreme. It has a definite and serious effect on landscaping. I think it would be beneficial for us to keep in mind that landscaping maintenance may not be as straightforward and easy as it used to be.

Mr. Whitaker stated: I refer to it as “the battle we never win”. At the end of the day I would like for us to be able to work it out. As your attorney pointed out, we do not have the authority to cancel the contract; it is up to you ultimately whether you decide to work out with us or release us. I am all about working it out if everybody is willing to work it out. If you are not, that is fine too.

Supv Farnsworth asked: What would be involved from your standpoint?

Mr. Whitaker responded: Honestly, the berating needs to stop; the borderline harassment. It is a hard enough business without that. There is no need for it. Are we going to drop the ball here-and-there, yes, and we will fix it.

Supv Bokunic stated: Nobody is perfect. From my perspective you came in on the heels of a bad situation and I do not think we have given you enough time. Some of these things are hard to hear. Obviously, Mr. van der Snel is sitting here and he has said he is not going to defend himself. I would hope that you would, but I think somehow in this relationship either you have to step out or minimal. Unless some intervention happens here I do not know how it is going to get better.

Mr. Whitaker stated: That is why I felt I needed to do what I needed to do. I can work things out with Mr. van der Snel. Some of the stuff are quotes I was told; you can call it hearsay or whatever as there are three sides to every story. At the same time we are here to perform, and cleaning up a site this size is not a three month thing. We got berated in the September meeting and we had not been on the job for long.

Supv Bokunic stated: As I said, you are on the heels of some other bad things. I cannot speak for the berating, but that is the way I took it. We do not need to have the reputation that we are going to start changing landscapers every year. I am sure in your industry everybody talks to

one another. We do not want a reputation of being hard to work with either. I took your letter as a call for attention, and we need to do what we need to do on our end to make it work; in my opinion.

Mr. Whitaker stated: We were told that about the reputation by one of the largest landscape corporations. They refused to bid on the job because they had heard about the reputation of the Board. Even Mr. Servello and I questioned it coming in the door: why is this company walking away from this job? The budget is suitable for the property. If you want us to keep 10 guys, or seven or eight guys, year round, that would change the cost of it; but at the same time, I am here to throw the cards on the table and I would like to work it out.

Supv Farnsworth asked: Is there any kind of itemized list you have that we should see, or you would like for us to see?

Supv Kassel responded: We get a report every month.

Supv Farnsworth stated: In my opinion, the format of your report is a little weak. It is not easy to track what you have done, what needs to be done, or what the schedule is.

Mr. Whitaker stated: Sometimes we use our property management reports, which is what I think we originally turned in to you, and you did not like it. If you give us a specific format or email me a specific format I can get with Mr. Feliciano and Mr. Migues and make sure they are using it.

Supv Farnsworth stated: I will email you a general form, but you will have to customize it.

Supv Berube stated: Here is the problem with the report he is asking for. You have to remember, prior to you we endured 18 months, give or take, of service that was a disaster. With five or six onsite guys in a matter of eight or nine months, everybody was constantly being trained. What happens is, you get use to focusing on the landscape and having to manage it every single month; and having the meetings like this that nobody likes to have. That is the way it played for a long time. I think probably we may have been hyper-focused and my concern is: this relationship has certainly been toxic for a little while and I do not know if we have backed off from toxic and gone to poisoned. It can be hard to back up; there is always going to be the memories. Running through these procedures, discussing running an RFP, putting it out for bid, and going through it is a giant-sized pain in the neck; but it is something you have to do every once in a while. We try to avoid doing it, but we are on the cusp of that at this point. I would like to say we can back up; but I do not know.

Mr. Whitaker stated: It is your call, I cannot make that decision.

Supv Kassel stated: I do not see why we cannot back up.

Supv Walls stated: I purposely do not deal with you on a day-to-day basis because it is not my job; it is not any of our jobs up here. We have staff that is supposed to deal with you. I expect that staff to work well with you guys and you guys to work well with that staff. I think whatever happened in the past is tough to forget, but both sides needs to put it aside and start over working from there. I do not want to go through another RFP.

Mr. Whitaker stated: I have no issues with that, I am a professional. I am here to provide a service. I sent the letter saying I am not going to make you happy. Mr. Feliciano, Mr. Servello, and I had long talks and said this is never going to work. I can read some of your meeting notes.

Supv Walls stated: I think we need to work on some of what happens at this meeting. All of it should be hashed out with our staff and if you cannot get it done with them, as Supervisor Farnsworth said, we have a District Manager you can go to and get things taken care of. We need to work on that piece of the communication process. From time-to-time you are going to come here but I am of the mindset that you do not have to be here every month. I would not ask you to be here every month. I know it is something we have done for a long time, but if there are no problems there is no reason for you to be here. For me, if you are here it should be an exception and something we need to work out. We need to work on the chain of command and the communication between the people in the chain. I am going to make a commitment for myself that I am not going to get involved in the day-to-day business, and I think every Board member should make that commitment. We can bring issues we have directly to staff to ask if they can work it out with the landscapers. That is my commitment to you guys and if you are serious about wanting to make this work, wanting to make Harmony look better and having the landscaping look great, I am willing to go down that road.

Supv Kassel stated: One of the things that has been happening is maybe we had somehow gotten the impression that by December all of the stuff that was not done by Davey would be resolved and it would now be looking good again. I do not know how I had that impression, or anybody else, but it seems to me, to be fair on both sides, if there are issues there is a schedule to deal with those issues and some kind of agreement about what happens if those issues are not completed by that date. There is also flexibility, weather happens and somebody is out sick, but it seems to me there needs to be, on both sides, a "*here is what the problem is*" and "*here is your solution and date-line to accomplish whatever that is*" and an agreement on what happens if it is not met.

Supv Farnsworth stated: That kind of information does not fit into what has been your standard reporting format.

Mr. Whitaker stated: It does not, but as I said, I do not have a problem if we need to make a format that does work. If you have a format you used in the past, that is great.

Supv Kassel stated: I assume that you have an under promise and over deliver philosophy.

Mr. Whitaker stated: I do, personally.

Supv Kassel stated: Your onsite staff has the same attitude. If you say it will be resolved by the end of February, you have given yourself sufficient time that, if weather and personnel issues may delay you, you still have enough time to accomplish it.

Mr. Whitaker stated: We do have a service request system the majority of our clients use. It is an internal thing we use and will not give you the information you want to have, but it is a 24 hour response time to any service request. It goes out to the specific site manager and Mr. Feliciano and I are both copied on each one. It has to be responded to in the period of time with the resolution.

Supv Kassel asked: With a date for resolution?

Mr. Whitaker responded: Yes.

Supv Kassel asked: Who puts in those requests and who sees them?

Mr. Whitaker responded: Any of our office staff puts them in.

Supv Kassel asked: Would Mr. van der Snel put it in?

Mr. Whitaker responded: He could.

Supv Kassel asked: Would he be copied on the response?

Mr. Whitaker responded: I can make it work that way. We do not typically do it, but it being Harmony where we are going to keep everybody apprised of what is going on, it would be beneficial. I would rather stuff go through our office so it is tracked, because if you tell Mr. Miguez something and I or Mr. Feliciano do not know about it and it does not get handled and goes without being tracked, it is a verbal thing, discussion, text, or whatever it might be, but it still is not tracked.

Supv Berube stated: In a few months it will be so perfect there will not be any service requests. You alluded to noticing the change of District Manager. Yes, there has been. Mr. Moyer used to be the District Manager, then Mr. Walter came in for a short period of time, and Mr. Koncar has since assumed it. There have been certain structural changes in the way that stuff on the ground works. We have requested Mr. Koncar be here several hours per month to handle the

onsite needs. We now have an employee group and put together an employee guide book. There has been a need for a number of years to have more onsite management and, because there was none, very frequently I got thrust into that role, you saw that early on, but then I stepped away from it.

Mr. Whitaker stated: This was the confusion with the reporting structure because we met Mr. Walter to sign the agreement and then we never talked to the guy.

Supv Berube stated: Mr. Walter was short term. Whatever the case, I was probably doing too much, and everybody recognized that, so the shift is going over to the District Manager and may be why you did not get a reply to the email. The end result is, what we need to work on is, the reporting system you talked about before. I am sure Supervisor Farnsworth will design a form.

Mr. Whitaker stated: I want you to be happy. I would love to come in here and get a high five; the place looks great, see you later. I know that is not going to happen, there are always going to be issues.

Supv Berube stated: We are closer than where we have been.

Mr. Whitaker stated: It is our goal; we did not step on the Harmony property and say we really want to have a combative relationship. I do not want to do that, I want to move forward.

Supv Berube stated: Again, we had the hyper-focus because for a long time it was a mess month-after-month. You have seen some changes already, and we get it. I hope this is not poisoned beyond being able to drag it back; I do not think it is. Mr. van der Snel heard your concerns here tonight and he listened. There is a more defined reporting structure now for problems. I would like to think I am willing to go another period of time. There is eight more months on this contract.

Mr. Whitaker asked: Does this contract not stipulate through September 2019?

Supv Berube responded: I think there is a date problem and it should be September 30, 2018. I noticed that as well, but I think it is a typo. There is also a pricing change.

Supv Kassel stated: Perhaps we can ask Mr. Qualls to look into that.

Mr. Whitaker stated: You are right that it does change.

Supv Berube stated: The draft was not like that; the final says 2019 for whatever reason. To verify it in my mind, I went back to look at the pricing sheet. Mr. Qualls can look at the draft to see if it is a typo, but I am assuming it is because of the price change. What I am hearing from the Board is that we are willing to try to monitor and make sure the changes of attitudes and realities

get put into place that you have brought up as concerns. We will ask you to monitor it and let us know. If you do not show up next month that means you are really happy.

Mr. Whitaker stated: I will be at the meeting. Speaking to what you said about us coming to meetings; I want to be at the meetings. I do want to know what your concerns are because you are the Board and you speak for the community.

Supv Kassel stated: Let us voice the concerns in a way that is not adversarial or combative.

Mr. Whitaker stated: That is all I ask.

Supv Berube stated: On that point, the weeds are better; significantly so.

Mr. Whitaker stated: The guys have been working.

Supv Berube asked: Is the Board okay with forgetting about the letter we got and moving on?

Supv Kassel asked: I would like to ask Mr. Qualls if ignoring it is something we can do?

Mr. Qualls responded: I believe it would be reflected in the minutes. I think that, to make it abundantly clear that Servello would be willing to withdraw the notice of termination, if they follow up with a letter, it would effectively make the previous letter a moot point. I do not think it is necessary, but I think when you look back on it over time it would make the record clearer.

Supv Berube asked: Are you okay with that?

Mr. Whitaker responded: Absolutely, I can do that.

Supv Berube stated: The other thing is the date in the contract - it definitely states September 30, 2019, but the pricing pages roll with 2018, 2019, and 2020. Do you suspect the 2019 is a typo?

Supv Kassel responded: Even if it was a typo, does it still stand?

Mr. Qualls responded: I will find out.

Supv Berube asked: If it is a typo, does it stand or can it be classified as a typo?

Mr. Qualls responded: What matters is what the parties agreed to; a scriveners' error cannot trump what the parties agreed.

Supv Berube stated: I believe the direction of the Board, at the time, was a one year contract.

Mr. Whitaker stated: It was a one year with extensions.

Supv Kassel stated: 14 months actually.

Mr. Qualls stated: It is easy to fix and we will make sure the contract properly reflects what the intent of both parties are.

Supv Bokunic stated: I want to address the reduction of staffing. What I was thinking, like everyone else, is we came out of such a horrible situation and almost very quickly you backed off on the staff. I was thinking maybe you should have kept somebody on until we got through some of that.

Mr. Whitaker stated: I understand, but when we bid, we bid on specifications such as we are going to start mowing every other week at this point. Typically, the staff would have cut more per the specifications, but I left extra. I cut it by about 35% and typically it is a 45% to 50% cut. We are working on such thin margins we budget to lose money three to four months out of the year. You have to, and if you do not you are not competitive and will not win bids.

Supv Berube stated: Not to make excuses, but you have to back up and come to this side of the table. For a long time we saw staff cut, quality going down, and it ties to staff cuts. When the people who are paying the expensive dues to live here start yelling about the quality of landscaping, you have to balance that.

Mr. Whitaker stated: There are two ways of doing it. On most properties we do it the first way that I am going to tell you - the crew might maintain the same, but we do not show up on the site and literally visit the property every other week. According to the contract specifications, we could do that and leave Mr. Miguez here as a porter, so to speak, to take care of issues, but it is not going to benefit the community. If you have eight guys here every other week to mow, edge, and do all of the detail, we are not going to get nearly as much done as having five guys here every week. I do not mind making a little sacrifice, but I have checked my P&L's for August, September, and October and we lost money every month until November on this job.

Supv Berube stated: Speaking of making money, you also said you do not want to do the contracts we awarded you last month because of some language problems with the contracts.

Mr. Whitaker stated: This goes back to when we brought up the 40%. We are talking about forking out tens of thousands of dollars for trees. We have to secure those trees. You do not walk into a nursery and say I will take 150 to 200 trees.

Supv Kassel asked: What is it about not doing the contracts?

Supv Farnsworth responded: They are asking for 40%.

Supv Berube stated: They pulled the plug.

Mr. Whitaker stated: We have not signed them because of this. We wanted to get through this before we decided to move forward.

Supv Bokunic asked: Are we okay going to the other one?

Mr. Whitaker responded: We can, but we will have to revise the dates on them. The \$250 per diem penalty was brought up to ding us for asking for the 40%. 40% does not even cover us for materials.

Supv Berube stated: We covered it.

Supv Farnsworth stated: I thought we agreed to it.

Supv Kassel asked: Was it not in the contract?

Mr. Qualls responded: On some it was agreed and others it was not.

Mr. Whitaker stated: It was supposed be anything with materials and I thought we had discussed it that way.

Supv Kassel stated: I thought so too.

Mr. Whitaker stated: I thought that was the understanding but only one of the contracts had that verbiage. Structural pruning and such does not have materials, it is all labor, but then I have to fork out \$40,000 in trees, secure them and lock them down.

Supv Berube stated: We covered that last month.

Supv Kassel stated: It was not in the contracts is what he is saying.

Mr. Whitaker stated: The verbiage was only in one of the contracts.

Supv Kassel stated: There is a \$250 per diem penalty if it is not done by a certain time.

Mr. Whitaker stated: Which I personally do not like and even though I know Mr. Qualls put the verbiage in stating weather and incidents, excluded. You know we gave you a good deal on the trees; they are a good price.

Supv Berube stated: The problem becomes you set up a contract, and as you said with the overall landscape contract, there is a lot of stuff in there which you kind of let slide, but when push comes to shove you are very glad it is there. Like the 60-day termination agreement. The contract is written by us to favor us, the writer of the contract writes it in his favor. You, as the counterparty to the contract, if you do not like it you come back and say I do not like this and this, we talk about it and we come to an agreement, and move on down the road. The \$250 a day ding is there to make sure you perform and typically we ask how long you are going to take and you say 15 days and we normally say we will put 30 days in the contract. It gives you double what you asked for.

Mr. Whitaker stated: Let me do this, I do not have a problem doing the trees and all of that, but let me meet with Mr. Feliciano because he did find some verbiage he did not like. Typically,

when we do an extras proposal it does not turn into some legal document. Let us get back with you on any verbiage changes and make sure they include the 40% draw for the ones with materials only.

Supv Berube stated: Take whatever you have, redline it, include your notes and send it back to Mr. Qualls. This needs to be done pretty quick as this stuff has been dangling out there for too long.

Mr. Qualls stated: We can fix this right away, if the Board is comfortable with the 40% due in advance on any contracts requiring materials.

Mr. Whitaker stated: It is only if it exceeds \$10,000.

Mr. Qualls asked: \$10,000 in materials?

Mr. Whitaker responded: No, the proposal itself, if it is \$10,000 or more and materials involved.

Supv Farnsworth asked: 40% draw on the materials?

Mr. Whitaker responded: No, the whole proposal.

Supv Berube stated: They do not usually break it out to materials and work. There is always a delay from when a contract is signed and a check request is submitted to Inframark.

Mr. Whitaker stated: I just want to make sure we are all on the same page with the verbiage. Mr. Feliciano and I will meet tomorrow and possibly have something to Mr. Qualls by Monday, copying Mr. Koncar.

Mr. Qualls stated: It is best that you work with me and if the Board wants, to appoint one liaison to avoid any Sunshine Law issues.

Supv Kassel stated: Mr. Koncar.

Supv Berube asked: Are you asking for a Board member; to have somebody to consult on the final version?

Mr. Qualls responded: As Servello reviews the contract and has suggested changes - if the Board will give someone the authority to go ahead and review those changes and agree to it. It ought not be the attorney; our job is just to facilitate.

Supv Farnsworth stated: If that is what you believe should be done; besides Mr. Koncar there is only one person that should be doing that.

Supv Kassel stated: I disagree.

Supv Farnsworth asked: Who do you want doing it?

Supv Kassel responded: I was volunteered last month and I have three / four hours of meetings with the Resident Task Force already and another meeting tomorrow for two hours.

Supv Bokunic stated: I will do it if I have to, but I do not really want to.

Supv Berube stated: I will volunteer to do it; I already know what the contract says.

Supv Farnsworth stated: To represent the Board, it does not make much sense not to have the Chairman do it.

Supv Kassel stated: I disagree. [*Speaking to Supervisor Bokunic...*] Would you be willing to do it?

Supv Walls responded: If Supervisor Bokunic wants to do it; let him do it.

Supv Bokunic stated: That is fine.

Supv Kassel stated: Thank you Supervisor Bokunic.

Supv Bokunic stated: One last thing, I do not want to stir this any further but I feel like a lot of stuff has been said and Mr. van der Snel has been silent. I want to give you an opportunity. I know what they want, you have heard our opinions, but it kind of boils down to you.

Mr. van der Snel stated: From the beginning with what we experienced with Davey I have been a leading role in many issues, but also I am the eyes and ears of the CDD Board. I do that maybe to micromanaging, so pretty much where I am at right now is: does the Board want less involvement of me, does the Board want me to give Servello more lines, more stretch, and say let them just do it? How I see it in the future is: we are going to have a weekly meeting with Mr. Miguez, every Tuesday, and we will put on paper how the meeting goes. Every issue or concern I have I will put in an email and sent to Mr. Koncar. That is pretty much the line I am thinking of going. There cannot be any hearsay situations, so everything will go over text or email and the meetings will be summarized and signed. I want to rebuild this, but I want to rebuild this so everybody is happy. My job is to monitor what we get for our \$4,000 a month. If I see issues or deal with issues created by Servello, I have to deal with that. There have been some issues and we have dealt with that. I have communicated this with Mr. Koncar and it has been dealt with. However, there are some issues that I question, "*do we have to do it like this*"? My vision for the future is: I want to accommodate the Board by documenting everything, by making a log of everything that happens.

Supv Bokunic stated: I would not go overboard on it.

Supv Walls stated: We all know you are a good person. I think the issue is you are doing exactly what we want you to do in terms of your overseeing the contract or the quality. If there is an issue you go to Mr. Miguez, say “*can you take care of this*”, and leave it at that. However you do that it does not have to be adversarial. Whatever the process is you come up with, that is your job. If whatever you agree to does not happen, or there are still problems, that is when you go to the District Manager to say we have an issue that we need to work it out. It will either get worked out with the District Manager and Servello, or we will bring it to the Board to talk about it.

Mr. Koncar stated: I want to meet with Mr. Whitaker and his team, as well as Mr. van der Snel, next week to go over the expectations. I want to make sure everything is clear and that there are not going to be communication issues. I think we can do that and report back to the Board on any problems that we are having. At this point, based on the commitment from Mr. Whitaker and Mr. van der Snel, I think we can work it out. I think the place to start is having a meeting with all the parties. We all sit down and agree: here is what has to happen, here is how we are going to communicate, and it is clear to everybody. Then we will have documentation on both sides of the issue.

Supv Berube stated: I think, without realizing it, we have piled on to Mr. van der Snel where he has to be the eyes and ears of the Board, and he has to bring this forward. Having an absentee District Manager for so long, he has also become the judge, jury, and executioner all the way through. It was kind of the same way with him dealing with the employees. You recognize these things after a period of time and things happened. It has triple loaded him, but now we have a District Manager and we have made it clear that we expect hands on, more than what we have ever had before. As this place grows, there are more people, more stuff, more issues; and the District Manager gets paid to take some of that load off of him. Again, you are watching a structural change / revision.

Mr. Whitaker stated: I am glad we are able to get to this point today.

Supv Bokunic stated: Thank you for being the catalyst. I hate to say it like that. I will say Mr. van der Snel has our confidence, he does a great job, and we have probably piled more on him than we should. Hopefully, we move forward and there is not anything remembered from this; and we just do it.

Supv Berube asked: May I make a suggestion? Your guys are out and about in the community and they are going to see things. There needs to be some sort of reporting structure

for that. Would it be possible to equip them with irrigation flags of different colors? If they are mowing and see a hot spot, throw a yellow flag there.

Supv Kassel stated: Fire ant mounds.

Mr. Whitaker stated: I think we discussed that.

Supv Berube stated: In this way Mr. Migues would not have to talk to each guy to see if there is anything, there are flags scattered around of different colors. I spoke with Mr. Feliciano about when you are doing the tree trimming and maybe putting a ribbon around the tree - green ribbon it is good, red ribbon it has infestation, or some sort of disease, or leaning too far; put different colored ribbons and you will know the tree has been done.

Mr. Whitaker stated: I will put together a flagging system we can discuss at the next meeting so everybody knows what it is and maybe not overcomplicate it. One thing Mr. van der Snel mentioned that I like is capturing the Tuesday meeting notes and sending to Mr. Koncar. [*I would appreciate it...*] if you can copy Mr. Feliciano and I on it also. Let me know what time you want to meet next week and I will coordinate it as well. In the meantime, we will work on the contract revisions for the trees, get you the retraction letter, and at the next Board meeting we will talk about the flags. You are going to send me a reporting structure.

Supv Farnsworth stated: It is a generic structure.

Supv Berube asked: Do you get the ribbons? Are you okay with it?

Mr. Whitaker responded: It would be helpful to us. The only thing I do not like about it, there are going to be some of those ribbons that are going to sit there for awhile.

Supv Walls stated: It was no slight to the Chairman that I asked Supervisor Bokunic to take on those contracts. I just want to get some different eyes on these things so everybody gets some experience.

Supv Berube stated: I have done them enough times; I am okay.

Supv Kassel asked: [*Referring to the projector display image:*] Is this a modified agenda for tonight?

Supv Farnsworth responded: The structure shown is generic.

Supv Kassel stated: I did not remember there being staff reports for tonight.

Supv Berube stated: There were not.

Supv Farnsworth stated: It is the standard format that everything was fit into.

B. Authorization for RFP for Landscaping Services

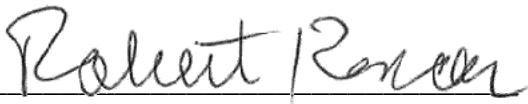
No action on this item.

FOURTH ORDER OF BUSINESS

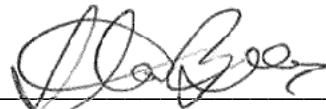
Adjournment

There being no further business,

On MOTION by Supv Kassel, seconded by Supv Bokunic, with all in favor, the meeting was adjourned.



Robert Koncar
District Manager / Secretary



Steven Berube
Chairman