

**HARMONY COMMUNITY
DEVELOPMENT DISTRICT**

MAY 28, 2009

AGENDA PACKAGE

10/1/09

Harmony Community Development District

Severn Trent Services, Management Services Division
210 North University Drive, Suite 800 • Coral Springs, Florida 33071
Telephone: (954) 753-5841 • Fax: (954) 796-0623

May 21, 2009

Board of Supervisors
Harmony Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Harmony Community Development District will be held on **Thursday, May 28, 2009 at 9:00 a.m.** at Harmony/Greensides, 7251 Five Oaks Drive, Harmony, Florida. Following is the advance agenda for the meeting.

- 1. Roll Call**
- 2. Approval of the Minutes of the March 26, 2009 and April 30, 2009 Meetings**
- 3. Presentation of Fiscal Year 2010 Proposed Budget**
 - A. Discussion of Fiscal Year 2010 Proposed Budget
 - B. Consideration of Resolution 2009-4 Approving the Fiscal Year 2010 Proposed Budget and Setting a Public Hearing
- 4. Acceptance of the Audit for Fiscal Year 2008**
- 5. District Manager's Report**
 - A. April 2009 Financial Statements
 - B. Invoice Approvals #109 and Check Run Summary
 - C. Aquatic Plant Maintenance RFP 2009-201
 - D. Use of Harmony Pool
- 6. Attorney's Report**
- 7. Engineer's Report – Alleyway Pavement Condition Assessment**
- 8. Developer's Report**
- 9. Monthly Boat Report**
- 10. Supervisor Requests**
- 11. Audience Comments**
- 12. Adjournment**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please contact me.

Sincerely,



Gary Moyer/ir
District Manager

MINUTES

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 26, 2009, at 6:00 p.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Robert D. Evans	Chairman
Nancy Snyder	Vice Chairman
Kerul Kassel	Supervisor
Mark LeMenager	Supervisor
James O'Keefe	Supervisor

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Ken van Assenderp	Attorney: Young, van Assenderp
Steve Boyd	Engineer: Miller, Einhouse, Rymer & Boyd
Thomas Belieff	Harmony Dockmaster
Brenda Burgess	Moyer Management Group
Greg Gologowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Evans called the meeting to order at 6:05 p.m.

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the January 29, 2009, Meeting

Mr. Evans reviewed the minutes of the January 29, 2009, meeting and requested any additions, correction, or deletions.

Mr. Evans stated on page 2, "Hackett" should be "Haskett."

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given to the minutes of the January 29, 2009, meeting, as amended.

THIRD ORDER OF BUSINESS

Consideration of Landscaping Proposals

A. Evaluation and Scoring of Landscaping Bids Received

Mr. Moyer stated several months ago, this Board started a process to solicit proposals and qualifications from landscape companies in an effort to make sure that we get the

lowest responsive, responsible bidder providing our landscaping. These are difficult economic times, and we thought this would be an opportune time to go out and obtain proposals for landscaping work. As part of that process, there are a variety of ways to do this. We can put out what is called a “hard bid,” which is when people give you a number. You usually award, and under the law you are required to award, to the lowest responsive and responsible bidder. You do not take into consideration other factors that deal with quality, personnel and things of that nature. What this Board selected to do is a request for proposals (RFP) in which the Board not only can take into consideration the price but they can consider other factors—personnel, location of the company, references, price is a part of that, understating of the proposal, and understanding of the scope of work. It gives the Board much more flexibility to determine the company that would be best suited for the work, which is not solely dependent on price. That is the direction the Board authorized staff to proceed in. That included a notice in the newspaper, and we received excellent responses from the newspaper advertisement. Where we are tonight is to review those proposals. There is a lot of information that was provided to the Board. The engineer reviewed the responses and sent a memorandum to the Board and identified that several of the firms omitted information or made extension errors in their bid in terms of the five months remaining in this fiscal year and the whole calendar year going forward. Out of all the bidders we received responses from, there were only six that met all the criteria. The Board at this point can do one of three things: they can stay with the six bidders that met all the qualifications in the RFP; they can make the decision to waive some technicalities and bring other bidders who submitted their responses into the process; or the Board can simply say they are going to rebid it because there was some confusion. This is the first discussion the Board needs to have to determine what you want to do in terms of including some of these bidders who made certain errors or omissions in their submittals.

Mr. Boyd stated I need to make one clarification to my recommendation letter. There are two items that I need to reference. One, Florida Cut Landscaping Services did not include financial statements in their bid package. Two, I did not include Weber on my summary list and they fall in category two because the unit price sheet was not included.

Ms. Kassel asked would Mr. Moyer recap the three choices? We can either select one of six bidders?

Mr. Moyer stated you can say that in your determination, in your collective judgment, it would not be fair to the ones that provided all of the information correctly to open it up and now start putting in the bidders who omitted information or did not make the right extensions on the dollar amount of the contract. You can say in fairness, we are going to keep the ones who responded appropriately. You can say that you are going to make the determination on each one of the omissions on whether it is material or whether it in anyway disadvantages one of the other bidders and waive those minor technicalities. You would make the determination they are minor technicalities and then waive them. Or you can say we ought to go back out to bid and reject all these proposals and go through the process again. As the Board is aware, we had a timeline that we put together at one of our meeting, and it would have to be extended if it is the desire of the Board to go through the whole process all over again.

Mr. Evans stated it is my understanding that the bid package would have to be modified because year 1 would no longer be for a five-month period, so we would have to account for a readvertisement, rebid and that is probably another two months.

Mr. Moyer stated that is correct.

Ms. Snyder asked is REW set to continue if we delay the process?

Mr. Evans asked are they on a month-to-month basis at the termination of their contract?

Mr. Moyer stated we will have to ask the existing contractor if they would be willing to do that on a month-to-month basis.

Mr. Evans stated those are our three options.

Ms. Kassel stated Mr. van Assenderp, to be fair, those contractors who submitted proposals that had all the qualifications should be recognized. At the same time, if we decide there are other bids that seem reasonable, what are we opening ourselves up for?

Mr. van Assenderp stated as long as you have acted in good faith and done everything legally required, which the record shows that this Board and its staff have done, then you make whatever you believe is the fairest decision. Any decision is always subject to challenge, even if there is no basis for the challenge. If there is a lawsuit on any of these options you choose, this Board will be the defendant. I have monitored these proceedings, and so has Mr. Qualls. I am not aware of anything to this point that this Board or its staff has done that is successfully actionable in any litigation. The decision for today as Mr.

Moyer summarized was correctly summarized. You have those three options. The purpose of law and your charter, Chapter 190, Florida Statutes, and the rules you have adopted, which reference this law—this merits some review on the record and I will ask this be on the record of what this Board did—reduce the appearance and opportunity for favoritism by going through this competitive process called the RFP, to do so in order to inspire public confidence in the procurement process, produce documents to show that the contracts were reviewed and ultimately will be reviewed by this Board either now or later, on an equitable and economic basis, and follow a uniform system of procedures that detail the justification for whatever you do, including ethical. I think you have followed the letter and the spirit to this point. Whatever choice you make of those three options that Mr. Moyer set forth have to be based upon your continuing good record of being fair and opening it up to competition. That is your record. You cannot make a decision based upon whether or not someone will file a lawsuit. If I thought there was a mistake that this Board made or that staff made, we would correct it to prevent the legal basis for a lawsuit. Anyone can sue at any time. I am not aware of any mistake that this Board or this staff has done, including the manager and the engineer. Yes, you can be sued regardless of what option you take, but I am not aware of any legal basis right now.

Mr. LeMenager asked can we do anything exploratory with respect to reviewing the information that is incomplete and then still decide not to proceed with the proposal tonight?

Mr. van Assenderp stated that would apply not to rebidding and not to proceeding just with the six firms but using all or some of these other proposals that were not necessarily legally and completely responsive. In doing so, you would have to do so on the basis that you think the mistakes are not material or minor. Let us review the letter that Mr. Boyd summarized. Some fall in the category of pricing for the full year and not taking into consideration the five months of year 1. Others were incomplete due to several items being requested in your RFP, which was written clearly and noticed, that were not included. Others had a work plan and pricing that is not in compliance as proposed within the specifications. You have to decide in your exploration a very timely and important question, whether any one or all three of those categories that resulted in non-responsiveness were minor or major. If you wanted to, you could consider all of them, but you have to have some kind of a record that you are determining that none of these is

a major failure to comply in order to be responsive. You can say any one or all of these bidders who were not responsive, you will waive that non-responsiveness and then discuss them tonight and make a decision if that is what you would like to do. The record will have to show that you have determined that each of these three categories in the March 18, 2009, letter from Mr. Boyd are not major or material. You can say you want to consider them all anyway, discuss all of them, ask questions of Mr. Boyd in his review and the manager and still make your decision tonight if that is the option you want to take.

Ms. Kassel stated the final RFP after the last Board meeting, the minutes reflect that the RFP was going to reference the Florida Friendly publication that was issued by the University of Florida. In the final RFP that went out, it simply says "*Harmony is a Florida Green Building Coalition 'Certified Green Development' which requires the practice of Florida-friendly and environmentally sound landscaping practices. 'Green' alternatives shall be considered and utilized whenever feasible,*" so there actually is no reference to the document or some kind of set of practices that refers to those more environmentally sustainable practices. There is nothing. I have thought hard about this and it is not the end of the world, but it is important for our community if we want to be the model we make ourselves out to be. Only one landscaping contractor made any mention whatsoever of any kind of environmentally sensible practices.

Ms. Snyder stated if we are going to waive the firms that did not fulfill the requirements and we are going to do it by a point system, I feel they probably will not make the cut anyway. I would prefer to discuss the remaining five first and if we really have a problem, we can go back. We have five companies and from what I have seen of the five, there are a couple that really stand out. I think we discuss the five listed in Mr. Boyd's letter.

Mr. O'Keefe stated I am in agreement with Ms. Snyder just to consider the five we have now. If it needs further discussion after the five have been discussed, then I think we should do that.

Mr. LeMenager stated I am not in agreement with that. If you look at category 1, which is just people who simply put the pricing wrong, the only mistake they made is they gave us too high a price for the initial five months, but the rest of their bids are complete. They absolutely should be in, but their price should be as the mistaken price. I see no reason to exclude them at all.

Ms. Kassel stated I am divided. The remaining contracts that do qualify are not very appealing to me. I am bothered not only by the issue I just mentioned but also that there is nothing in the evaluation criteria that reflects that. Also the evaluation criteria have a lot of room for wiggle.

Mr. Moyer stated that is true; it is subjective. You go along that continuum of a hard bid, which is not subjective at all, to take into account all the criteria we have, which is subjective.

Mr. van Assenderp stated I respect every Board member's comments and questions. There is no legal requirement for Florida friendly, but the Board can require it. I do not know what the minutes reflect, but if the Board required it, then that is one thing. I do not think the Board required that in your discussion. If it was not required by the Board and since it is not required by the law, there is no legal basis to deal with that matter in a challenge. If it was required by this Board and not done by the staff, that would be a reason to rebid for everyone.

Ms. Kassel stated on page 4 in the minutes, tell me what you think. Mr. Qualls also makes comments on page 9.

Mr. van Assenderp stated I had them both marked. Page 9 is where he mentioned that there is no law requiring the Florida friendly website be used. He was asking if that is the direction of the Board where the contractor should make every effort to plant Florida friendly plants. Was that done or was that not required by this Board?

Ms. Kassel stated my impression on page 4 was the statement by Mr. Evans, "we are going to reference the Florida Friendly publication that is issued by the University of Florida." That was my understanding of what we were going to do.

Mr. Moyer stated please read to me that section within the scope of services that we bid. I know we referenced Florida friendly and we had a long discussion about how to go about doing that without being specific. I think we concluded not to be specific and that is what ended up in the scope.

Ms. Kassel stated I thought we were going to reference a particular set of practices that could be found somewhere specifically. This says the publication that is issued by the University of Florida in the minutes. That was my understanding of what the RFP was going to reflect.

Mr. LeMenager stated if we go back to page 9, you will see Mr. Qualls asked us some questions. Both Ms. Snyder and I said yes, that was our intention.

Mr. van Assenderp stated if that is your intention, and if it was done, that is fine. However, your intention may not have been carried out specifically. If you think it was not done, thank you for bringing it up and that tells me it needs to be rebid.

Mr. Evans stated if you go back to the beginning of this discussion on page 3, Ms. Kassel had a comment that talks about "to be considered" and "I would like to see perhaps a listing of some general green alternatives to be considered and utilized." I do not know that we placed an obligation on anyone to follow but we recommended that they follow. I remember there was some discussion about some circumstances of concern.

Mr. Boyd stated to reference another standard in a bid package can be a difficult thing to do because you will potentially have conflicting specifications. I think it is better to have a complete specification that is the Harmony CDD specification. We can include other elements if it is feasible. But to reference a University of Florida standard in our specifications will be dangerous because it will be more general in nature, and you will not have the specifications that you want. What the specifications do include is shown on page 7 under Scheduled Operations and Maintenance, which says "*Harmony is a Florida Green Building Coalition 'Certified Green Development' which requires the practice of Florida-friendly and environmentally sound landscaping practices. 'Green' alternatives shall be considered and utilized whenever feasible.*" We are leaving the door open for practices to be employed without referencing a different standard.

Mr. Evans stated Mr. Haskett made the comment that there may be certain situations where you cannot use certain green pesticides or herbicides because we have so much St. Augustine turf. That comment was made on page 3 of last month's minutes.

Mr. van Assenderp stated what this discussion is pointing out is that there was a decision by the Board in response to the questions to reference what Mr. Boyd just read, which is the reference. It is not a legal requirement of law, and this Board did not instruct that it be written down as a legal concept. That is why I said that I am not aware of anything that you did not do that you were required to do. That language read by Mr. Boyd is in the RFP that you sent out, which corresponds to what you said in the minutes on page 9. Therefore, this Board and its staff did not do anything illegal and even went beyond and had a reference to Florida Friendly, which is not a legal standard. Getting

back to Mr. Boyd's and Mr. Moyer's concept, if you are comfortable with that, that is taken care of as far as the legal requirement is concerned. You are the Board. If you want to rebid it on that basis, even though staff and this Board did not do anything wrong and did not violate any of your instructions. That is very clear on the record. If you want it that way, then you make that policy decision today and you tell the existing contractors that we continue on a month-to-month basis. Do not make it on the basis that this Board or this staff did anything illegal; you did not.

Mr. Evans stated as I recall, it was a recommendation or preference but not a legal requirement in the RFP.

Mr. van Assenderp stated in answer to the question of the attorney in the minutes, you said you want to reference it; you did not say to make it a legal requirement. You could have said that, but you did not.

Mr. Evans asked in Mr. Boyd's and Mr. Moyer's review of the bid packages as submitted, did they comply with the RFP criteria?

Mr. Boyd stated yes.

Mr. van Assenderp stated you can still rebid it if you want to. It is one of the three options Mr. Moyer mentioned. I am trying to protect you. Do not put it on the record that in voting to rebid you think this Board or this staff has done something wrong. Neither has done anything wrong.

Ms. Kassel stated maybe it would have been more practical toward the ends that I was hoping for is to have the actual specifications reflect the Florida friendly standards.

Mr. Moyer stated as I recall, we did not want to do that because there may be things in Florida Friendly landscaping that would not in the best interests of this community.

Mr. Boyd stated that is correct. One of the issues we are dealing with is continuing maintenance that has been underway for several years. In some respects, you want to implement as many of the green standards that you are referencing, but you have to continue with the practices as they have been for some time. To suddenly change the standard, you will see a dramatic change in the appearance of the community.

Mr. van Assenderp stated what you read from, please cite it again for the record where the proposal referenced this issue.

Mr. Boyd stated it is in section 4 of the RFP, which says "*Harmony is a Florida Green Building Coalition 'Certified Green Development' which requires the practice of Florida-friendly*

and environmentally sound landscaping practices. 'Green' alternatives shall be considered and utilized whenever feasible."

Mr. van Assenderp asked how many of the respondents referenced that?

Ms. Kassel stated one.

Mr. van Assenderp stated the record has been clear ever since the beginning of this District. If there ever was a green community and a green District Board, it is this community and this Board. It was clear in the RFP. If we are going to use that basis, then you are telling me there is only one that responded to that particular requirement.

Mr. Moyer stated there was not a requirement for them to respond. That is in the scope that you will use green practices where practical. It was not anything that said you had to present us with a protocol on what their green practices will be.

Mr. van Assenderp stated that is why none of the bidders were non-responsive on that issue.

Mr. Moyer stated that is correct.

Mr. Boyd stated we included a very specific list of actions required as part of the maintenance. The reason for that was to get true apples-to-apples bid. If we asked for them to include green practice in their bid but did not make mention of specific tasks, it would be much harder to compare the bids.

Mr. van Assenderp stated I will have a recommendation after this Board makes your decision tonight on how to handle that in the future.

Mr. Evans stated it appears we are at a crossroads. Either we have to decide we are going to move forward with the evaluation of the five that have met the qualifications that have been set forth in the RFP, or we are going to take a different direction. That different direction has a fork, as well: either selectively re-evaluate these bids or rebid and delay the process for another two months. The first decision we need to make is if we want to limit our review to the five qualified bidders.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with Mr. Evans, Ms. Snyder, and Mr. O'Keefe in favor and Ms. Kassel and Mr. LeMenager against, approval was given to move forward with the evaluation of the remaining five as set forth.

Ms. Kassel asked may I abstain from the vote?

Mr. Moyer stated no. The only time you can abstain is if you have a personal conflict where something will directly benefit you, and that is not the case here. Under Florida law, you have to vote.

Ms. Kassel stated then I will vote against.

Mr. Evans stated I have been a contractor for over 20 years. I have lost bids because of errors and things of that nature. We established a set of guidelines for everyone to adhere to. Everyone looked at the whole package; there was an extensive pre-bid meeting. Everyone had ample opportunity to ask questions throughout the whole bidding process. We saw people roaming through this community for weeks, evaluating. A lot of people went to great effort to put their bids together. At least five did it exactly the way we asked for it. I think that has merit of being able to satisfy what we asked for. This RFP was extremely voluminous. Staff worked for a long time, six months or more. Mr. Boyd, Mr. Moyer and Mr. Haskett worked for a long time on getting the first draft that Mr. Qualls reviewed. The preparation to make this concise was a huge task by comparison to what a lot of RFPs are that have been submitted. Given that, we need to focus on the five who were able to submit their package in its entirety and complete. My vote will be in favor of limiting it to the five.

Mr. LeMenager stated three contractors—PROscape, Landcare and Vila & Son—have completed full packages, whether or not they put the right price in for the first year; they included a number. My understanding from Mr. Boyd is their packages are complete but there is a question as to their first-year price.

Mr. Boyd stated I believe that is a correct statement without having looked and rechecked those bid packages to make sure there was not something missing. If you were to consider those, you would have to consider them at the amount they submitted.

Mr. LeMenager stated I fully understand that. My point is, even with a potential pricing mistake, they are still cheaper than some other firms who have given a clear discount for the first partial year. If their only mistake is we question what number they wrote down, with all due respect, they have completed the package. They may have put the wrong number down and they will pay for that when we consider their price, but they completed the package.

Mr. Boyd stated you will be overpaying for year 1 on that basis.

Mr. LeMenager stated we can negotiate with them.

Mr. Evans stated we are at the point where we have explored all of those options, we have weighed all of those and we had a 3-2 vote on the motion. We will limit our review to the five that have been submitted.

Mr. LeMenager asked please reread the motion. Was it to limit the review or to begin the review with the five?

Ms. Burgess stated it is to move forward with the evaluation of the five as set forth.

Mr. LeMenager stated I do not know that we are saying limit; I think we are saying that is the point to start from.

Ms. Snyder stated please read the motion again.

Ms. Burgess stated it is to move forward with the evaluation of the five contractors as set forth.

Mr. Evans asked do you feel you need to clarify your motion so that there is no misunderstanding?

Ms. Snyder stated what my motion was intended for was to discuss the five that made the cut, and we will have one of those five perform the contract.

Mr. Evans asked do we need to revote on that or can she simply clarify the motion?

Mr. van Assenderp stated let us be clear and revote.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with Mr. Evans, Ms. Snyder, and Mr. O'Keefe in favor and Ms. Kassel and Mr. LeMenager against, approval was given to consider the remaining five contractors as set forth with the intent of awarding a maintenance contract to one of those five contractors.

Mr. Evans asked can we begin our evaluation process as the next step?

Mr. Moyer stated yes.

A Resident asked will you clarify that the green company is among those five?

Ms. Kassel stated they are.

Mr. LeMenager stated that is a mischaracterization. I do not think we are saying any of the other companies are not green. We are simply saying that only one of them made significant mention of that in their bid.

Ms. Kassel stated that is correct. Actually they did not make that reference in regard to practices in Harmony but simply in regard to practices as a business.

Mr. Evans stated we now have our criteria to evaluate.

Ms. Kassel stated the criteria need some clarification. We have the evaluation criteria sheet and it is on a point basis. There are certain points for certain criteria. There are criteria listed here that based on the information we have, I do not see how we can award points to anyone. There does not seem to be any information on some things, for instances, uncompleted work load.

Mr. Moyer stated in that case, when you do not feel you have sufficient information for everyone, you would score them all the same—score them zero or do not score them at all.

Ms. Kassel asked do we score them individually or do we do this as a Board?

Mr. Moyer stated under the Sunshine Law, it is better if you do it as a Board and discuss what went into that scoring. Some Boards have gotten into trouble where they actually filled out a ballot and passed it down to the Manager and he tabulated it all and tells you what the score is. Mr. van Assenderp and I would be more comfortable if you did that in an open meeting and discuss your scoring.

Mr. van Assenderp stated in fact, I advise that. I am very liberal on the Sunshine Law and open meetings law, and this Board throughout its history has been as transparent as any Board that I advise.

Mr. Evans stated before we begin this evaluation, we need to discuss the provision for optional service. I believe that was for the maintenance obligation between the curb and the sidewalk that is currently the obligation of the individual lot owners.

Mr. Boyd stated that is correct.

Ms. Kassel asked for every lot?

Mr. Evans stated for the lots that have grass on them now.

Mr. Boyd stated there are also lots abutting CDD right-of-way.

Mr. LeMenager stated I do not think that is correct. I was under the impression that we are still talking about doing the show streets as part of the proposal, and the optional service was for the internal streets.

Mr. Haskett stated that is correct. That is what the map indicates.

Ms. Kassel stated that would mean that for every homeowner on a platted property, the optional part of the bid would include mowing from the curb to the sidewalk on every platted property.

Mr. LeMenager stated that is correct.

Ms. Snyder stated as well as edging.

Ms. Kassel asked on the street side of the sidewalk and the curb, not on the home owner's side of sidewalk?

Ms. Snyder stated that is correct.

Mr. LeMenager stated that was my proposal. It was exactly what was discussed at the HOA meeting that occurred before this meeting, which is an attempt to make the community look better. I think some of the proposals were pretty attractive to actually do that. Clearly we are a single-purpose entity and we can only talk about public areas. But we are all aware that in the current economic crisis, we have quite a number of lawns that make the community look a bit more tatty. This Board has the ability to take care of its own property. There is actually one other point that I had not thought of at the time. We have actually employed an arborist to take care of the trees 10 feet up, but as we have done it now, there is no one to take care of 10 feet down on all the side streets. I was pleased you included my option and the idea was to see what they would charge us. The numbers are very reasonable and it certainly gives us help in terms of keeping the community looking good where the HOA has had difficulty enforcing. That was my whole idea.

Ms. Kassel stated I found it hard to evaluate that optional aspect based on the spreadsheets we received with the pricings. Because that was not included, I found it hard to evaluate.

Mr. LeMenager stated I do not think we are supposed to include it. Our pricing review should strictly be on all the other items and it is strictly our decision if we want to enter into a contract for them to do the optional service. Am I correct on that?

Mr. Moyer stated that is correct.

Ms. Kassel stated then it is a moot point.

Mr. Evans asked does anyone have any questions on this option?

Ms. Snyder stated I would like to see what company we choose and then if we decide to do that, have it as a separate thing.

Mr. LeMenager stated that is the last step.

Mr. Evans stated there is currently, under the HOA or CDD guidelines, a financial obligation that is on the part of those individual lot owners to maintain that area. In essence, this Board will be creating precedence that going forward, you are going to ask

all the landowners in this community to pay for the maintenance of a small percentage of lots. If this continued, you could possibly see the landscape obligation to maintain that strip exceed the current common area landscaping figure. You are only looking at a small percentage of lots that would be receiving this benefit. Everyone is paying for the benefit of a few.

Mr. LeMenager stated no, we are doing every single one of them.

Mr. Evans stated but you are asking all the landowners within the entire CDD who are contributing to the operation and maintenance budget for this optional service.

Ms. Kassel stated that is the way it is now.

Mr. Evans stated it is my understanding that the physical area that will be addressed under this option is currently the financial obligation of the individual home owners to maintain that area.

Ms. Kassel stated financial and physical.

Mr. Evans stated that is correct. Under the guidelines, they are supposed to maintain that area. If the District assumes that responsibility and removes that financial burden from them, there is only a small percentage of the lots within the entire development that will reap that benefit currently.

Ms. Kassel stated I thought that is what we are going to discuss.

Mr. LeMenager stated we have that benefit today. Three members of this Board are getting their easements mowed for free.

Ms. Kassel stated that is right.

Ms. Snyder stated not really.

Ms. Kassel stated in other words, the boulevard streets are mowed under the CDD contract, but the easements on the interior streets are not mowed. However, the people who live on the boulevard streets do not pay any additional assessment. They pay the same rate as all the other lots.

Ms. Snyder stated no, we do not.

Mr. LeMenager stated we pay more because they are bigger lots.

Ms. Kassel stated but they do not pay anything extra proportionately for that service. However, I believe this optional service was for every single lot, so that now it would be equitable, actually the opposite of what Mr. Evans is saying. Right now it is inequitable,

and by adding that option, it would be more equitable because now everyone's easement will be mowed, not just the people on the boulevard streets.

Mr. Haskett stated you are looking at the small picture right now. All you see right now are homeowners. What about commercial properties? They are not going to have a sidewalk. This would include the area in front of the welcome center and other areas where there is no curb at all.

Mr. LeMenager stated I do not think that is a problem because the specification was strictly for residential streets.

Mr. Evans stated but the assessments go to all the lands.

Ms. Kassel stated you are saying that the developer-owned lands and any commercially owned land that is owned privately will not get that benefit. The home owners would, but any non-homeowner property will not.

Mr. Evans stated that is correct. All ownership is created equal under the eyes of the law.

Mr. Moyer stated another way of looking at it, and I think Mr. Evans was going in that direction, is your budget will increase each year as new subdivisions come online. The overall assessments will increase and your individual assessments will go up similarly as we bring on additional property.

Ms. Kassel stated we do not have to decide on the option now.

Ms. Snyder stated no.

Mr. Evans stated that is correct.

Ms. Kassel stated my recommendation and my feeling is that we move on to the evaluation part of the bid process and leave the optional discussion to be decided later.

Mr. LeMenager stated we do not have to decide on that now.

Mr. Evans stated we are going to look at the five remaining companies. The best procedure to do the evaluation, obviously you can look at the price right away to make a determination. If we add the first and second year prices collectively, they range from a high of \$873,860 to a low of \$560,121.

Ms. Snyder stated we have taken out the \$873,860.

Mr. Evans stated that is correct. The bids range from \$849,527 to \$560,121. My first observation on the low bid if you look at the first year, it is disproportionate for a five-month period in relationship to a full year.

Mr. LeMenager stated that is exactly my observation.

Mr. Evans stated I do not understand the balance of the optional service the way it was qualified. I cannot compare it to the others.

Ms. Kassel stated this means a lot to me, that same bidder on the reference section of the evaluation process, for the benefit of the audience, we asked for references from each of the vendors and we called those references and we asked them questions on what was their quality of work on a scale of 1 to 5, how would you rate your contract, was the work performed on schedule, was it pursuant to specifications, how was the timeframe for responsiveness. This bidder with the lowest bid has a substantial number of 3 scores on a scale of 1 to 5. That is a huge red flag to me.

Ms. Snyder stated I agree. I eliminated that company right away.

Mr. LeMenager asked given that company submitted numerous references, what basis did we use to choose the three? Clearly, in terms of the bid we received, these are the heavyweights because they turned in the lowest and they are clearly the largest company we are talking to in terms of their corporate structure. What basis did we pick these three references, and had we chosen three others, would we have gotten different numbers? If you look at their references, they do quite a number of large communities. Yet, we really just called these three. Did you call them at random?

Ms. Burgess stated I would have to look at the list of references. It may have been the first three on the list or the first three people we received a response from.

Mr. LeMenager stated there is a certain randomness that could actually work into these scores.

Ms. Burgess stated with all of them, I believe we started at the top and worked our way down.

Mr. LeMenager stated fair enough.

Ms. Kassel asked what is the best way to proceed? I have done a little scoring myself but what is the best way to proceed with evaluating the rest of these criteria?

Mr. Moyer stated you can do it as simply as, each one of you can indicate your scores for the top two or three bidders. Then we would work off that and see if we can come to a consensus of the Board. Each one of you would enter that information and say what firm you thought was number 1 and number 2, all of which is based on multiple scoring

criteria that is available for the public that we used and provided to the Board for your use in this process.

Mr. LeMenager stated I suggest we start with price.

Mr. Evans stated we do that or we can say, based on our independent calculations, here is where we rank them. We have our individual ranking sheets and we can take the average across the board and see where we are. If we go down each individual category, we will be here all night.

Ms. Snyder stated I would like to add one thing that I saw in Davey Tree's bid. They did have several offices in different areas. When there were hurricanes or something happened of that magnitude, they called in people from other areas and they were there immediately to help out. When I first started thinking about that, I thought it was a negative, but it is definitely a positive aspect from what the explanation was from that company. The first criterion is geographic location or headquarters, and to me, that would be a plus.

Ms. Kassel stated they all had offices in Kissimmee, Celebration, or Orlando. They are all equidistant. I seem to recall something in the Statutes for CDDs that said when going through a bid process, companies that were registered in Florida or Florida-based companies should be given some kind of preference. Is that correct?

Mr. van Assenderp stated that is not in Chapter 190, Florida Statutes, and I do not believe it is in Chapter 187, Florida Statutes. I will have to get you that answer. It is not in those two Statutes that govern what we are doing today.

Mr. Evans asked has everyone had an opportunity to go through their evaluations and can give an order of preference?

Ms. Kassel stated yes, but I would vote no on everything because I think we should rebid this. Can I do that? What is the protocol?

Mr. Evans stated we already determined that we are going to make a selection of one of these five. There is a two-step process that I would suggest. I suggest everyone give the order you have ranked these firms. We will average them out and if there is a clear-cut first place, that is where we spend the bulk of our time discussing, or perhaps the first two. We are going through a process of elimination. If we come up with five different first-place firms, we will discuss the pros and cons of how we believe they will size up.

Maybe we will point out things, either positive or negative, that we observe from the various ones we have looked at.

Mr. van Assenderp stated as we already discussed, you have to vote, but you also have to vote on the issue. You can make it clear by a general statement for the record that you were not on the prevailing side and that you prefer to do something else, like rebid. Since the majority ruled, you do have a duty to try to make a good-faith assessment. That is the answer to your question.

Ms. Kassel stated it appears that all of us have created our own spreadsheet for this evaluation.

Mr. LeMenager stated from my perspective, if you look at our criteria, perhaps we should have done it differently in the beginning. For geographic location, I think everyone gets a 5. For capability of personnel, I think everyone gets a 6. There were some extremely impressive résumés. Evaluation of uncompleted workload, I do not think we have a clue how to do that and we should not have included it. Proposed staffing levels, I did not notice that there was any significant difference.

Ms. Kassel stated there was one that had an exceptionally good proposed staff level, and that was Luke Brothers.

Mr. LeMenager stated I seem to remember they all had a Certified Arborist, so everyone gets a 5 for that.

Ms. Kassel stated except Cornerstone did not indicate that they had one.

Mr. LeMenager stated personnel-wise, in this particular category, I did not see a lot of difference between any of the respondents. I think where we get into the differences is experience and price. If we look at past record and experience in similar projects and past performance in dealing with customers and clients, reputation, if we look at the organizations that received scores of 5 across the board who are still on our list, one was PROscape.

Ms. Kassel stated they are not on our list.

Ms. Snyder stated you can only rank one of the five.

Mr. LeMenager stated I understand. With all due respect, they are going to lose by one point on initial price and they will make it up when it comes to renewal price.

Ms. Snyder stated we are not considering them.

Mr. LeMenager stated with all due respect, I disagree with you. The lowest bid for the initial year and year 2 is 15 points, proposed increase for total annual price for renewal term is 5 points. It absolutely is a criterion. They will lose the lowest price for the first period by a point and they will win the proposal by 5 points.

Ms. Kassel stated we voted to evaluate only the five.

Mr. Evans stated we all have had the opportunity to review and make our own determination, which is a culmination of the assessments and the review of the bids. Excluding pricing, how would you rank them in order, with 1 being the highest in order?

Ms. Kassel stated Luke Brothers is 1, Davey is 2, and Greater Outdoors is 3.

Ms. Snyder stated Davey and Luke Brothers were very close and I was back and forth as to 1 and 2, so I ranked them both 1 and 2.

Mr. Evans asked shall I give each of them 1.5?

Ms. Snyder stated yes. Cornerstone is 3. I really liked the scores of 5 for Cornerstone and they had a 5+. I was a little opposed to, which is the way they were chosen, the years of service on the project. The references were 1 year, 10 years and 1 year. It was hard with the two for 1 year included. I tried to look at the ones with a lot of years of service and that is how Davey won that category plus their price. Greater Outdoors is 4 and OneSource is 5 because of their reference scores of 3.

Mr. O'Keefe stated Cornerstone is 1, Davey is 2, Luke Brothers is 3, Greater Outdoors is 4, and OneSource is 5.

Mr. LeMenager stated in terms of the bids, the scores of 3 aside, I was quite impressed with OneSource's résumé and the broad scope of what they do. They would still be my number-one choice, then Luke Brothers as 2 and Davey as 3.

Mr. Evans stated for me, Luke Brothers is 1, Davey is 2, Cornerstone is 3, Greater Outdoors is 4, OneSource is 5. Of the five, we have three number-one votes for Luke Brothers. Actually there are two for first place, one for 1.5 place, and one for second place. Collectively when you add the totals, I think Luke Brothers is in that running.

Ms. Kassel stated I received the total landscaping expenditures that I requested for the previous two years. The total for two years for 2007 and 2008, January through December is about \$1,590,000. I want to be clear on something. The first year is five months, not six months.

Mr. Moyer stated that is correct.

Ms. Kassel stated we have to divide by 12 and multiply by 5 to get a reasonable comparison. It still looks like we will be saving almost 50%.

Mr., Evans stated this is a summary of what our current contracts are, not including irrigation repairs and those are ongoing. I would use the other number.

Ms. Kassel asked does that include mowing around the ponds?

Mr. Evans stated yes, it is the same scope of work, even though the scope of work has been enhanced a little.

Ms. Kassel asked is this an annual figure?

Mr. Evans stated yes, the total annual cost for 2008. That is what we are trying to compare to the total contract amount for year 2 as a reference. That is what I did.

Ms. Kassel stated it looks like we have the potential of saving about \$90,000. Do we have year 3 and year 4 figures in the proposals?

Mr. LeMenager stated yes we do. If we consider the third and fourth years, which is part of our specifications, then I think our results turn out significantly different. I am worried about how we are going to open ourselves up legally if we award the contract based upon just considering these five organizations when we have been told the other three submitted full bids.

Mr. Evans stated I defer to legal counsel. And I understand your concern.

Mr. van Assenderp stated please state your concern again.

Mr. LeMenager stated my concern is PROscape, Landcare and Vila & Son have made no mistake whatsoever. They have simply included a large number for the first five months. Rather than low balling it, they high balled it.

Mr. Evans asked how do we know it is not the opposite?

Mr. LeMenager stated because we also have their prices for the third and fourth years, and they are consistent. If we move our criteria out to include the third and fourth year prices, I think based upon the numbers we are looking at for the companies that have submitted full proposals, PROscape and Landcare are the two we should be talking about.

Mr. Boyd stated I will confirm the other two. I went back to the PROscape bid submitted just to double check to make sure we do not say something that is incorrect. PROscape did not include financial statements in their package. Since we are putting this on the record, I want to be sure we are factually correct.

Mr. LeMenager stated I am sorry but that is kind of a substantive comment. With all due respect, we are basing this on Mr. Boyd's letter, and he had just said he made a substantial mistake on one of the bids. That is pretty big.

Mr. Boyd stated no, the reason I disqualified PROscape in the first place was because their bid form was filled out incorrectly, based on the fact that they included a partial year at a full-year price. I did not check out the rest of the parameters. It should have been more complete, I will grant you.

Mr. Evans stated what the Board voted on is the evaluation of the five. We have gone through the first step of the evaluation and rankings based on all the criteria other than price. The conclusion of that consolidation is Luke Brothers as 1 and Davey as 2. Let us focus on those two for comments, based on the rankings, other than economics.

Ms. Kassel stated my biggest concern with Luke Brothers is that their years of service on the project was very short comparatively speaking,

Ms. Snyder stated I have the same comment. Where Celebration was 9 and 7 years for Davey, Luke Brothers was 1, 1.5, 4 and 2. Also the size of the property was an issue.

Ms. Kassel stated it was not too bad comparatively speaking. Some were much less.

Mr. LeMenager stated to be fair, that was based upon calling the first three. Almost all of these organizations listed a lot more projects. These are the people who answered the telephone. To a certain extent, smaller organizations might be the first to answer.

Ms. Snyder stated but we do not have anything else to go by.

Ms. Kassel stated by the same token, you would think that a bidder would want to include references that more closely match the qualifications or the criteria of the organization they are bidding for.

Ms. Snyder stated I think they were asked that in one of the statements.

Mr. Evans asked has Mr. Moyer had an opportunity to work with either of these two organizations?

Mr. Moyer stated I have worked with Davey for a number of years.

Mr. Evans stated from a pricing standpoint, they are very close.

Ms. Snyder stated there is a \$4,500 difference.

Mr. LeMenager stated I am not familiar with Luke Brothers, but I lived in Celebration over two years and had Davey take care of some of my own properties. At one point we fired them, but were not happy with the replacement so we took them back. I am not

overly impressed. I do not think their scores, after having been in Celebration for such a long time, are really that spectacular. They are not getting scores of all 5.

Ms. Snyder stated they received 4.5 across the Board from one reference and 4, 4, 4, 5 from the second.

Ms. Kassel stated both Davey and Luke Brothers scored about 4.5, which is equivalent in terms of their reference. One thing about Luke Brothers is comparatively speaking, their staffing levels seemed to show specifically their mow crew alone is 10 people, whereas most others had 4 to 6 and one firm had 8. It may be that one of the mow crew is also on the arbor care crew, but it looks like they have close to 30 people that they intend on staffing for landscaping.

Mr. LeMenager stated whereas Davey is talking 4 plus 2 extra for mowing during the summer. It is much different in terms of staffing.

Ms. Snyder stated Davey shows 12.

Ms. Kassel stated because of that, for me, Luke Brothers is considerably higher for my ranking.

Mr. Evans stated that is definitely something we want to consider. When you look at the totals for year 1 and year 2, there is a small difference between Luke Brothers and Davey, about \$5,000 when you combine the two years.

Ms. Kassel stated year 3 for Luke Brothers is \$508,000 versus Davey at \$538,000. Year 4 is \$520,000 for Luke Brothers and \$560,000 for Davey.

Mr. LeMenager stated I do not know that there is a huge difference in price between these two bids. They are the two who are coming out on top if we limit ourselves to the five. I think we are perhaps not looking at the two best companies.

Ms. Kassel stated I agree. I do have a preference for one of the organizations that did not submit a complete proposal. But that is not what we are talking about.

Mr. Evans stated going forward on optional year 3 and year 4, there is an economic advantage on Luke's proposal for renewal pricing.

Ms. Kassel stated by \$30,000 the first year and \$36,000 the second year.

Mr. LeMenager stated my concern is, if we look at the numbers that have been presented to us overall, we will end up spending \$300,000 to \$400,000 more than we need to, which is a substantial amount of money. We have a budget of \$1.7 million. We are talking about saving a substantial amount of money in our budget. Much as I would

hate to put the companies through it, I do not think we are getting the best prices by limiting ourselves to these two. Although looking at the five of them, I would not disagree that these are the best two of the five we said we should limit ourselves to. On the other hand, a two-month delay to save \$300,000 to \$400,000 over the next three years is real money.

Mr. Evans stated I do not see where you come up with \$300,000 to \$400,000 for any period of time.

Mr. LeMenager stated if we are looking at companies that want to charge us \$500,000 a year versus some that want to charge us \$400,000, that is a savings of \$100,000 a year. We are talking about the first year and a half plus two years after that, and 3.5 times \$100,000 is \$350,000. It is real money and that is my point. That also saves the developer money. We know the developer contributes a major portion of our budget and the biggest winner would still be the developer if we delay.

Ms. Snyder stated we also have to have a certain quality.

Mr. LeMenager stated I am in complete and total agreement.

Mr. Evans stated we are past that point. The Board voted to evaluate the five. I acknowledge the fact that you do not agree with that; however, we have moved on. We are down to evaluating five. We have gone through the process of evaluating, in order, our rankings. The rankings came out with Luke Brothers being 1, followed by Davey. Then we looked economically. As Ms. Kassel pointed out, Luke Brothers is the low bidder when you combine the two years for year 1 and year 2 pricing. Going forward, it is a savings of at least \$30,000 a year for year 3 and year 4. With that being said, what other information do we need to discuss. We discussed staffing. I think Ms. Kassel brought up a very good point in regard to the magnitude of staffing being offered by the two entities.

Ms. Kassel stated I have a question about staffing. Once they have made their bid and they have stated these are the staffing levels they intend to staff us with, do we have any recourse if they renege on that and they staff us with fewer people?

Mr. van Assenderp stated yes, but you have to make sure you all sign the contract. That will be the operative document. I always like to make sure the RFP and the responses are part of the contract or at least referenced by the contract.

Ms. Kassel asked would the staffing levels have to be in the contract?

Mr. Evans stated we will reference the bid and their proposal and it will become an exhibit to the contract.

Mr. van Assenderp stated it will be an operative part of the contract. The contract will say that, all these responses and bids are part of the contract. The contract does not have to be that detailed, but it says these bids are part of the contract.

Mr. Evans stated the information that was provided per their proposal is what we relied upon to make that decision.

Ms. Kassel asked therefore, they are obligated to abide by that proposal?

Mr. Evans stated that is correct; otherwise, they will be in breach.

Ms. Kassel stated we have been evaluating these five. The Board voted 3-2 that we were going to evaluate these five. We have evaluated these five and we have come to an informal conclusion about that. What are the options moving forward? How do we address the difficulties both Mr. LeMenager and I have in moving forward with just the five? Or have we already addressed that by making that vote?

Mr. van Assenderp stated there are two answers. The first is, did the Board make a decision and were properly advised of the three options? The three options were to evaluate the group of five, rebid the whole thing, or determine that any one or more of those others mentioned in the Engineer's Letter had a failure to supply information that was not major, or that was minor. With all that advice on the record, the Board made its decision. Second, you are not bound legally to choose someone. If you do choose someone, it has to be in this transparent process based on this evaluation system. Once that is done, the decision is made. A letter has to be sent by U.S. mail or overnight delivery to whomever you choose and the winner posted in the District Office for seven days. You go through a process. You have done it so that you can make an intelligent decision. If you make the intelligent decision to award it to someone, you do. If you cannot reach that decision, you are not bound to do it and then you are back to the month-to-month routine and you have to start over again, which you voted not to do.

Ms. Kassel asked we voted not to do that?

Mr. LeMenager stated I do not believe we voted not to do that.

Mr. van Assenderp stated you voted on the procedure.

Mr. LeMenager stated it sounds like we have a consensus on the one we like. Do we wish to award it, or do we wish to say no and rebid?

Mr. van Assenderp stated you have to have a good reason to say no, but you are not required to award it to the one you like the best. You must have really good reasons why you are saying no.

Ms. Kassel asked have we made the decision to go with option 1, 2 or 3 already, and it was option 1 or have we not made that decision?

Mr. Evans stated we need to vote on that.

Ms. Kassel asked we have not made the decision on whether or not we are going to award this contract to one of the five, include additional ones to that five, or throw the whole thing out and start over?

Mr. van Assenderp stated you made that decision. You made the decision to go with one of the three options, which was to go with one of the five bidders. Now you have had a good discussion on all the criteria. If you decide that you are still not ready to award, you can say you are not ready to award, but you need to have some good reasons that I can defend. Otherwise, you need to choose the one you want based on the evaluation. Is that correct in Mr. Moyer's prior experience?

Mr. Moyer stated my only exception to what Mr. van Assenderp said is that we reserve the right in these documents to reject all the bids for any reason. Mr. van Assenderp is concerned that we have a good reason, but I think it is pretty clear that we can reject them for any reason.

Mr. van Assenderp stated I would agree with that.

Mr. Evans stated to reiterate, we had a motion and the Board approved to review five. We have subsequently had substantial discussion regarding those five on various elements of their proposal, from staffing, financial capabilities, and pricing and a list of other criteria. Based on that, we determined from our non-monetary evaluations, Luke Brothers was first and Davey was second. Based on the economic criteria, Luke Brothers was first as low bidder followed by Davey.

Ms. Kassel asked based on those two only?

Mr. LeMenager stated out of the five companies.

Mr. Evans stated based on this group of five.

Ms. Kassel stated but OneSource is lowest bidder.

Mr. Evans stated we ranked them as far as all the criteria.

Ms. Kassel stated that is correct, but you are saying economically.

Mr. LeMenager stated that is true. The numbers are the numbers. The lowest combined number is from OneSource. I agree completely with Mr. Evans. The price is the price for the first partial year and the next full year. I agree they low balled the number but the criterion is the combined number. They do have the lowest combined number.

Ms. Kassel stated I thought you were talking about them economically between the top two.

Mr. Evans stated those are the only two I am talking about, between the top 2, the choice between Luke Brothers and Davey. Luke Brothers economically is the low bidder.

Ms. Kassel stated if we use this point scoring system, just to be correct, the lowest price is a high-point count. That is something we need to be aware of. Under the economic criteria alone, OneSource gets a fair number of points for being the lowest bidder.

Mr. Evans stated if you believe that is an accurate bid. That is the question I raised. It comes down to, after all the discussion and after all the evaluation, who do we select. It is not an absolute mathematical formula; otherwise, we would not be having these discussions. We would plug the numbers in and see who the winner is.

B. Award of Contract

Mr. Evans asked do we have a motion to award the contact to Luke Brothers based on the ranking criteria and the bid that is being submitted?

Ms. Kassel asked before we have a motion, I want to know if we choose someone, do we award them for a four-year contract or a two-year contract so we lock in the prices as per the bid rather than just awarding it for the two-year term?

Mr. LeMenager asked was that not included? Did we ask for the first period with an option to renew in the specifications?

Mr. Moyer stated that was in the specifications.

Mr. Evans stated years 3 and 4 are optional. What we are awarding the contract for is for years 1 and 2.

Ms. Kassel stated it is likely they would renew the contract and it is unlikely they would not renew.

Mr. LeMenager stated we would decide that.

Ms. Kassel stated of course, we decide, but they have a decision to make as well. They may make the decision not to renew.

Mr. Moyer stated no, it is more unilateral. We will award the option and they are committed to their option price.

Ms. Kassel asked are they committed to those prices?

Mr. Evans stated we would exercise that option.

Ms. Kassel asked they are committed to the renewal prices either way?

Mr. van Assenderp stated yes, they cannot negotiate that.

Mr. Moyer stated the real protection the Board has is if something does not work out and the contractor does not perform to your expectations, there are cancellation provisions within the contract.

Mr. George Schiro asked before you vote, may I bring an inconsistency to your attention?

Mr. Evans stated no, this is an issue for the Board to make this decision.

Mr. LeMenager stated you do not get to speak until the end of the agenda.

Ms. Kassel stated I would like to hear what the inconsistency is.

Mr. LeMenager stated this is not a public forum. The time for audience participation is at the end of the meeting, item 10.

On MOTION by Mr. O'Keefe, seconded by Ms. Snyder, with all in favor, approval was given to award a landscape maintenance contract to Luke Brothers.

Mr. van Assenderp stated the vote has been made, the decision has been made. Staff and I have been discussing under your rule 1.10 how it will be announced, by U.S. mail and posted at District office for seven days. We want to make sure the record is clear we will have those two announcements of your decision.

Mr. Evans stated thank you.

Ms. Kassel stated the option for the residential easement mowing can be made at a later date. We do not have to decide on that now. Is there a deadline by which we must respond?

Mr. Evans stated no.

Ms. Kassel asked we can make that decision at any time?

Mr. Evans stated yes.

Ms. Burgess stated or not at all

FOURTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

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

Mr. LeMenager stated the collection of our special assessments is substantially below budget, particularly the off roll assessments are below budget.

Mr. Moyer stated the reason for the off roll variance is not in the amount we collected. It is in the proration of the amount that is shown under the year-to-date budget. When the accounting staff did the proration, they assumed that all off roll assessments would be collected by the end of March, so they are showing it prorated over six months. The reality is that the off-roll assessment is billed on a monthly basis in 12 equal increments and the developer is current on that off-roll assessment.

Mr. LeMenager asked can we make that adjustment for the next agenda?

Mr. Moyer stated yes. The issue with on roll assessments may be due to a timing issue.

Mr. LeMenager asked has the County issued tax certificates?

Mr. Moyer stated that will not occur until June.

B. Invoice Approval #106 and #107 and Check Run Summary

Mr. Moyer reviewed the invoices and check summary and requested approval.

Mr. Evans stated I notice there are a significant number of invoices from REW that are past due, and some of them are from August or September 2008. Did they forget to submit them or were they lost?

Mr. Moyer stated they should not have been lost. I will have to check with the accounting staff.

Mr. Evans stated I do not know whether they were lost or sent to the wrong address or the wrong recipient.

Ms. Burgess stated the reason some of them may have been received in February is if we have a statement of outstanding invoices and we do not have a copy of that invoice, we will ask them to resubmit it.

Mr. Haskett stated behind one of the last REW invoices, there is an email stream between Wendy Ritter and myself regarding those invoices. I needed to research the invoices for irrigation repairs.

Mr. Evans asked were they sent to the development company instead of the District?

Mr. Haskett stated no. We are not sure why they did not come through from REW the first time. We received their late notice. They started submitting their invoices through pdfs and that caused some issues. That problem has since been corrected.

Ms. Kassel stated on the Severn Trent invoice dated January 20, 2009, there is a charge of \$1,006 for copies. That is a huge amount.

Mr. Moyer stated it is a lot of money, but there is a lot of copying with these agenda books. I do not know if that is the reason for that many copies, but controls that are in place for making copies is before you can make copies, you have to enter a code on the copy machine for the appropriate District. I can get a record of the number of copies that were made.

Ms. Kassel stated I just went to Staples and had several hundred copies made for about \$50. I understand you make copies of things for us, but \$1,006 seems very high.

Mr. Moyer stated I will provide the background.

Ms. Kassel stated on the March invoices, we approved \$14,000 for A Cut Above for tree trimming services. Somehow there was an additional \$3,000 paid that we did not previously approve. I wonder how that happened and why did that happen.

Ms. Snyder stated it is for an additional 384 trees.

Mr. Haskett stated that is a proposal and not an invoice. It is for additional trees that were outside their scope of service, 384 trees. It is included as a proposal for the Board's approval and then it will be included in the invoices to be approved.

Mr. LeMenager stated we have not written the check for it yet.

Mr. Moyer stated the financial statements show that only \$14,000 has been paid.

Ms. Kassel asked why were these trees not included in the original scope?

Mr. Haskett stated we were going off the plans instead of counting each tree in the field. The tree count was off from what I provided to them.

Mr. LeMenager asked where are these trees?

Mr. Haskett stated it indicates 384 trees in Birchwood and Cypress. That is not where the mistake was made but that is where he ended up with his tree counts.

Mr. LeMenager stated I have driven all over and I am trying to think where there are 384 trees that they have not done.

Mr. Haskett stated they did them all. They did not want to split up their services.

Ms. Snyder stated so we owe them \$3,000.

Ms. Kassel asked do we owe them \$3,000?

Mr. Haskett stated that is for the Board to decide.

Mr. LeMenager stated I think we have to be fair and pay them.

Ms. Snyder stated I agree.

Mr. LeMenager stated I would pay it.

Ms. Snyder stated the cleanup was phenomenal.

Ms. Kassel stated all they did was to trim up from the bottom of the trees and their scope of services included thinning the balance of the tree. I did not see it.

Mr. LeMenager stated I saw a lot of that.

Ms. Snyder stated I saw it, too.

Ms. Kassel stated I looked at a number of trees and I did not see it.

Mr. Evans stated they cannot do it on trees that are on individual lots.

Mr. Haskett stated they did more work than what he originally charged for. He ended up with 1,400 trees and he did well above and beyond his written proposal. The wording that was in the proposal also stated an estimated 1,094 trees of varying age and size. There was a clause that did not give a specific number and it could be above or below a specific number of trees.

Ms. Snyder stated I really think we need to pay them.

Mr. LeMenager stated so it was your honest mistake and not his.

Mr. Haskett stated yes.

Mr. LeMenager stated I thought they did do a nice job.

Ms. Snyder stated they did an excellent job. Do we need to approve paying this proposal?

Mr. Moyer stated if you are agreement with the addition, you need to approve that proposal as part of the invoices.

On MOTION by Mr. LeMenager, seconded by Ms. Snyder, with all in favor, approval was given to the invoices as presented, inclusive of the change order for A Cut Above in the amount of \$3,000.

C. Consideration of Resolution 2009-3 Designating Bob Koncar as Treasurer and Stephen Bloom as Assistant Treasurer

Mr. Moyer reviewed Resolution 2009-3 designating a Treasurer and Assistant Treasurer, both of whom are Senior Managers at Severn Trent.

On MOTION by Mr. LeMenager, seconded by Mr. O'Keefe, with all in favor, approval was given to Resolution 2009-3 designating Bob Koncar as Treasurer and Stephen Bloom as Assistant Treasurer.

D. Consideration of Amendment No. 1 to the Severn Trent Management Services Contract for the Dockmaster Salary

Mr. Moyer reviewed the proposed amendment to add the dockmaster's salary to the Severn Trent management contract. This has been reviewed by legal counsel. The amount of \$3,568 per month covers his salary and all the related expenses related to employees, including health insurance, FICA, and worker's compensation.

Mr. Evans asked is this consistent with our earlier approval?

Mr. Moyer stated yes, this is to document what the Board already authorized.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, approval was given to Amendment No. 1 to the Severn Trent contract for the dockmaster salary.

E. Authorization to Prepare an RFP Package for Aquatic Plant Maintenance Services

Mr. Moyer stated I would like the Board to authorize staff to prepare an RFP package for aquatic weed maintenance within the community.

Ms. Kassel stated I would like to have the Florida Friendly guidelines in our landscaping contract and then state "*Unless current facilities or landscaping do not comply with those guidelines.*" I would like to move ahead with an RFP for pond maintenance services but that we look to address environmental issues in that RFP so we are not stuck with a contract that does not address those issues and, therefore, we have service that does not comply with what we would like.

Mr. LeMenager stated we have to approve it before it goes out anyway.

Mr. Moyer stated we will look at that. I struggle a little with the applicability of that, given aquatic maintenance, which is usually regulated very heavily by the Department of Environmental Protection (DEP) and the Environmental Protection Agency (EPA) on the types of materials you can use. You select the material based on the plant you are trying to eradicate. We can look at it. If we can do that, we will do it.

Mr. LeMenager asked is this for lakes or ponds?

Mr. Gologowski stated the ponds.

Ms. Kassel stated to clarify, our ponds do not include the lakes or the ponds on the golf course.

Mr. Boyd stated the maintenance of the ponds on the golf course is part of the stormwater system. Those ponds on the golf course are not being mowed by the CDD, but the aquatic maintenance needs to be treated as a uniform drainage system.

Mr. Evans stated it is the function of the ponds as a drainage system.

Mr. Moyer stated we can just take your direction to staff to prepare the RFP.

Mr. Evans stated Mr. Boyd will work on language for Florida Friendly with Mr. van Assenderp to see what extent we can take Florida Friendly in this RFP.

F. Assessment of Alleys

Mr. Moyer stated we are starting to get calls on alley repairs, which is not budgeted. We will look at those requests. If they are minor, I have someone I can send to repair potholes. If it is more extensive, it will need to be a budget item for the Board to consider as part of the budget process.

Ms. Kassel stated we have a reserve fund of about \$23,000.

Mr. Moyer stated it is not a lot.

Ms. Snyder stated I think a lot of them are potholes, the ones that I have seen.

Mr. Evans stated perhaps we should look at all the alleys like we did the assessment for the sidewalks. That assessment gave us a better idea of what it would cost to do the repairs. We are getting close to another budget year. We should ask Mr. Boyd to do an assessment of the alleys, as opposed to doing patchwork repairs, and give us his recommendation of the magnitude. We are responding to individual complaints, when the scope may be larger than one or two isolated issues.

Ms. Snyder stated I agree.

Mr. Boyd stated we will provide a similar report to what we did for the sidewalks.

Mr. LeMenager stated I think it is a great idea. It is much better than doing it piecemeal.

Mr. Evans stated then we can determine what we need to do immediately and what needs to be budgeted for next year.

Ms. Snyder stated I think we will need to do some sooner than others. It is dangerous for bicycles.

Mr. Boyd stated similar to what we did for sidewalks, we will create a standard as far as what requires immediate repair and what can be put off until next year.

FIFTH ORDER OF BUSINESS

Attorney's Report – Consideration of Agreement for Legal Services

Mr. van Assenderp stated I would like to expand the assignment to Mr. Boyd and myself, not just for the aquatic plants but in general as to future legal applicability of Florida Friendly and provide report.

Mr. Evans stated yes, that will be helpful.

Mr. van Assenderp stated I was asked to send an updated version of our contract, which I distributed to you. We are eliminating meal expenses for travels and are reducing mileage from the IRS mileage to the State mileage which is \$.445. The hourly fees are the same or have been reduced.

Ms. Kassel asked can we sometimes have you or Mr. Qualls available via conference call rather than travel and save that expense on our part and time on your part?

Mr. van Assenderp yes. The Attorney answers to the Board and should be present at all meetings because you never know when something could have a legal issue or problem raised. To be there or participate does not mean it has to be physically in same room. As long as there is good faith in looking at the agenda and deciding whether to attend or not. You can formalize the procedure and have it approved by the Chairman.

Ms. Kassel asked is there any detriment or downside?

Mr. Moyer stated it is pretty common, especially on routine business meetings.

Ms. Kassel stated we would want you here for issues such as tonight.

Mr. van Assenderp stated certainly we can also let you know if we think it is important for Mr. Qualls or myself to be here. I think our fee is a small amount. I drove to and from this meeting. That is 10 hours of driving and we will not charge you for that but I will charge \$.445 for mileage. I will charge 1.25 hours for travel during the day, but if you want that to discontinue, you can let me know. That is how this contract is setup for now.

Mr. LeMenager asked why are we being asked for this at this time?

Mr. Moyer stated only because it was something Mr. Qualls volunteered at our last meeting.

Mr. LeMenager stated we just spent two hours discussing an RFP and we just authorized another RFP. I note our legal costs are \$6,000 over budget for the year so far. We are spending a fair amount and I think we are getting excellent advice. If we are

going to do this, should we do an RFP and see what other options are available? I am sure we are getting a wonderful deal but I do not know what we are comparing that to. I have no complaints whatsoever with the service. However, if we are spending this much money, we should check with some local companies.

Mr. van Assenderp stated I welcome the opportunity.

Ms. Kassel stated perhaps instead of doing an RFP, we can get some competitive prices from other firms.

Mr. LeMenager stated that is fine, whatever the process is. I think we have set a precedent that for major contracts, we want to get proposals.

Mr. van Assenderp stated I do not have a problem with that. It is a good idea and I am proud to have our fees compared to anyone's. I work for you and if you want me to adjust them, I will.

Mr. Moyer stated I will caution the Board in terms of doing a broad solicitation of Attorneys, this is a specialty area. There are only a small number of firms in Florida who have a clue of what CDDs are. If you want to do that, I will ask that you limit it to the people who could provide the proper service to the Board. There is another firm out of Tallahassee, Hopping Green. Shuffield Lowman is an Orlando firm. Scott Clark is an individual in Orlando with a smaller partnership.

Ms. Kassel asked can you request proposals from them?

Mr. Moyer stated yes, if the Board requests that I do that. I already have that information and I can provide it to you.

Mr. LeMenager stated that might be a better way to do it. My concern is I have no idea what anyone else is charging.

Mr. Moyer stated I will provide a memo on it and if you want to go through the process, that is fine.

Mr. LeMenager stated I would be more comfortable.

Mr. Evans stated I have had the honor of working with a number of law firms for CDDs where I have served as Supervisor or Chairman. In the dealings I have had with Mr. van Assenderp and his firm, he has by far a superior knowledge and capability and history of working with CDDs. Mr. van Assenderp was instrumental in the drafting of much of Chapter 190, Florida Statutes, that governs CDDs and has the longest history of working with CDDs. Personally, I do not think we can find representation that is

comparable to his expertise especially compared with what we are charged for the quality of service that we have received. We cannot expect other firms to give us a grace period for travel and some other things his firm has offered to us. We have a longstanding working relationship, he has an extremely extended knowledge of this District from its inception, and that is extremely hard to put a price on. If we are solely price shopping, I think that is a disservice.

Mr. LeMenager stated that is not my intention.

Mr. Moyer stated I know the results of the memo that I will provide to you.

Mr. LeMenager stated I just think we have established a precedent of doing RFPs for services.

Ms. Kassel stated I think it is being responsible as Supervisors.

Mr. O'Keefe stated as one of the oldest members of this Board, I have been here since the inception of the District since we have had Mr. van Assenderp. We have had excellent service all this time, and I do not think you can match the service and the quality of what we get from him.

Mr. Moyer stated we should have asked for an addendum to address the travel issues Mr. Qualls discussed with the Board. Perhaps we asked for the wrong thing.

Mr. LeMenager stated I would feel more comfortable with that.

Mr. van Assenderp stated I thank all of you for your comments. It is normal when a District makes the transition to a qualified-electror Board from a landowner-elected Board. I do not take anything negative and it is healthy.

Mr. Evans stated we appreciate that. Is there any urgency to address this tonight?

Mr. Moyer stated no, not at all. It is a housekeeping item.

SIXTH ORDER OF BUSINESS **Engineer's Report**

A. Consideration of Proposals for a 10-Inch Watermain Extension

i. Geotechnical Engineering Services

ii. Surveying Services

Mr. Boyd stated these proposals are follow up from the work the Board approved in January to connect the east side of the property to the west side of the property. The proposal you authorized us to provide is for design services to design and permit that facility. There are two other pieces of work that have to be performed. They can either be performed under our contract, where we will administer those services, or you can contract directly with those consultants, which is more economical to you since they go

through the Board and not through us, which lowers the overhead costs. The first is for geotechnical services, which is soil borings and mucking protocols. We need to evaluate whether we are going to directional bore under the wetlands or whether we are going to permit an open cut. The second is for the associated surveying work. They will also prepare the sketch that will be used once the construction is complete. These will complete the design work.

Mr. LeMenager asked what we approved last month was not for the whole process?

Mr. Boyd stated I would liked to have had all three proposals together for the January meeting. What you approved in January was for our engineering firm to provide civil engineering services for design and permitting. There are two other consultants who have to be employed to complete the project. Geotechnical engineering is a specialty area, and this is to do the field investigation of the soils to be sure there are not any excessive muck pockets or other geotechnical hazards that will be a problem once construction starts.

Mr. LeMenager asked this is out of capital funds and not our operational funds?

Mr. Moyer stated that is correct.

On MOTION by Mr. LeMenager, seconded by Ms. Snyder, with all in favor, approval was given to the proposals from Devo Engineering for geotechnical services and Brown & Johnson for surveying services, as described.

B. Approval of Invoices for Series 2004 Project

Mr. Boyd reviewed the engineering invoices for December and November.

Mr. LeMenager asked why are these not part of the normal check run?

Mr. Moyer stated these requisitions are paid from the capital account.

On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, approval was given to the invoices for the Series 2004 project, funded from capital funds, as described.

SEVENTH ORDER OF BUSINESS Developer's Report

Mr. Haskett stated Ms. Kassel had spoken with Mr. Belieff about the pavilion at the small dog park. There was a wash out area where there is no turf growing. The development company had some excess pavers from another jobsite that they donated to the CDD. Mr. Belieff is in the process of installing them around the brick line and other areas where there are dirt issues.

EIGHTH ORDER OF BUSINESS Monthly Boat Report

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

Mr. Belieff stated things have slowed down a little but are going well. There was a good fishing event last week, and a resident caught a record 9-pound bass. This has given me time to concentrate on other areas of the property that need to be done.

Ms. Kassel stated I want to commend Mr. Haskett and Mr. Belieff on the paving stones.

Mr. Belieff stated we are going to add more around the corners to come out farther.

Mr. Moyer stated I distributed correspondence that I received from a resident that identifies some concerns he has, nothing against our dockmaster. It describes some issues in the way we have structured the system. We can discuss them now or we can put it on the next agenda. In some respects, we have discussed some of these already.

Ms. Snyder stated I think we should discuss it now.

Ms. Kassel stated I agree that I have heard rumblings that the reservation system is rather unwieldy and difficult. There seems to be something wrong with hiring someone and the CDD paying a full-time salary and having one less day. We were thinking of hiring a part-time person for times when Mr. Belieff was not going to be there, but that has not happened yet. I think the reservation system was not up and running and has not been up and running, and I would like to know what the status is. Can people go to a website and make their reservation and have a pre-authorization for the deposit?

Ms. Burgess stated no, that is not available on the website. They need to stop by the office, send an email or call the District Office. They cannot reserve the boat on the website because we need a copy of their photo identification and a copy of the front and back of their credit card. We cannot do that through the website. We can also handle everything by mail. We will try to make it as easy for people as possible, but they need to either email us or call us. We have had people doing that.

Ms. Snyder asked is that made known?

Ms. Burgess stated that information is on the website.

Ms. Snyder asked are they reading that on the website and following it?

Ms. Burgess stated I spoke with Mr. Belieff before the meeting and he said people are following the procedures.

Mr. Belieff stated for most people, it just takes five minutes.

Ms. Snyder stated maybe the process just needs a little time for everyone to get used to.

Mr. Believe stated it is going along a lot better now.

Ms. Snyder asked are you getting as many negative remarks?

Mr. Belieff stated it is about equal. Some people just do not have the money to put down for the \$250 deposit.

Ms. Snyder asked do they know it will not be charged if the boat comes back with no damages?

Mr. Belieff stated they understand that. For some people, it is taking a little time to get that point across.

Ms. Kassel asked is there a pre-authorization charged on their credit card?

Ms. Burgess stated no, we need a valid credit card number in the event that something happens. I told Mr. Belieff before the meeting that it reassures the residents that we will not cash their check and we will not run any credit card numbers without contacting them. For example, we charge a deposit of \$250. If they have \$15 worth of damage, I am not going to cash the \$250 check. I will give them their check back and exchange it for a \$15 check. In no way will I run authorization for a credit card number or cash a check without contacting them first.

Ms. Kassel asked so there is no pre-authorization system? Someone could potentially give you a credit card number that is not valid. So we are not actually taking a \$250 deposit; all we are taking is a credit card number. That is a big difference. If we are not actually taking a deposit, then we should not say we are taking a deposit.

Ms. Burgess stated the Board can direct a different procedure for taking credit card numbers. The Board previously discussed having an agreement with Point and Pay or Wells Fargo or other credit card service but they will actually pull that money out of their account and will put a hold on the card. The Board did not approve having that agreement.

Ms. Snyder stated I think you will eliminate some people from using the boats because of the economy. It is pretty tough out there.

Mr. LeMenager asked why did we institute this? Some people abuse the privilege and damage the boats. We could not get them to pay for it. This is economics as to why we ended up instituting the deposit.

Ms. Kassel asked are you saying that we should take a \$250 deposit?

Mr. LeMenager stated no, I am saying what we do now is fine.

Ms. Kassel stated we are not actually taking the deposit in accordance with the rules.

Ms. Snyder stated in the event that it is necessary, we would charge the credit card or cash the check.

Ms. Burgess stated yes, but we will contact them first.

Ms. Kassel stated we are not actually taking a \$250 deposit, yet our rules say we are supposed to be taking a deposit. We are not doing that. By saying we are doing it, we are putting up barriers that are not necessary because we are not actually doing it.

Mr. Evans stated if someone gives her a check, she can cash that check at will. If someone provides a credit card number, she can charge that credit card at will. In essence, she has the power to collect that deposit. That is at her discretion.

Mr. Moyer stated that is correct, and it is based on the damage. One thing I want to caution the Board on, and we had this discussion on using Point and Pay or PayPal, we do not want the system to be more expensive than the damage to the boat. It needs to be reasonable. We are in this process of learning and studying it, but we have not been burned in this process yet where someone gave us a bad check or an invalid credit card number. If that happens, then I think we have to revisit it. As you are aware, it is pretty expensive to do these transactions on such a limited basis.

Mr. Evans stated I think we did it as a deterrent.

Ms. Snyder asked can Mr. Belieff tell the residents that the check will not be cashed or the credit card will not be charged if the boat comes back in the same condition as when it left?

Mr. LeMenager stated I think they actually contact the District Manager's office.

Ms. Snyder stated it sounds like Mr. Belieff is having to explain everything.

Mr. Belieff stated I try to explain that to them. I was telling Mr. Gologowski that a lot of people want to be able to put up their deposit like they do for the pavilions. It seems someone wanted to do that and they had a deposit check on hold for the pavilions and technically it was not for the boats.

Ms. Kassel stated my question still stands as to whether or not we need to be clearer that we are taking information or a check but we are not taking a deposit. We are not removing or charging any funds. We are only reserving this information in case we need to use it.

Mr. Evans stated perhaps this is just a difference in interpretation. If I give someone a check and they have the ability to cash it, that is a deposit. If I give them a credit card number, then I gave them a deposit. They decide in their sole discretion if they are going to redeem that. In my mind, that is a security deposit. I cannot retract it automatically without putting a stop on the check or taking other actions.

Ms. Kassel stated that is not my understanding. Pre-authorization, which we are not even doing, is where you call the credit card company and request a pre-authorization to charge this card if you need to, and they will say yes. You are not actually putting a charge on the card and you are not actually cashing the check so that money is taken from your account and you no longer have access to it.

Mr. Evans asked can you call the credit card company and request putting a dollar amount on that card?

Ms. Kassel stated pre-authorization is something that is done regularly.

Ms. Snyder stated some of them hold the money out until the hold is released.

Mr. Evans stated that is what I am wondering.

Ms. Burgess stated they will put a hold on the card for that dollar amount.

Mr. Evans stated that is the point. In essence to a certain degree, you are redeeming it.

Ms. Kassel stated my understanding is that they remove that amount from your available credit line but you are not actually charged the amount.

Ms. Snyder stated that is a true statement.

Ms. Kassel stated you do not actually have to pay that amount on your credit card bill. If you have a credit line of \$10,000 and someone pre-authorizes \$5,000, now you can only spend \$5,000 until that preauthorized amount is removed. You are not charged that \$5,000 and you do not have to pay that, but you cannot charge that amount toward your credit line.

Mr. Evans asked is there a problem? I understand your point.

Ms. Snyder stated I think we need to look up what is in the rules. But I do not think there is a problem with it.

Mr. LeMenager stated let us look at the rules.

Mr. Golgowski stated I do not think there is a problem with the deposit. If there is any hesitancy, it is because it is a new program and they are not sure how it is being applied. I would think over time, when we have a good track record of collecting for damages, people will feel more comfortable with it.

Ms. Kassel asked what about paying someone full-time now, which we were not doing before, yet we are getting use of the boat one day less. Are we going to do anything about that?

Mr. LeMenager stated although Mr. Belieff is called the dockmaster, we have greatly expanded the scope of what he is doing. He is not doing just the docks. Our thought to have a CDD employee here for other tasks as well.

Mr. Evans stated I think we are in the process of getting a greater utilization and better response time for the five days it is open, as opposed to trying to be everything to everyone by being open more days. They have three days during the week plus the weekends. At this point, based on the number of residents and the utilization, I do not think we need to go through the expense of having it available one more weekday.

Mr. LeMenager stated there were only eight trips in the last month. The basic question seems to be whether we should be closed Monday and Tuesday instead of being closed Tuesday and Wednesday. There are not many people who come during the week, so ask them if they prefer different days. I do not have a problem with the actual users requesting days they prefer to use the boats.

Mr. Golgowski stated Monday was not selected because weekends are busier and we have a number of holidays on Mondays.

Mr. LeMenager stated if anything happens, it gives you a chance to take care of it.

Ms. Snyder stated it is still available five days. But we are open on weekends when more people are available to use them.

NINTH ORDER OF BUSINESS Supervisor Requests

Mr. LeMenager stated in terms of the landscaping, I noted that REW is doing a lot of sod replacement along the easements on the boulevard and some side streets, but it does not appear they have done much in the small parts, such as parks and alleys. The park behind my house has an area that is at least 15 feet by 15 feet where it is just dirt. As you go to other areas, we have turf areas with problems.

Mr. Haskett stated the turf is being replaced at their expense due to pest issues, including cinch bugs.

Mr. LeMenager stated the park behind my house and others is probably due to cinch bugs. Please take a look at that. We discussed the trees being trimmed above and below ten feet. On the main boulevard into the community, it would appear that REW has done the trimming below 10 feet. I am still concerned with the cleanliness of trees. Lichen is covering the trees.

Ms. Kassel asked is that a bad thing, or is it just the natural process? It will not kill them, but it is part of how they grow.

Mr. Haskett stated the Arborist who did the trees did not advise that there were any diseases or additional treatment for those trees.

Ms. Kassel stated it is a natural biosynthetic symbiotic partnership.

Mr. Golgowski stated now that some of those branches are gone, that should dry it out a little.

Mr. LeMenager stated I do not think it looks very good.

Ms. Kassel stated in the minutes from the last meeting, we talked about sleeves on the dog park gates. It appeared that the sleeves were intended to shut the gate so that they would not remain open. I may have misinterpreted the verbiage in the minutes.

Mr. Haskett stated the sleeve is where the hinge connects to gate post. There was not a sleeve in there, so the hinge clamp is spinning on the post instead on the sleeve, which was causing friction and it was not free flowing. Because of the sleeves, they welded a little ring above the bottom hinge so it will not slide down. It was too stiff for people to be able to get open.

Ms. Kassel stated the inside gate at the large dog park is very tight. I was noting the boat report says that we have about 100 people a month using the boats, but 50 to 75 people a day are using the dog parks. There are a number of things that would be helpful to add in addition to the wonderful things you are doing. Because it is Florida and dogs run around, they need a place to cool off. We have been buying small wading pools but over time, because of the dogs' nails and the heat of sun, they break and develop leaks. That water leaks into the soil, then there is a muddy hole and the dogs dig in the muddy hole. I wonder if we can get a pad installed with a drain so we can dump the pool water onto the pad so it drains down. We can hose off the pad, it will drain down, and we can

refill the pool and we will not have a muddy spot that the dogs dig in that also becomes an unsafe place because of a hole.

Mr. Haskett stated the Board can direct me to get proposals or I can just go out and do it.

Mr. Evans stated this is not a monumental request that requires Board approval. You can call Mr. Moyer and say it is something to address.

Ms. Kassel stated it is the kind of expenditure I do not want to make without discussing with the Board.

Mr. Evans asked how big of an issue is it?

Mr. Boyd stated you can form up something for the pad. The tricky part will be the drain. You do not want to do something expensive that will need to tie into the sanitary system. You can dig a hole and put perforated pipe in the hole that will give water a place to go. We will not know how well that works until you do it. The groundwater table is high.

Mr. Evans stated that means it will not percolate very well.

Ms. Kassel stated it is not a lot of water at any one time.

Mr. Evans stated staff can assess it and make a recommendation to the Board.

Mr. Haskett stated I will meet you at the dog park and we can discuss it further.

Ms. Kassel stated people are not picking up after their dogs in the dog park. Maybe we can have signs at each dog park saying "*You must pick up after your dog.*" Maybe we can get cameras that do not necessarily operate. Is that something I can talk with Mr. Haskett about?

Mr. Evans stated I think education is the best start, and we can put up some signs to be a good neighbor and pick up after your dog.

Ms. Kassel asked do we know when the sidewalks will be completed?

Mr. Moyer asked have we received the sidewalk report?

Mr. Boyd stated yes, three places are priority one.

Mr. Moyer stated we will have the same contractor come out to repair those three locations, and that will be complete before the next meeting.

Ms. Kassel stated regarding the community garden, I noted that Mr. LeMenager made the comment about the garden club wanting to bring a proposal to the CDD Board to put in a facility. I agree with him and I went to the Florida Statutes and Section

190.012(2)(a), Special Powers, refers to parks and facilities for indoor and outdoor recreational, cultural and educational uses. I feel that the community garden definitely falls within that purview and we can make a rule that says if we have more families than plots, then families will have to share plots on a lottery basis so that we are not making it exclusionary in any way. I support that as well.

Mr. van Assenderp stated the section she mentioned is correct and a facility or system is a legal power of this District to do. It also should be implemented by rule because the consent has already been received in the Statutory reference. You have that power and do not need to do anything to get the power. But you misstated Federal law. You have started approaching it by not making it exclusionary. Any community garden or any such public recreational or educational facility that is on District property or that has been built or constructed or acquired using tax-exempt funds is public property. It is open to the public. It is built or owned by a government, under both State and Federal Law. That is where you get the comment that you cannot be exclusionary, and you are correct about that. It is more involved but it is doable. The public cannot be denied, and "public" is anyone in the world at anytime. The limitation is reasonable rules and regulations that may manage or regulate access but not to the degree of denial. Whether it is the swimming pool or a community garden, you will have to figure out a way to manage it and do the logistics of not denying the public. If you want to proceed, I think you should appoint a task force to look into how to deal on a practical basis with that legal requirement.

Ms. Kassel stated right now we restrict the pools to people who are residents.

Mr. van Assenderp stated no, you do not. I made sure that you did not when you adopted the rules. They are open to anyone in the world but you have rules and regulations that you have adopted that regulate access, including charging fees as long as it is fair and reasonable. I can go to a municipal pool in my hometown where I have an identification card. But I can also go to a municipal pool in Kissimmee even though I do not live in Kissimmee. It is still subject to certain rules and regulations and a fee.

Ms. Kassel asked a member of the public can come here and request a key?

Mr. van Assenderp stated yes, I do not know if they will receive a key but they can have access to the pool.

Mr. Moyer stated included in our rules is a fee schedule that this Board adopted and if you want to use our facilities, you have to pay as if you were a resident on an annual basis, and the dollar amount is \$1,000.

Ms. Kassel asked can the same thing be applied to the community garden?

Mr. van Assenderp stated if you decide to do this as a project, you want to be sure it meets the legal muster of not denying access to the public, and there is no limit on the public. You then have to write rules and determine the logistics as it relates to all the activities of a community garden and how many people can participate. There are practical things that have to be addressed. Everything you said was legally correct, but I wanted to add that one point, and you need to figure out how to do it.

Ms. Kassel asked we can follow the same criteria as is used for the community pool?

Mr. van Assenderp stated they are substantially the same but not exactly the same because a community garden is different than a pool, but that is something we can look into. You provide a report to the Board on how you would regulate access and use of the garden.

Ms. Kassel stated I would like to talk about it at the next meeting.

Mr. Evans asked if you have 100 plots that are all occupied and five people from Kissimmee come and want to participate, what do you do?

Ms. Kassel stated people agree up front that there is a lottery. If there are more people than there are plots who want plots, then all plots go into a lottery and any plots that are picked have to share their plot with the newcomers.

Ms. Snyder stated if it was someone from Kissimmee, then I would think we charge them \$1,000.

Mr. Evans stated it has to be reasonable and fair.

Ms. Snyder asked is that what we charge for use of the pools?

Mr. van Assenderp stated yes.

Mr. Evans stated if you try to charge someone an exorbitant fee for the use of that garden, then in effect, you are barring them from access. It has to be reasonable.

Ms. Kassel stated it is no different than the pool.

Mr. Evans stated it is very different. You can qualify a pool. If this was a private club, there is a range of annual membership fees that you can expect to pay. To be a member of

a garden club, you will have to keep that cost in a reasonable manner not to exclude other people. You cannot make it cost prohibitive to have it as a deterrent.

Ms. Kassel stated the fee should include the cost of construction and maintenance and watering and other things. That alone may dissuade people.

Mr. Evans stated at anytime a resident wants to go in there and pick something, they are a resident and they do not have to pay any additional fees. Can they come into the garden and start collecting food?

Ms. Kassel stated we will want to limit that because we have people who are putting in their private funds into their plot and their own effort and labor to weed and water and plant. We certainly want to limit it by education or similar to the pool, where you have a key.

Mr. Evans stated then a resident comes and says they have as much of an interest in that dirt as any other resident. At some point in time you will run into how you avoid restricting users, whether or not it is growing season. At anytime a member of the public wants access to that garden, you have to provide them access.

Mr. van Assenderp stated yes, but the access has to relate to what the facility is, whether it is a pool or a golf course or a community garden. It has a set of rules and regulations that have to be dealt with and promulgated and you will go through the rulemaking process. A set of rules and regulations for a pool or golf course or passive park is different than the rules for a community garden. All the things raised here must be raised and are legitimate things to be raised. After the workshop, the Board will decide if you want to do it.

Mr. LeMenager stated I want to clarify what I said at the last meeting. What I said was if the garden club brings us a proposal that makes financial sense, then I would look favorably on it. I was not suggesting that we have a workshop to do it. If there is enough demand for a community garden, then let them get together. That was the point I was making. I was not suggesting this Board invent the community garden. There are enough people who are interested in it so let them put the proposal together.

Ms. Kassel stated once they do, we have to decide as the CDD whether or not to support it. That is when all of this will come up.

Mr. LeMenager stated we will deal with that when it comes up.

Mr. Evans stated I agree with Mr. LeMenager. If the garden club as an entity can address how you will not be exclusionary, I would be very interested to understand how they do that.

Ms. Kassel stated Harmony has a policy of removing alligators larger than 8 or 10 feet from our ponds. Obviously there is nothing we can do about lakes, but I would like to recommend that we do not remove alligators larger than 10 feet from ponds unless they are problematic. I have a problem with the automatic removal of alligators over 10 feet just because they are that long. I do not think it is right that an environmentally intelligent community should kill alligators when they get to be that age and length.

Mr. Moyer stated I am sure it is not the District that is harvesting the alligators. It is the Florida Game and Fish Wildlife Commission (FWC) who decides that, and we do not have the right to veto their policy.

Ms. Kassel stated the District owns and manages the ponds.

Mr. Moyer stated anyone can call them to come out and harvest alligators that meet those criteria.

Mr. van Assenderp stated that matter is regulated by the FWC. It is not any power the District has other than to recommend if the District wants to. The District cannot do anything unless it is decided at a noticed meeting to ask FWC to remove them. They are simply removed to another habitat under their policies. If someone is doing something else here, that needs to be reported because it is not consistent with the law.

Mr. Evans stated FWC engages local trappers. When they harvest an alligator that falls under their guidelines, they have to be a licensed trapper, they need to have a permit, and they have to go through all the guidelines to harvest that specific alligator. There is that balance.

Ms. Kassel stated I have been told that the trapper who takes the alligator does not receive monetary payment; the alligator is payment and the alligator does not live. I understand we do not have total control, but as a community, whether it is through the CDD who owns the ponds, I would like to have a policy that we do not automatically remove alligators of a certain size.

Mr. Evans stated there has been an enormous amount of debate with FWC and other on this same subject matter. They made the determination that once an alligator reaches 8 feet or beyond, there is a greater potential threat to humans or pets. I do not want to

impede their ability to exercise safety issues in the community. We already had one dog caught by an alligator. I do not want it to be a child. I will sacrifice a lot of alligators in favor of children. I will not take that chance.

Mr. Golgowski stated I have been involved with the debate on this policy, and it is tough because of our general philosophy versus public safety. If you look at the records in the State of incidents where an individual has been killed, 10 feet seems to be the trigger. There have not been any 8-foot alligators killing anyone. At 10 feet, they have a much greater girth and power. They have taken cows off the banks. It is balancing safety with our philosophy. That does not mean we are looking for 10-foot alligators, but if one appears to be acting aggressive, then a State Trapper is called and it is removed and harvested. They are not relocated. We have not had any that big in these ponds.

TENTH ORDER OF BUSINESS Audience Comments

Mr. George Schiro stated the irrigation on CDD property next to my property has been running the past couple days on Buttonbush.

Mr. Haskett asked have you reported it on the website?

Mr. Schiro stated no.

Mr. Haskett stated all issues related to CDD property can be handled much quicker by reporting it on the website or making a phone call than to wait for a meeting.

Mr. Schiro stated I noticed the CDD landscaped area looks weedy, more than it has in the past. Regarding the community garden, since it will be a potential amenity that will be regulated, one of the rules will be not to steal vegetables. My comment about inconsistencies near the beginning of the meeting, Ms. Snyder said she wanted to focus on the top five bidders and then move onto other items if it seems appropriate. She did not say anything about restricting it to only five.

Ms. Snyder stated no, it was to move onto the optional service. I had no intention of talking about any of the other firms. It was the optional service and I clarified it.

Mr. Schiro stated I think that was a mistake. Mr. Tome expressed an opinion that an online forum is not a proper venue for citizens to ask questions of the people who represent them. At that time, the administration of the United States government would have agreed with him. But times are changing. Now we have new leadership at the highest level showing how the internet brings people closer to their government. A new age of transparency and accountability is at hand. Are you willing to reconsider Mr.

Tome's position? Are you willing to answer questions in an online public forum? Will the Harmony HOA and the Harmony CDD be willing to answer questions in an online public forum? How about the Management Company?

Mr. Moyer asked would you be willing to pay additional money for that service?

Mr. Schiro stated I would be willing to volunteer my services free to the Board.

Mr. Moyer stated I am talking about whether you would be willing to hire someone to sit there and if there is a significant volume of questions, to answer those questions. Would you as a resident be willing to pay additional fees?

Mr. Schiro stated yes.

Mr. Moyer stated that is not covered in our contract. Unlike Barack Obama, I do not personally have the time to spend eight hours a day to do that. If you want that type of service, those are the things you need to bring to the Board and we will have to staff up for it.

Ms. Kassel stated I wonder if he is asking for us to do something illegal. If you are asking for individual Board members of the group to give you their opinion on something, that is against Sunshine Laws.

Ms. Snyder stated we cannot do that.

Mr. Schiro stated the residents will give you our opinion, and then all the residents can see their opinion and the Board can read them, and then you can act on them when you get to the Board meeting. Through your meeting minutes, we can go back to each opinion and question. It is a common forum where everyone everywhere can read it in advance and you can know what the community is talking about.

Ms. Snyder stated that is tough, because right away you have misinterpreted what I said earlier in the meeting, so that would be very hard to have that on the internet.

Mr. Schiro stated I disagree but it is something you should think about. Harmony's Activity Director has been in place for about a year and I think he should be commended for his efforts. I have participated in some activities that I thought were good and some I thought were not so good. I know he reports how many people participate in various activities. I also know they have performed surveys of residents in the past. Can this information be shared with the public?

Mr. Evans stated that has nothing to do with the District as far as the cost for the Activity Director. The developer is paying for his salary.

Mr. Schiro asked would you convey that to the developer? You do represent the developer.

Mr. Evans stated at this meeting I represent the District, and it is not a District issue.

Mr. Schiro stated it would also be helpful for residents to express their opinions about various activities for all other residents to see what we are talking about regarding CDD issues. This way, ideas about new activities might develop and ways to improve the existing activities might be shared. Could the developer or the CDD develop a mechanism by which everyone can openly share their opinions and ideas about activities in Harmony?

Ms. Kassel stated we could put up a suggestion box.

Mr. Schiro asked an online suggestion box?

Ms. Kassel stated no, a physical suggestion box.

Mr. LeMenager asked did we not actually see that today? One of our residents sent an email to Mr. Moyer and asked for it to be brought up. He brought it up and we discussed it. It will be in the minutes and the resident will know what we have done.

Mr. Schiro asked would it not have been better if that email had been posted three or four weeks ago so that everyone could read it and be prepared for the meeting?

Mr. LeMenager asked why? We are the only ones to get to deliberate it.

Mr. Schiro stated there are other residents reading this information in advance.

Mr. LeMenager stated that is why there is only six of you here.

Mr. Schiro asked on an ongoing monthly basis, how much money do residents pay to board their horses at Harmony?

Mr. Evans stated the District does not have anything to do with horses.

Mr. Schiro stated there are horses boarded in Harmony.

Mr. Evans stated there are no horses boarded on District property.

Mr. Schiro asked is this a developer issue?

Mr. Evans stated this is a CDD meeting and there are no horses that are boarded on District property.

Mr. Schiro asked is this a question for the developer?

Ms. Kassel stated it is not a question that is relevant for the CDD.

Mr. Joe Bellish asked what is going to happen to the site where the old school was?

Mr. Evans stated that is still undetermined. That was designated as a commercial site from the beginning and the developer owns that site. There were a number of things they considered doing but they put the charter school there on a temporary basis. It has been cleared. As far as future plans, that is still undetermined because it is too early to tell.

Mr. Bellish asked who is responsible for the way it is now?

Mr. Evans stated the School Board is supposed to clean it up, but we will maintain it.

Mr. Haskett stated wildflower seeds were planted in the berm areas.

Mr. Bellish asked what about all the construction debris that was not cleaned up? The storm drains are below elevation with sand running into the storm drains, and some grates are off and are big enough for a child to fall in.

Mr. Evans stated I am not familiar with any of the grates.

Mr. Haskett stated we will look into it since there is a safety issue.

Mr. Bellish stated it is a mess down there. The only way you can change the grading is to elevate the collection basins.

Mr. Boyd stated those drains can be abandoned in place and ultimately removed.

Mr. Bellish stated they are segregated from the main storm drains and blocked off.

Mr. Boyd stated the openings are small in diameter.

Ms. Kassel asked are they a hazard now?

Mr. Bellish stated there were no grates off when I looked yesterday, but before there were three of them that were off.

Mr. LeMenager stated there are a lot of kids that play there.

Mr. Evans stated we will look at it.

Mr. Bellish stated as far as the construction debris that was left over there, I have seen pipe and cinder blocks.

Mr. Haskett stated I have driven by and have not seen anything.

Ms. Kassel stated it is not visible from street.

Chris Sorrough stated I recently heard comments from neighbors and decided it was time to get involved to see what is going on. I can tell you that from being in the community and in talking with neighbors and my wife who is a stay-at-home mom and is in the parks every day, you were commended earlier by the Attorney for your openness and compliance with the Sunshine Law, but I can tell you the people I have talked to, no

one knows what is going on. It is obvious because no one is here at the meeting. I am not sure if Mr. Schiro's methods are right, but something has to be done to get the information out to the community and the homeowners and allow them the opportunity to voice their concerns, besides coming here to a meeting and sitting for 3.5 hours.

Ms. Kassel asked do you have a suggestion as to how that could be done that is cost effective?

Mr. Sorrough stated I do not know. You mentioned a suggestion box and I do not know how that will work or be effective. You could all have email addresses and people can send you emails with their concerns. Someone will have to go through the suggestion box and read them, but you can log into your email account at anytime. I know most City Council members have emails where the City residents can email their Council members with concerns and questions. City Council members have office hours when people can talk to them and not have to sit through a long, cumbersome meeting for a five-minute concern.

Ms. Snyder stated we do have a website where you can go and you can send questions on the website.

Mr. Sorrough stated it is a matter of getting the information out. I was shocked in November when I was voting for the landowners election. I did not vote because I did not know anything about it. There is no campaigning. No one else I talked with knew what it was about. We did not know it was for a CDD position. There is a lack of knowledge. It is partially our responsibility to take an interest, but you have a responsibility to disseminate the information.

Mr. Moyer stated we do have a website and there is a full history of what a CDD is.

Mr. Sorrough stated I have seen it and it is there. I do not think a lot of people know about the website.

Ms. Snyder stated perhaps we can put it in the paper again.

Mr. Sorrough stated it would be wonderful to have an article in the paper.

Ms. Snyder stated maybe it should be in every issues of the Harmony News.

Mr. Haskett stated that information is on every billboard in every park with the website and phone number. The information is out there and people need to look at the bulletin board. Other than doing a direct mail, I cannot see how much more we can do to provide that information.

Ms. Kassel stated we can have suggestion boxes in one or two other places for comments and suggestions, and the CDD members will receive a copy.

Mr. LeMenager stated sure, send me an email.

Mr. Sorrough asked do we have your email addresses? Is there a place for people to send an email on the website? I have not seen it.

Mr. Moyer stated yes. The exception I took to Mr. Schiro's comments was that he said "*and someone to reply*" which means you want to carry on a debate and want to discuss things and want feedback.

Mr. Schiro stated I did not say you had to reply.

Mr. Moyer stated then I misunderstood. If it is just a matter of providing those emails, I brought an email to the Board tonight that I received relative to the dockmaster. If you send them to the email address, we will disseminate them to the Board for their information.

Mr. Evans stated there is a mechanism in place but it is a matter of whether or not you use it.

Mr. Sorrough asked is there some information of how the Board functions and the terms?

Mr. Moyer stated it is all on the website.

Mr. Sorrough stated it seems some decisions were made when I was not here at the last meeting. It was mentioned about the contract for the dockmaster. My family and I use the boats all the time, and I have not noticed any problems with the service we are receiving. Now we are paying \$3,500 per month for his salary?

Mr. Moyer stated no, 30% of that number is health insurance. The total is for salary and benefits.

Mr. Sorrough asked what are we getting now that we were not getting before? I had no issues with Mr. Belieff. He did a great job. I do not see how you can justify \$40,000 in extra expense.

Ms. Snyder stated keep in mind \$12,000 is for health insurance. He is also doing more than just the boats now.

Ms. Kassel stated the point is we were not paying him before. He was not paid by the CDD until recently. The developer was paying the cost for Mr. Belieff. The developer

said that they have been paying this cost for all these years and it was time for the CDD to start incurring the cost for this CDD amenity. That is why it was changed.

Mr. Sorrough stated that makes sense. Are we really justifying these expenditures in our minds? I did not know that and I agree that the CDD should pay for it. How much will we incur with the garden and how many residents are really going to benefit from this? I am glad you said for them to bring the proposal for it to see how many people will benefit from it. We need to be careful during these times to incur expenses for a small percentage of the community. We need to make sure these funds are being used very carefully to justify the expense and everyone receives the benefit of them.

Mr. Patrick Condon stated it was mentioned about the alleys. For the last three years, I have contacted the County and the garbage collection company by phone and email about the alley in the back of my house. As the years have progressed, it has become a big mud pit where the garbage truck goes through every two days. It is becoming a safety hazard. They are cutting big chunks of asphalt out of my driveway. Someone put a safety cone in the alley to keep the truck from running over it, but he started running over the cone and now the cone is a hazard for the kids. If you look at the other alleys that are designed correctly, none of that occurs. Instead of turning right, he turns left and they poured the asphalt such that the truck does not have to negotiate around a utility box. It is a physical impossibility for the truck driver. There is an easy solution if someone would actually fix it. I will submit it to the website again and I will submit pictures to you.

Mr. Boyd stated show me on the map where it is and I will look at it.

Ms. Kassel stated I received a complaint from another resident, as well.

Mr. Condon stated when you go to City Council meetings, for every topic there is an opportunity for public comment. Everyone gets two to five minutes to speak their piece and then you vote. I did not see that here. Is that because you are a different kind of organization?

Mr. Moyer stated no, when you go to a County or a City meeting, if they have public hearings, that is when the public gives input. But once the public hearings are done, they transact business just like this Board did tonight. Not every agenda item is open for public comment. We have mandatory hearings on the budget and when get to that hearing, we will open that for public comments. We do not have many public hearings

because we are not involved in land use decisions or zoning or other things that require a public hearing by Statute. We are primarily involved with infrastructure management.

Mr. Condon asked where is the 10-inch water main going?

Mr. Boyd stated it is part of the original overall master infrastructure plan. It connects the west side of the CDD to the east side of the CDD and provides redundancy of the water system. If one of the water mains needs maintenance or has a water break, right now the neighborhoods would be shut down.

Mr. Schiro asked assuming you do not have to reply and the cost is free, would you add a forum feature to the website?

Mr. Moyer stated we will consider that.

Mr. van Assenderp stated as with any forum for any form of government, the Sunshine Law is very restrictive.

Mr. Schiro stated that means we have public access.

Mr. van Assenderp stated no, that means they cannot respond.

Ms. Kassel stated none of us can respond because it happens outside of a public meeting.

Mr. van Assenderp stated I think it raises a serious Sunshine Law violation.

Mr. Schiro asked is it acceptable as long as they respond to the questions in meetings?

Mr. van Assenderp stated it has to be a noticed meeting.

Ms. Kassel stated you are welcome to collect all of them and bring them to a meeting, unless there is a trigger to send the CDD members to that forum if there is something there. Otherwise, there is no system.

Mr. Schiro stated it comes in as an email.

Ms. Kassel stated then bringing it to the meeting is another story. Just because I see it does not mean I am going to remember it. I may not print out all 75 to 80 pages and bring them to a meeting.

Mr. Schiro stated that is up to you. If you want to ignore it, you can. It just gives you an opportunity.

Ms. Snyder stated just know that we cannot respond to it.

Mr. Schiro stated the way you respond is you address the issues during the meeting.

Mr. Sorrough asked can they reply to emails?

Mr. van Assenderp stated not under the Sunshine Law.

Mr. LeMenager stated we have to be very careful.

Ms. Kassel stated I can respond to you privately.

Mr. Sorrough stated City Council members receive and respond to emails.

Ms. Kassel stated they can respond

Mr. Sorrough stated I thought emails are public record. I thought you could respond and say you will bring it up at a public meeting.

Mr. van Assenderp stated that is about as far as it can go.

Mr. Sorrough stated you are saying you cannot respond whatsoever.

Ms. Kassel stated we cannot give an opinion or share our thoughts on anything.

Mr. LeMenager stated we can say anything we want to a private person but not to any of the other Board members outside of this meeting.

Mr. van Assenderp stated if it gets on a public document and you have seen it, that is a Sunshine Law violation. There are Board members around the State who have had to hire criminal lawyers for inadvertent, but nevertheless, failure to abide by the Sunshine Law.

Mr. Sorrough stated I thought it was satisfied by the fact that emails are public.

Mr. van Assenderp stated that just makes the public discourse at a non-noticed meeting public record and it makes it easier to convict them. This is pretty serious.

Ms. Kassel stated I wanted to respond to Mr. Schiro that this is not the forum to answer your questions. It is not a "yes" or "no" answer; it is a very complex question and this is not the place for that conversation.

A Resident asked as a homeowner, how do we know what is CDD property, what is developer property and what is other property?

Mr. Boyd stated there is a difference between the CDD boundary and CDD property. The boundary is the boundary under which the CDD operates. CDD property is property that is owned by the CDD. Your property is in the boundary of the CDD but it is your property; not CDD property.

Ms. Kassel stated I think her question was how can we let residents know what is CDD property versus private property.

Mr. Boyd stated we do have a map that shows that. Unfortunately I did not bring it with me tonight.

Ms. Kassel asked would it be helpful to have that map on the website?

Mr. Evans stated when you put that map on the website, it is so small that trying to read it is very difficult. Essentially the CDD owns the pool, the park in Town Square, and the other parks.

Ms. Kassel stated perhaps in every Harmony Notes you can include where residents can address issues as well as a paragraph depicting what is CDD property and what areas are private property.

Mr. Boyd stated I will bring a map to the next meeting that describes those areas.

Mr. Evans asked when should we have our next meeting?

Mr. LeMenager stated I would like to have another evening meeting. Our meetings typically are only an hour. I cannot commend you enough for staying this late. We had a lot of residents for the HOA meeting. if they knew we were just meeting for an hour, I think we had a terrific turnout.

Mr. Evans asked do we need a meeting next month?

Ms. Kassel stated yes. We will have the check run summary and issues that come up during the meeting. I was very uncomfortable not meeting for two months. I know there are always things that come up at meetings and I do not want to wait two months.

Mr. LeMenager asked do we need to do any preparation for May. This is our first time through the budget process.

Mr. Evans stated we will have a workshop. There is a lot of information you will receive in preparation for the budget process.

Mr. Moyer stated you will receive the preliminary budget in May.

Mr. LeMenager stated I would like to go through the process when we can talk in April just to make sure I understand.

Ms. Snyder stated there is a separate workshop for the budget.

Mr. Evans stated that was the whole purpose of the workshop and it is a very voluminous worksheet. I prefer to have meetings during the day unless we have a major issue.

Ms. Snyder stated I do, too.

Mr. Sorrough stated that goes right to the concerns of the residents. That is one of the main complaints. There are a lot of people out there with the impression that there are people on this Board making decisions for residents who are not residents. The other

complaint is that these meetings are held during the day when people are at work and they do not have the opportunity to attend.

Ms. Snyder asked were those people here tonight?

Mr. Sorrough stated I do not know.

Ms. Snyder stated I do not believe they were.

Mr. Sorrough stated I think you need to make the opportunity available. Whether or not they attend is one thing and then you put it back on them if they do not take advantage of it.

Ms. Snyder stated I have heard that complaint so many times and yet these people never show up.

Mr. Evans stated we move our meetings to the evening and they do not show up.

Ms. Kassel stated I prefer an evening meeting.

Ms. Snyder stated I prefer daytime.

Mr. O'Keefe stated I prefer daytime.

Mr. Sorrough asked who on the Board is not a resident of Harmony?

Mr. Evans stated Mr. O'Keefe and myself.

Mr. van Assenderp stated everyone is initially elected by the landowners before we convert to General Elections. In two years, everyone will be elected by residents and registered voters.

Mr. Moyer stated the next meeting will be Thursday, April 30, 2009, at 9:00 a.m.

TENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 9:45 p.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, April 30, 2009, at 9:00 a.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Robert D. Evans	Chairman
Nancy Snyder	Vice Chairman
Kerul Kassel	Supervisor
Mark LeMenager	Supervisor
James O'Keefe	Supervisor

Also present were:

Gary Moyer	Manager: Moyer Management Group
Ken van Assenderp	Attorney: Young van Assenderp
Steve Boyd	Engineer: Miller, Einhouse, Rymer & Boyd
Brenda Burgess	Moyer Management Group
Thomas Belieff	Harmony Dockmaster
Greg Golgowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Shad Tome	Harmony Development Company
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Evans called the meeting to order at 9:05 a.m.

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

SECOND ORDER OF BUSINESS

Approval of the Minutes of the March 26, 2009, Meeting

Mr. Evans reviewed the minutes of the March 26, 2009, meeting, and asked for any additions, correction, or deletions.

Ms. Kassel stated I did not receive this information until late yesterday afternoon and the minutes are more than 50 pages. I need a few more minutes to review them.

Mr. Moyer stated we can table the minutes for your next meeting. I understand we did not get this material to you timely because it was sent to the wrong address. We apologize for that. It is no problem to table them to the next meeting.

Ms. Snyder stated I received this by email and I cannot read all that material online.

Mr. Moyer stated those minutes are important because of the bid process and other issues, so I think deferring their approval is the best course of action.

THIRD ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

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

Mr. Moyer stated I distributed a supplement on the Assessment Collection Schedule. We are 89% collected with the April disbursement.

Mr. LeMenager asked is the remaining 11% mainly the developer's monthly payments?

Mr. Moyer stated no, there is a separate budget item for off-roll assessments. This chart is for on-roll assessments only. The off-roll assessment is behind one month due to a timing issue. Regarding the 11%, we may get another disbursement from the Tax Collector shortly. If not, that goes through the tax certificate process. In early June, tax certificates will be sold and that is usually how we collect the balance of our assessments.

Ms. Kassel asked why is our salary payroll so much higher than what we budgeted?

Mr. Moyer stated when we budgeted that amount, we had not determined how much the salary would be and we did not include benefits.

Ms. Snyder asked are benefits paid on the gross amount, like insurance?

Mr. Moyer stated after we determined the salary, we had to add FICA, insurance and other benefits and payroll taxes.

Ms. Kassel stated in the first four months, we spent \$13,281 over budget.

Mr. LeMenager stated a positive number means we are under budget, so that is good.

Mr. Moyer stated we did not hire Mr. Belieff as early in the fiscal year as we anticipated. What we budgeted is less than what we actually end up with now, so your budget going forward will accurately reflect salary and benefits.

Ms. Kassel stated in next budget year, we should include higher amounts for things like the equipment and pools and so forth.

Mr. Moyer stated we will discuss all that in May when we discuss the budget.

B. Invoice Approval #108 and Check Run Summary

Mr. Moyer reviewed the invoices and check summary and requested approval.

Mr. LeMenager stated in January and February, the Management Company charged us double for field operation services.

Mr. Moyer stated that is for Mr. Belieff's payroll.

Mr. LeMenager stated it is the same amount as included in the regular bill. Are we being double billed?

Mr. Moyer stated they are for January and February.

Mr. LeMenager stated my only other comment related to expenses, the one area we exceeded our budget this year was legal services. We are already over our budget amount for the entire year.

Mr. Evans stated that is directly related to the requests of this Board. Anytime you ask counsel for an opinion or to write a memorandum or to research something, that is in addition to what we budget for legal services. We spent a lot of time going through the bid process for landscaping and reviewing contracts. That process lasted over several months. This Board requested a significant amount of legal work. We also worked on some of our policies during this fiscal year, and we requested all of that work. We need to take that into consideration when we budget for legal services.

Mr. Moyer stated it is difficult because we do not know what issues will come up during the year. The amount that was budgeted for this fiscal year includes normal legal representation, attending these meetings and things of that nature. We adopted a couple rules this year, and the bid process was much more complex than we expected. I would not expect next year that we will have these types of legal fees. If an issue comes up for this Board that requires legal input, it may end up being a higher amount than what is budgeted.

Mr. Evans stated we need to be mindful that anytime we request something, there is a fee associated with it.

On MOTION by Ms. Snyder, seconded by Mr. O'Keefe, with all in favor, approval was given to the invoices as presented.

C. Report on Number of Registered Voters – 383

Mr. Moyer stated Chapter 190, Florida Statutes, requires the District to obtain annually the number of registered voters from the Supervisor of Elections. The reason is to track whether or not we have more than 250 registered voters. If we have 250 after six years, we start a conversion process, which this Board has already started, converting the way we elect Supervisors, going from a landowner election to a qualified elector process.

Once you have met the thresholds, Chapter 190, F.S., does not say we need to stop doing this. This is for your information. It gives you a gauge of how many people are in the community and at what rate the community is growing. We need to enter this into the public record and there is no action required of the Board.

Mr. LeMenager asked what was the number last year?

Ms. Kassel asked is there a way to determine the current number of residents who live here?

Mr. Moyer stated there is a way of estimating that. You can take the number of units that have structures on them and multiply by a number. In a normal community with children, it is 2.9 to 3.3. That is about the only way we can estimate it.

Ms. Kassel stated we have so many vacancies so this is not an accurate number.

Ms. Burgess stated last year there were 381 registered voters.

D. Discussion of Copying Charges

Mr. Moyer stated Ms. Kassel mentioned at our last meeting that there were a lot of costs related to copying. We provided an analysis to you. Based on these agenda packages that we print and send to Supervisors and people we need to make a filing with at the State and County level, we end up with about 5,000 copies a month. Severn Trent bills \$.20 a copy. One thing the Board can consider is the bulk of these agenda packages consist of invoices. We can continue to put them in the agenda packages. We can send one copy to the Harmony project and you can all review them at your leisure, or we can send it to you in a pdf file and you can review them on your computer. We do not want to send you 180+ pages every month. If you have specific categories of invoices that you are concerned about, we can include only those. There are normal recurring invoices for management fees and others that do not change much from month to month. We will entertain anything you suggest to reduce copying charges.

Ms. Snyder asked what if we sent one copy to the staff at Harmony and they copied them for us?

Mr. Evans stated we are just shifting costs to the development company, and it is really the District's obligation to provide this information. I like the way we currently have it so we can carry the whole package with us. We may not have the opportunity to review everything at the computer. When I get that much information, I print it and review it page by page, plus it gives us a permanent record that we can carry that is far

more mobile. I think we continue to send the agenda packages here for the other four members.

Mr. LeMenager stated I am more than pleased to get the invoices via pdf. I just printed a few to bring to the meeting. I do understand that is not preferable to some, but you can save one set for me.

Ms. Kassel stated you can save mine, too. We are supposed to be an environmentally intelligent community, and using all this paper is not environmentally intelligent. Although I find it difficult to review them online, I think it is the right thing to do.

Ms. Snyder stated I can review the invoices online but I want the rest in a package.

Mr. LeMenager stated I agree. I understood we would get everything else in a package and review the invoices online.

Mr. Moyer stated we will still prepare a full package for Mr. Evans and Mr. O'Keefe and separately email invoices to Mr. LeMenager, Ms. Snyder and Ms. Kassel.

Ms. Kassel stated please explain agency mailings.

Mr. Moyer stated this material needs to go to the County for their records.

Ms. Burgess stated copies also go to the Auditor and to our office because a copy of these records has to be retained in Osceola County.

Ms. Kassel stated there should actually be 14 agenda packages instead of 10.

Ms. Burgess stated yes, and there are also some associated photocopying if I have to make additional copies of the agenda or additional handouts. There are copies that staff will make of other items, but that number is minimal.

E. Sidewalk Proposal

Mr. Moyer stated a couple meetings ago, there was an issue raised about the sidewalks and some of them needing to be grinded. Mr. Boyd identified the ones that are the most critical. That work has been done. I distributed a proposal for the rest of the sidewalks. You do not need to take action on this today unless you think there is an urgency. The amount is about \$5,300. When we went through the process of trying to get bids on this work before, they were substantially higher. This is the company that did the first iteration of grinding sidewalks. The feedback that I have received is that it is being done professionally, it looks good, and we are addressing these liability concerns. If you want to defer this matter, we can include it in the 2010 budget. If you think there is urgency to move on this immediately, this proposal is for your consideration.

Mr. Evans asked does this proposal identify the ones that you would classify as critical?

Mr. Moyer stated there are 146 locations and a comprehensive review was done not only by Mr. Boyd but the person who provided this proposal. He walked the community and identified those areas as well. It will put us in good shape if we proceed to have the work done.

Mr. LeMenager asked is there a good time of the year to do it? Does it make sense to do it before storm season or wait until after?

Mr. Moyer stated I do not think it is dependent on the time of year. You can do it at anytime of the year. I am a little concerned and perhaps there is some urgency that I have overlooked. FMS has worked for me for a long time as the Field Manager in Celebration and other Districts. The son is doing this work while he goes to FSU in the fall. As I understand, he is doing a good job.

Ms. Snyder stated for \$5,300, we should get this done.

Ms. Kassel asked who performed the most recent work?

Mr. Moyer stated this young man.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given to the FMS proposal for sidewalk repairs in the amount of \$5,256.

FOURTH ORDER OF BUSINESS

Attorney's Report

Mr. Moyer stated I distributed the material Mr. van Assenderp provided to me for the contract for legal services. I also provided to you the fees charged by firms that are active in providing legal representation to CDDs. It is a specialty area and you need to have an Attorney that is familiar with what is happening with CDDs. There are not a lot of firms engaged in that type of representation. The chart shows the hourly rates charged by the four firms that are active in Central Florida.

Mr. van Assenderp stated I sent a letter and draft of the agreement separately to the Board members as well.

Ms. Kassel asked is the draft contract any different than what we were given last month?

Mr. van Assenderp stated it is essentially the same. We stopped charging for meals and we lowered the rate for mileage and attorney travel time. The language should be the

same. The noteworthy changes were summarized in my cover letter. Your primary Attorney will be Mr. Qualls at a very low hourly rate.

Mr. LeMenager stated I did note that you suggested an alternative of a fixed monthly amount. What amount would you have in mind?

Mr. van Assenderp stated I do not have one in mind. We can pull an average of what we anticipate along with comments from Mr. Evans and Mr. Moyer. That would be a fixed charge each month. Anything that exceeds that will be at the hourly rate, but that is essentially what we are doing now. If we have a flat monthly fee, the invoice will be for services rendered but we will include a narrative each month of time spent and services provided. At the end of each year, you will be able to make a good faith assessment to make a change up or down with the flat rate. The flat rate does not cover rulemaking or litigation or special requests.

Mr. LeMenager stated I would not mind seeing a number for purposes of budgeting, which we will start next month.

Mr. van Assenderp stated that will need to include Mr. Moyer's involvement and it will be my pleasure to send you that information.

Mr. Evans stated we drive these fees. Even if he quotes a flat fee, and we keep asking him for things that are not included in the flat rate, it will still be on an hourly basis. Either way, we are still paying for the services we receive.

Mr. van Assenderp stated I am not suggesting that one way is not better than the other, but both are available.

Mr. Evans stated I am very comfortable with the agreement you proposed. I have had the pleasure of working with you for a number of years. I have also worked with other Counsel that is nowhere near as thorough and professional as you have been. I want to compliment you on the hard work that you have done representing this Board.

Mr. Snyder stated I agree.

Mr. Evans stated I have been on CDD boards for over 10 years. I have been Chairman of a number of them, and the previous one I was on the Board for 9 years and was the Chairman for 7 years. The services you have rendered and the quality of product that you have provided are far superior to what I have received in the past. I have reviewed documents for other CDDs and I have found your documents are more thorough. When it comes to the quality of service, I cannot find anyone better. As this Board progresses and

ends up being a full resident Board, they will need you. They will need your guidance, your suggestions, and your wealth of knowledge. Every time we bring on a new member, you advise them of their legal obligations and their responsibilities, which are very great. A District is highly regulated. You do not make up rules as you go along. You have given this Board tremendous guidance with your wisdom and experience. I want to thank you for that. I, for one, am very happy with the agreement you proposed.

On MOTION by Mr. O'Keefe, seconded by Ms. Snyder, with all in favor, approval was given to the agreement for legal services as provided.

Mr. van Assenderp stated thank you for your comments.

Mr. Evans stated we are glad to have you on our team, and it is always good to have someone of your character and quality that is watching out for us.

FIFTH ORDER OF BUSINESS

Engineer's Report

Mr. Boyd stated I have an update on the water line to close the loop between the east and the west sides of the property. We have completed the design, and we should have approval from Toho Water Authority in the next 30 days, followed by approvals from FDEP in the next 30 days. At the next Board meeting, I anticipate we will be requesting authorization to prepare a bid package to get prices for the work with the intent of awarding a contract for the work. I distributed copies of our design drawings with our conceptual cost estimate of \$136,277 for construction. This will come from the remaining funds in the construction bond funds. I would add a 20% contingency to the costs. There are two alternatives to construct this line through the wetlands at the northeast end of neighborhood E: an open cut with minimal impact or a directional bore. Following the results of the geotechnical work, there is a deep muck pocket, so the more economical solution is a directional bore, which will result in zero impact to the wetlands. In the event we choose to do an open cut, we looked at the feasibility of whether it be possible to have a boardwalk installed across the same section. Since we are doing a directional bore, that does not facilitate construction of a boardwalk. Since we are looking at this area now, we are also looking at the trees in this vicinity and what the alignment of a boardwalk would be if you want to investigate that.

Mr. Evans asked are you in discussions with the Water Management District relative to permitting a boardwalk to go through that area?

Mr. Boyd stated we have an impact to that area for a crossing shown now. The permitted location does not match up with the proposed location at this time. It has already been mitigated as conservation areas, so the location could shift. We have not approached the Water Management District yet but we anticipate getting their opinion to build a boardwalk with just hand clearing of smaller trees and the feasibility of that. If they are receptive, we may want to look at doing this work at the same time, as well as a connective sidewalk.

Mr. LeMenager stated I think that is a terrific idea. Right now to get to the other side of Cat Lake, you have to go all the way around. Now we would have the ability to have a nice walkway to everything we are going to have on the other side. If we can do it, I think that is great.

Mr. Boyd stated the good news is the cost of the water line is lower than we estimated.

Ms. Snyder asked will the bid process be similar to the one we just did for landscaping?

Mr. Moyer stated no, this will be a hard bid where there will be specifications. Unless the bidder is not qualified to do this work, it is awarded to the low bidder.

Mr. Evans stated by the next meeting, you will engage with the Water Management District and tell them what we want to do and understand the width and dynamics.

Mr. Boyd stated that is correct. Our progress on the boardwalk was held up until we received the geotechnical results. At the next meeting, I anticipate that we should be able to share the Water Management District's opinion of facilitating this conceptual route and the estimated cost of the work. At the last meeting we were requested to look at the condition of the alleys. We have completed Phase 1 of that process, which is field assessments, photographs and maps of designated areas. Phase 2 is to prioritize and prepare recommendations to the Board on what repairs should be made at this time. We have not completed that process but it will be in your next agenda package. The most severe cases are where trucks are leaving the edge of pavement, which is in two locations. Those will be at the top of the list. There are a lot of areas that need to be addressed. We will prioritize those areas with other areas to be incorporated into future O&M budgets. I also said I would bring a map of the property the CDD owns, which I brought with me to discuss with anyone after the meeting.

SIXTH ORDER OF BUSINESS

Developer's Report

Mr. Tome stated we met with Luke Brothers for a preparatory meeting with them, and it included the Field Supervisor and several key people from their corporate office. It went well and we expect a smooth transition. They are anxious and excited. They are in the process of being able to stage in the facility where REW was as they vacate. The Field Manager has been in touch with Mr. Haskett every day, so that is a good sign.

Mr. LeMenager asked when is their start date?

Mr. Tome stated May 14. They are ready to go.

Ms. Kassel asked are they proposing to have a field site for their equipment in the same location as REW?

Mr. Tome stated yes, REW has already removed the fence and their storage container. Luke Brothers will go in the same location. We are finalizing an agreement with them as landowner of the property.

Mr. LeMenager stated with respect to the transition from one company to the other, I am aware that one of our constituents, Ms. Pam LeMenager, has expressed some concerns with respect to issues such as mulch not being done in some of the smaller parks and chinch bugs in the smaller parks. The concern expressed was that our new landscape company should not think that is the standard we wish to maintain.

Mr. Haskett stated in the meeting with Luke Brothers, they recognized some of those areas that need some improvement. Regarding discrepancies with mulch and chinch bugs, I have addressed that with the owner and supervisors for REW. They are addressing it with some reluctance, which is understandable, but we will stay on top of that.

Mr. Moyer stated I responded to her email that at the end of this process, on May 14, with the help of the Harmony staff, we will make an assessment of work that has not been done. To the degree it has not been done, we will not pay for it. We will true up that contract.

Mr. Tome stated I met with the owner last week and all indications are that he will do all the right things. There is no indication that he will not. He will make it right.

Ms. Kassel asked do I understand from the bid proposal that we will receive a regular monthly report from the landscaper regarding work they are doing or things that need attention?

Mr. Haskett stated yes, that was included in the scope of work for the company to provide a written report that will detail inspections or advise us of field issues.

Mr. Moyer asked did we provide you with similar reports that we provide for other Districts?

Mr. Haskett stated no.

Mr. Moyer stated we will send that to you.

Mr. Tome stated I want to go on record to thank all the residents for the Dark Sky Festival this past Saturday. We feel it was a huge success. It was bigger than previous years, it went smoothly and it was a well-attended event. We want to thank the residents for their participation and attendance. We will continue to build on it. The educational components and things we did are the way to go and we will continue to go that direction. It showcases the commitment of Osceola County and the Harmony Development Company and residents to education and to our school system.

Mr. Golgowski stated we have been investing in dark sky lighting on the streets and at your homes. A contingent from the Dark Sky Association was here and recognized Harmony as being a dark sky community. We are the first private development in the United States to receive this award and recognition. There is a lot of competition for this award, especially in western States.

Mr. LeMenager stated I like to think of the CDD as well as the Department of Parks and Recreation, this is something we will take over one day. I think it is appropriate for this Board to commend the developer on such a marvelous job.

Mr. Golgowski stated many Board members volunteered at the event.

Mr. Tome stated in conjunction with our green tour, which is something we put in place once we got our green certification, we tried to put some signs together in the community to bring recognition and to educate people on what makes the community green. For new residents, it will help them understand the sustainability and long-term commitment to make sure the community stays green. One of the main components of green certification is to continue to educate the resident base to make sure it goes into perpetuity. We wanted to present the sign idea and to ask if the development company can reproduce these signs. The material is a composite material that will not decay or rot. We want to put them in several places throughout the community, and some of the locations will be CDD property. There are already educational signs posted and a small

group of residents go around seasonally to replace those. These educational components will tie in with the University of Florida. It is something to consider if you want to see these in certain locations in the community. There are some for trees, wildlife areas, wetlands, dog park and others.

Ms. Kassel stated they look very nice.

Mr. LeMenager stated I think it is a great idea.

On MOTION by Mr. LeMenager, seconded by Ms. Kassel, with all in favor, approval was given to allow the Harmony Development Company to place educational signs on CDD property, as discussed.
--

Mr. Haskett stated the clover leaf climber is a piece of playground equipment at Lakeshore Park, and it appears to have rusted. This is the second time it has been replaced. I contacted the manufacturer in trying to come up with a solution. It appears to me the weak area is where they welded the components together, which has created a weak point and also a stress point. We are looking at a way to resolve that prior to replacing it. The hazard has been taken away so that no one gets hurt, but I will keep you informed as soon as that equipment is back in order.

Mr. Haskett stated OUC has transmission lines across the front property. The CDD placed two landscaped beds that are at the main entrance to the west and one at the Boulevard at the light to the west of the light. There are 14 trees that according to Davey Tree, who does the work for OUC, which have to be removed. Mr. Golgowski and I met with Davey Tree. This is a new federal law that was passed after the blackouts that occurred up north a few years ago. It has to do with the high voltage of the transmission lines. Davey Tree will remove them for free or we can choose to have them transplanted at the CDD's expense. I will come to the next meeting with estimates on having trees relocated and transplanted. I believe they are worth saving. They are Winged Eelms that are about 15 to 20 feet tall, and Magnolia trees that are 12 feet tall. They can be used throughout the community in the parks. Davey Tree will give us to the fall to get them relocated. Next month, I will have estimates for the swim club gate. Over time it has been slowly getting destroyed from people picking the lock, jumping over it and swinging on it. We are trying to come up with better grades of gates and perhaps relocating the gate to prevent further damage.

Ms. Snyder stated there is a square park on Beargrass Park that has pieces out of the columns. Before I mentioned the bottom was deteriorating, but now there are chunks out of the top. I do not know if the trimmers hit it, but it does not look good at all.

Mr. Haskett stated in preparation for the budget meetings, I will be coming up with different things to use for repairs that we can use for renovating certain items.

Ms. Kassel asked are you available after the meeting to go to the dog park?

Mr. Haskett stated yes.

Mr. LeMenager stated now that we have had our trees trimmed above 10 feet, on the side streets, we are seeing little shoots growing from the bottom. That is the one gap in our plan. We need some plan to trim the bottoms. We need to think about what we do for 10 feet down. It may be as simple as educating residents. I take care of the trees in front of my house.

Ms. Kassel stated that has to do with a larger issue, setting a precedent about the care of the easement between the sidewalk and the curb on all lots. Now we have set a precedent on trimming trees. In the landscaping proposals, we received prices for mowing that easement, so we have to figure out what kind of precedent we want to set, and whether or not we want to pay for maintenance for that. I am in favor of homeowners taking care of it but if they do not, we are left with some trees that have been tended to and some that have not.

Ms. Snyder stated that makes it look worse.

Ms. Kassel asked what is the CDD willing to do and where do we set the boundary on what are we willing to maintain? If we mow, do we fertilize? What happens with weed control? Where do we stop? We can always go back and not do it anymore, but people get upset when you offer them something, even if they are paying for it, and then you take it away because we are not going to give them a refund on their assessments.

Mr. LeMenager stated I understand, and I have made the proposal that we take over that area in total. I am happy to compromise on the issue and restrict it to the trees. We are at a stage in our community where the development of our trees on the streets is crucial to what our town will look like in 5 to 10 years. The impression people get from seeing nice tree-lined streets is huge. I know people will treat their trees in different fashions and we want a consistent approach to make sure we take care of them so they look terrific in 10 years.

Ms. Kassel asked does our proposal say the new landscape company will take care of trees up to 10 feet? Does that mean any existing tree up to 10 feet, or is that only trees that exceed 10 feet?

Mr. Haskett stated it is from the ground up to 10 feet.

Ms. Kassel asked is that included in the landscape proposal?

Mr. Haskett stated not in the neighborhoods.

Mr. Evans stated you need to think about how you assess it. You are taking on an expense that is the obligation of the homeowners and are placing the burden on the entire District. Are you asking all the property owners in the District to pay for a maintenance issue that a handful of owners are not taking care of? Or do you look at it on a neighborhood basis for special assessments just for those who are not taking care of their street trees?

Mr. LeMenager stated given the current economic climate, we have a number of abandoned homes. While we have an HOA that occasionally does some self help, the HOA does not have much money. This body owns the easement and the trees. While we cannot do anything on private property, certainly on derelict lots, we have the power to cleanup the easement and the trees. If we have the power to put a special assessment on that property, we are in a much stronger position to do it than the HOA.

Mr. Evans stated the HOA has powers described within their documents that allow them access to property to maintain properties that have not been maintained pursuant to established guidelines, which is the self-help mechanism. I do not know if the District has the authority to impose specific assessment on a lot-by-lot basis for those who do not maintain their easement obligations and how you would proceed with that. Does the District have the right of foreclosure on those specific issues? What are the limitations relative to the amount of assessment? Can we fine them for not maintaining those easements?

Ms. Kassel asked why would it not simply be for those derelict lots? Why is it not a part of the self-help work for the HOA?

Mr. Evans stated the HOA does not have funds to maintain lots to that level. They have allocated certain funds to mow lots that have been abandoned to maintain them to a certain level but not to take over the yard maintenance for those lots.

Mr. LeMenager asked has this issue come up with other CDDs in the past?

Mr. van Assenderp stated yes, and your summary was correct. The District does not have the power to establish any punitive fines. The District may impose and levy special assessments on property. Though not required to be uniform within an area, it has to show a special benefit to the property. Some of the properties around the area where the trees are maintained will receive a similar benefit but it becomes a question of fair and reasonable apportionment. That is a problem because special assessments have not been used or tested on a per-lot basis for those who do not maintain their trees.

Mr. Evans stated in summary, we can spend a lot more money in legal fees in the pursuit of recovery than the benefit that we may receive.

Mr. van Assenderp stated that is correct.

Ms. Kassel stated I suggest for the time being that we educate the lot owners to trim their trees up to the 10-foot line and see how it goes in a number of months.

Ms. Snyder asked can we educate them and if they do not keep up with it, have the HOA send them a letter like they do for other maintenance issues? I think that produces more compliance.

Mr. Evans stated that falls under the guidelines of the landscape requirements of the HOA.

Mr. Haskett stated we can probably resolve this with a newsletter. I have been working with Melrose, the new property manager, and they will be putting out a direct mail every six months where they will discuss bullet points, such as alley lighting. I asked them to do a spring cleanup notice for yards to give tips and advice. This could be addressed in that and this can be the first avenue to address the tree issue.

Mr. Evans stated it will be a summary of what their obligations are, since probably a majority of residents have not read the association documents.

Mr. Haskett stated it will be in bullet-point format indicating the community-wide standard, including pressure washing and landscaping.

SEVENTH ORDER OF BUSINESS

Monthly Boat Report

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

Mr. Evans stated your report included anticipated boat expenses. Are these things that need to be done now or can they be done in October with the future budget?

Mr. Belieff stated I brought them up now due to complaints and safety issues. We are spending a lot of money to keep the boats running and now they are having problems.

Ms. Snyder stated I have received several negative remarks saying this is not an amenity but it is downgrading what we have because the boat only goes backwards. It should be fixed.

Mr. Belieff stated I know the problem and I spoke with him and told him what needed to be done. It is \$1,000 to fix it when all that needs to be done is to follow directions and hit a button. It is not running correctly, but it is running. We are thinking of upgrading the motor to what all the State parks use.

Mr. Golgowski stated the one that can be delayed is the upgraded motor for \$5,800. It will replace the controller and it is an upgraded system that has been tested in State park use and rental uses. It is a rugged system that we do not have now.

Ms. Snyder stated it seems like a waste of \$1,000. It should be fixed.

Mr. LeMenager stated if we spend the \$1,000, we will still have to do this in the future anyway. Instead of spending \$1,000 that we know we will spend again, let us do it all now. What kind of expected life will we get on the upgraded system?

Mr. Golgowski stated the motor has a two-year warranty.

Ms. Kassel asked is it possible to get some kind of service coverage?

Mr. Golgowski stated I can look into it. They are a Florida-based company so it is possible.

Mr. LeMenager stated their product is being used elsewhere in the County.

Mr. Golgowski stated it seems to be a good product and well recommended.

Ms. Kassel asked what are the containers for?

Mr. Belieff stated that was requested by the HOA to cleanup areas in Ashley Park and the swim club to straighten it up so it looks a lot better.

Mr. Evans stated a note regarding our current financial status for miscellaneous operation and maintenance, we have already spent that projected budget for the year. In our budget workshop, we will want to establish a separate line item for boat maintenance and repairs so we can track them better and be able to project what those needs may be.

Ms. Snyder stated I agree. We are offering this as one of the benefits and then it does not work.

Ms. Kassel stated it would be good to understand what the CDD is actually paying for the maintenance.

Mr. Evan asked which of these do we want to move forward with?

After significant discussion, the Board prioritized the repairs as follows: #1 is the pontoon guard for the small pontoon because there are dents and cracks that will cause the boat to sink if not repaired; #2 is the \$1,000 controller repair for the large boat to have it continue to be operational, though not upgraded; #3 is carpet replacement in the large pontoon boat because it is peeling and lifting and is already a trip hazard; #4 is carpet replacement in the small pontoon boat to prevent continued wear causing a trip hazard; and #5 is the upgraded controller system for \$5,800.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, with all in favor, approval was given for staff to make the first four repairs as presented and prioritized.

Mr. Evans stated we will be working on our budget next month. Give us your wish list of things we need to consider for that budget.

Ms. Burgess stated Mr. Moyer had made an appointment with someone from out of town and apologizes that he had to leave for that meeting. Ms. Snyder sent some emails related to the boat use. One was from a resident who wanted to take the kayak out early in the morning before Mr. Belieff is here. We all understand the procedure was different before Mr. Belieff was hired full time and prior to our rules being implemented. This resident has requested to be able to take out the boat at 6:00 a.m. without Mr. Belieff checking him in and out. This resident is also willing to purchase his own kayak if that will allow him to use it at the lake at his own discretion.

Mr. Evans stated he cannot use his own kayak in the lake. The District does not own the lake. It is a privately owned lake. The District has a License Agreement that allows the residents, through the use of the District equipment, to have access to the lake. No one can bring their own equipment to the lake. That is not part of the agreement between the owner of the lake and the District. Other things may have been allowed but they are not permitted. It is not open to the general public.

Mr. Belieff stated the lake is open 30 minutes after sunrise until 30 minutes before sunset. If they make a reservation, I will be at the dock. I can also assist with any

paperwork that is needed. He cannot just take out the boat because I may have a reservation for it. It is also not light yet at 6:00 a.m. although I am here at 6:30 a.m.

After significant discussion related to reconsidering the hours of operation for the dock and the procedure for reserving and utilizing the boats, the Board agreed upon the following: (1) the hours of operation for the lake will remain 30 minutes after sunrise to 30 minutes before sunset; and (2) all persons using the boats must abide by all rules, procedures and policies that are in place, including mandatory boat orientation, appropriate paperwork, receiving reservations, and submitting a check for \$250 or leaving credit card information on file with the District.

Ms. Burgess stated the second email was from someone who showed up on the weekend and wanted to use the boat. It was not clear to me if they had gone through orientation or not, but an individual showed up on the weekend wanting to use the boat. Your District staff is charged with implementing the rules fairly and impartially and all boat users absolutely have to go through orientation. The question for this Board is, if a resident has completed orientation but has not arranged for their deposit with the District office prior to the weekend, do you want to allow Mr. Belieff authorization to receive a check or credit card information? We can provide a lockbox or safe for him to keep the information in, during that resident's use of the boat, and upon return of the boat, he can return that information to them. Do we want to make it easier for people who have not been able to contact the District Office during the week to provide their deposit information? We need to give direction to Mr. Belieff for weekend use. There is not an issue for weekday use.

After significant discussion related to the first weekend use for residents who have not submitted their deposit or credit card information, the Board agreed to allow Mr. Belieff to take a deposit or credit card information for weekend users, for their convenience as a one-time event, who have been through orientation and upon return of the boat, the deposit information will be returned to the users with the direction that they must follow up at the District Office with their deposit information or payment. Staff will report on any issues or concerns after 60 days.

Mr. O'Keefe stated we should put in another notice in the newsletter about the new reservation system to remind people of the new procedure.

Mr. Evans stated it is always good to have reminders and it is a good medium to inform and educate the community.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

Ms. Burgess stated staff asked the Board at your last meeting for authorization to begin the RFP process for an aquatic plant maintenance program. I provided the full package to Mr. Golgowski for his review. I forwarded some contract language to Mr. van Assenderp for his review. Next month we will have all that information put together in an RFP package for your review with your agenda.

Ms. Kassel stated I noted in the Harmony Notes that the May issue is the last edition of that newsletter. So many people are moving in and out, and the HOA will send something out every six months or so about housekeeping items. Would the CDD consider three or four times a year sending some educational pamphlet about our policies, feeding animals, use of the parks and other things that people do not know when they move here because they have not been educated about it? We could mail it to all the homes so the people living there can have this information.

Ms. Snyder asked is it not being provided for financial reasons?

Mr. Tome stated yes, it is produced for free because of the advertising provided by other businesses. Due to the economy, most people have cut back on their advertising dollars. This recent issue cost them \$1,000 to produce. We met with them this week and we are looking at alternative ways to make this happen. We have a couple ideas and we think we might be able to keep it alive. We may not be able to do it 12 times a year but perhaps six times a year. If we cannot make it work as a newspaper, we are working with the producer to see if we can do something electronically similar to what we do with our email that we send each month. We are encouraged that and think an alternative method will work and the information can be provided to the residents.

Ms. Burgess stated there is plenty of money left in the postage line item, but there would be an associated photocopying cost. If the Harmony Notes wants to have three or four editions a year, perhaps the District can consider publishing it once or twice a year. We budgeted enough money for postage, which is more significant than photocopying costs. If you desire to do that, the copying costs should be able to be absorbed somewhere in the budget.

Ms. Snyder asked could we partner with what the developer is doing instead of taking it on ourselves?

Mr. Tome stated if it is electronic, someone just needs to send the information to us and we will add it to the rest of the information and provide a link to the website. If it is electronic, then copy count and page count do not matter.

Mr. Evans asked is the intent to get the information into each mailbox?

Ms. Kassel stated to educate every resident, not just the owners because they may not live here, but all the residents.

Mr. Evans stated if the developer could find a way to publish this document, then the District can pay for the postage to mail it to each resident. Then I think you accomplish your task. If it is electronic, a lot of people may not read it.

Ms. Snyder stated I think we should work together on this.

Mr. Tome stated we should have an answer in the next week or two as far as whether it will continue as a 12-month issue or what else we might be able to do.

Mr. Evans stated Ms. Kassel can provide input as to information you would like to see in the newsletter because you interact with a lot of residents and you hear a lot of issues. We can address those in the newsletter.

Ms. Burgess stated your next meeting is scheduled for May 28, 2009, at 9:00 a.m.

Mr. O'Keefe stated I am showing a budget workshop on May 20, 2009.

Ms. Kassel stated I am not available on the 20th. There is a conference for green cities at the convention center May 19 and 20.

Mr. Evans asked will we see the proposed budget before our meeting on May 28?

Ms. Burgess stated yes since you are having a workshop on the 20th. We will work on that budget next week.

Mr. Evans stated our budget workshop will be Thursday, May 21, 2009, at 9:00 a.m. One thing that will change is currently the landscaping items included a long list of items, but now they will be condensed. The biggest items will be electricity for street lights and then forecasting what repairs will be and the wish list for the boats and equipment.

Ms. Kassel stated in our monthly financial statements, sometimes budget items are amortized over a full year when we do not spend them over 12 months but at one particular time.

Ms. Burgess stated that is true for certain line items, particularly insurance. Typically we pay an insurance premium in full at the beginning of the year so it is not amortized over 12 months.

Mr. Evans stated at that workshop, if there are projects for us to take into consideration, that is when we will consider those so please provide an estimate for them and the timing of when it will be best to implement them.

Ms. Burgess stated we would like those by May 8, 2009.

TENTH ORDER OF BUSINESS

Audience Comments

A Resident asked what can we do about the condition of all the homes that have been abandoned?

Mr. Evans stated that is an issue for County Code enforcement.

Mr. George Schiro asked has REW been told about the dead grass at the end of Buttonbush Loop? It has been there for six months.

Mr. Haskett stated I will need to check our records.

Mr. Schiro stated there is also a chinch bug problem. Who is responsible for posting these meetings with signs on bulletin boards and on the website?

Ms. Burgess stated I post them on the website.

Mr. LeMenager stated there were no signs outside.

Ms. Snyder stated the meeting schedule is on the website.

Ms. Kassel stated the signs in the community are something the developer puts out and it did not happen this month.

Mr. Schiro asked is this the responsibility of the Management Company?

Ms. Burgess stated no.

Mr. Schiro stated at the end of the last meeting, Mr. Moyer indicated that a publicly accessible forum would be added to the CDD website.

Ms. Burgess stated he said he would look into it.

Mr. Schiro asked what is the status of that?

Mr. Evans stated I think we are good with what we have. I think the system that we have as far as comments works fine.

Ms. Burgess stated most attorneys we work with typically request that all information go through the Manager's office simply so that these Board members avoid any violation

of the Sunshine Law. This Attorney in particular wants to safeguard and preserve any criminal actions being taken against these Board members.

Mr. Schiro stated I agree completely, but going through the website should do the same thing as going through the Manager's office.

Mr. LeMenager stated you can do that now. I get emails from people with comments and we just had one on the lights by the school. When I respond, I give them the link on our website. We have a section for comments and one to report problems.

Mr. Schiro stated all that information is basically private. If I send you a message, only you and I know about it when the whole community should really know about it.

Mr. LeMenager stated if you send something to the CDD, we all find out about it. They let us know.

Mr. Schiro stated the rest of the community would like to know all these questions so we can keep up on what is going on.

A Resident stated no one else really cares.

Mr. Schiro stated so that has been shot down by Mr. Evans.

Ms. Burgess stated no, not by Mr. Evans but by staff in consultation with the attorney.

Mr. Schiro asked did any of the landscaping vendors involved in the recent bid process lodge a protest?

Ms. Burgess stated no formal protests were filed.

Ms. Kassel stated we actually received a letter from one of the losing bidders commending us for the work we did.

Mr. Schiro asked why are meeting minutes posted online as pictures rather than text?

Ms. Burgess stated not everyone is able to access Word documents, so we put everything in pdf format.

Mr. Schiro stated it is a pdf picture as opposed to pdf text.

Ms. Burgess stated Severn Trent scans these items and forwards them to me to post.

Mr. Schiro stated that is absurd.

Mr. Burgess stated that is the equipment they have.

Mr. Schiro stated meeting minutes a year ago for the Harmony CDD were posted as text. Now the minutes are posted as pictures. Do we all understand the shortcomings of that approach? You cannot search pictures for a word in a document. Since the CDD used

to publish minutes as text in pdf files in the past, why have we changed that and made it now pictures?

Ms. Burgess stated the equipment changed when the website host changed.

Mr. Schiro asked can we get the equipment changed back to what we used to have?

Ms. Burgess stated that is a Severn Trent issue to address.

Mr. Evans stated we are good with what we have.

Mr. Schiro asked so residents cannot search your documents for an item?

Ms. Burgess stated if you have a question, email it and staff will research it.

Mr. Schiro stated I know there have been discussions in the past about a community garden. How do I go about getting access to the new community garden?

Mr. Evans stated there is no community garden.

Mr. Schiro stated yes there is, and I have pictures to distribute. It is currently on developer property.

Mr. Evans stated this is not CDD property. This is a CDD meeting and this is not CDD property.

Mr. Schiro stated we have talked about a community garden on developer property at past CDD meetings.

Mr. Evans asked did you trespass on private property to take these photographs?

Mr. Schiro stated I will keep the source of those photographs to myself.

Mr. LeMenager stated that is outside the boundaries of the CDD.

Mr. Evans stated the CDD does not have a community garden.

Mr. Tome stated we have cows and other amenities on the west side of the property and residents are not allowed access to them.

Ms. Kassel stated this is not a community garden.

Mr. Evans stated it is not on District property, it is not on your property, so you need to move on. Your three minutes are up.

Mr. LeMenager stated this is not a CDD issue.

Mr. Darrin Yeager stated I have a petition signed by over 100 residents for a skate park for our youth. They do not really have a place to skateboard that is safe and that will not cause problems. Mr. Bill Fife indicated he thought there was a piece of property across from the school for this amenity.

Mr. Jason Roberson stated I work for a skateboard company that sells skateboard shoes. There are many ways to go about building a skateboard park. This community has three basketball courts for the residents, and there are more injuries on a basketball court than with skateboarding. In a study of 1,000 participants, 21.2 were injured in basketball and only 8.9 were injured in skateboarding. We are requesting to add an amenity for skateboarding for the community's youth.

Mr. Evans asked are you proposing to build and operate a skateboarding facility on District property? Or are you asking the District to pursue the construction and operation?

Mr. Roberson stated we are asking the District to build the park as an additional amenity.

Mr. Evans asked what do they cost?

Mr. Roberson stated I do not have any estimates because it depends on what you include. It is a slab of concrete that is bigger than a basketball court to put the items on. I have information on the company that built the skateboard park in St. Cloud. The park will look like a plaza and it will stop kids from skateboarding downtown. It will not be an eyesore but will be a nice area for kids to congregate.

Ms. Snyder asked is it \$10,000 or \$50,000?

Mr. Roberson stated it depends on the design. You can spend a lot of money on the wrong design and kids will not use it, or you can spend money on a design that kids will use.

Mr. LeMenager stated I think we should look into it because they are going to skateboard anyway.

Ms. Snyder stated I know it would be used.

Mr. LeMenager stated I suggest they bring us a proposal.

Mr. Evans stated we have a budget workshop coming up in a couple weeks. If you can provide us with more specific information with cost parameters or cost ideas, we will consider it. There has been some discussion about creating an additional amenity for the youth in the community. We do not want them skateboarding around town. It will be a matter of what it will cost and whether or not residents want to add it to the budget for next year, so it will not be implemented until at least October if we include it in the budget.

Ms. Snyder stated when you provide estimates, also provide what is included and what can be added to be 50% more usable.

Mr. LeMenager stated I believe we all think it is a great idea. Bring us a proposal that is something we can afford.

Ms. Burgess stated we will be putting that budget together soon, and if you want to work with Mr. Haskett, provide something to him by May 8, 2009. I suggest having several options going from a basic design to something more elaborate, perhaps at \$10,000, \$25,000 and \$50,000, just to give the Board some options to consider, rather than just one design idea.

TENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 11:25 a.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman

THIRD ORDER OF BUSINESS

3A

Harmony Community Development District

Operating and Debt Service Budget

Fiscal Year 2010

(Proposed)

HARMONY COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
REVENUE					
Interest - Investments	\$ 5,728	\$ 249	\$ 240	\$ 489	\$ 500
Special Assmnts - On Roll	622,750	288,104	334,646	622,750	679,328
Special Assmnts - Off Roll	914,363	381,026	533,337	914,363	997,435
Special Assmnts - Discounts	(24,910)	(11,187)	-	(11,187)	(27,173)
TOTAL REVENUE	1,517,930	659,289	867,125	1,526,414	1,650,090
EXPENDITURES					
ADMINISTRATIVE					
P/R-Board of Supervisors	12,000	4,200	6,000	10,200	12,000
FICA Taxes	918	321	459	780	918
Workers' Compensation	2,000	-	1,000	1,000	1,000
ProfServ-Arbitrage Rebate	3,000	1,200	1,200	2,400	3,000
ProfServ-Dissemination Agent	500	500	-	500	500
ProfServ-Engineering	26,000	293	13,000	13,293	26,000
ProfServ-Legal Services	20,000	17,811	10,000	27,811	20,000
ProfServ-Mgmt Consulting Serv	50,740	25,370	25,370	50,740	52,516
ProfServ-Special Assessment	10,714	10,714	-	10,714	11,089
ProfServ-Trustee	10,000	10,748	-	10,748	11,000
Auditing Services	15,500	7,000	7,750	14,750	15,500
Communication - Telephone	250	67	75	142	175
Postage and Freight	3,400	718	1,000	1,718	2,000
Insurance - General Liability	23,000	18,484	-	18,484	23,000
Printing and Binding	7,000	3,355	3,000	6,355	7,000
Legal Advertising	3,000	954	1,000	1,954	2,500
Misc-Assessmnt Collection Fee	12,455	6,317	6,138	12,455	14,366
Misc-Contingency	1,000	25	500	525	1,000
Office Supplies	1,000	527	450	977	1,000
Annual District Filing Fee	175	175	-	175	175
Capital Outlay	750	-	375	375	750
TOTAL ADMINISTRATIVE	203,402	108,779	77,317	186,096	205,488
FIELD					
ProfServ-Field Management	-	10,704	21,408	32,112	43,896
Payroll-Salaried	30,889	2,163	2,163	4,326	4,800
FICA Taxes	2,111	165	170	335	3,725
TOTAL FIELD	33,000	13,032	23,741	36,773	52,421
LANDSCAPE					
R&M-Irrigation	22,000	8,985	16,265	25,250	37,500
R&M-Turf Care	-	-	139,001	139,001	283,001
R&M Ground Cover (Including Flowers)	-	-	14,997	14,997	32,994
R&M Shrub Care	-	-	53,769	53,769	110,539
R&M Tree Care 10' and Under	-	-	9,558	9,558	21,115
R&M Tree Trimming	15,000	17,000	-	17,000	15,000
R&M Refuse Removal	-	-	15,288	15,288	32,576
Miscellaneous Services	10,000	7,540	2,000	9,540	10,000

Prepared by:

Severn Trent Management Services

Report Date: 5/20/2009

HARMONY COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
TOTAL LANDSCAPE	47,000	33,525	250,878	284,403	542,725
R&M-Lake Phase II	52,000	24,500	4,083	28,583	-
R&M-Landscape - Lakeshore Park	25,000	11,850	1,975	13,825	-
R&M-Landscape - Town Square	30,600	14,574	2,429	17,003	-
R&M-Landscape - US 192 Entr	63,000	31,290	5,215	36,505	-
R&M-Swimming Pool	13,300	6,110	1,018	7,128	-
R&M-Landscape Parc D-1 Park	7,000	3,300	550	3,850	-
R&M-Landscape Parc C-2 Park	6,000	2,970	495	3,465	-
R&M-Landscape Pet Park	21,000	10,438	1,673	12,111	-
R&M-Landscape Hwy 192	30,000	15,000	2,500	17,500	-
R&M-Landscape Parcel G Park	14,400	7,200	1,200	8,400	-
R&M-Landscape Pond Areas	140,100	70,050	11,675	81,725	-
R&M-Landscape Buck Lake	6,000	1,850	750	2,600	-
R&M-Landscape Parc B Park	6,500	3,120	520	3,640	-
R&M-Landscape Parc C Park	6,000	2,850	475	3,325	-
R&M-Phase I	80,000	37,992	6,332	44,324	-
R&M-Phase III	80,000	39,600	6,600	46,200	-
R&M-Landscape Parcel D-2 & E	13,200	7,225	1,000	8,225	-
TOTAL OLD LANDSCAPE	594,100	289,919	48,490	338,409	-
UTILITY					
Electricity - General	21,000	16,056	16,000	32,056	32,000
Electricity - Streetlighting	371,000	187,031	187,030	374,061	374,000
Utility - Water & Sewer	120,000	39,851	40,800	80,651	90,000
TOTAL UTILITY	512,000	242,938	243,830	486,768	496,000
OPERATION & MAINTENANCE					
Contracts-Lake and Wetland	40,000	16,630	16,600	33,230	33,250
Communication - Telephone	2,700	1,172	1,300	2,472	2,500
R&M-Common Area	12,000	4,870	6,000	10,870	6,500
R&M-Equipment	5,000	6,823	3,000	9,823	16,000
R&M-Pools	25,000	16,975	11,280	28,255	28,560
R&M-Landscape Lakeshore Park	4,000	-	-	-	-
R&M-Park and Amenities	-	-	-	-	17,600
R&M-Hardscape Cleaning	10,000	5,270	-	5,270	6,000
Misc-Licenses & Permits	900	105	750	855	900
Misc-Parks	3,600	815	1,500	2,315	-
Misc-Contingency	12,000	12,330	-	12,330	10,000
Op Supplies-Pool and Fountain	7,500	4,428	4,000	8,428	8,500
TOTAL OPERATION & MAINTENANCE	122,700	69,418	44,430	113,848	129,810
RESERVES					
Reserve - Self Insurance	50,000	-	-	-	50,000
1st Quarter Operating Reserves	173,924	-	-	-	173,924
TOTAL RESERVES	223,924	-	-	-	223,924

HARMONY COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
TOTAL EXPENDITURES & RESERVES	1,736,126	757,611	688,686	1,446,297	1,650,369
Excess of Revenues					
Over (Under) Expenditures	(218,196)	(98,322)	178,439	80,117	(279)
OTHER FINANCING SOURCES (USES)					
Prior Year Fund Balance	218,196	-	-	-	279
Contribution to Fund Balance	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	218,196	-	-	-	279
Net Change in Fund Balance	(218,196)	(98,322)	178,439	80,117	(279)
FUND BALANCE, OCTOBER 1	354,305	354,305	-	354,305	434,422
FUND BALANCE, ENDING	\$ 136,109	\$ 255,983	\$ 178,439	\$ 434,422	\$ 434,143

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

REVENUES

Interest Income (Investments)

The District earns interest income on their checking account.

Special Assessment – On Roll

The District will levy a Non-Ad Valorem assessment on the Osceola County tax bill on all the platted parcels within the District in support of the overall fiscal year budget.

Special Assessment - Off Roll (Maintenance)

The District will direct bill a Non-Ad Valorem assessment on all the un-platted parcels within the District in support of the overall fiscal year budget.

Special Assessment – Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments and is shown as a deduction to the assessment revenue.

EXPENDITURES

Administrative:

P/R-Board of Supervisors

Chapter 190, Florida Statutes, allows each member of the Board of Supervisors to be compensated for a meeting attendance in the amount of \$200 per meeting not to exceed \$4,800. The amount for the Fiscal Year is based upon five supervisors being compensated for 12 meetings annually.

FICA Taxes

Payroll taxes on Board of Supervisors compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the total Board of Supervisor's payroll expenditures.

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

Professional Services – Arbitrage Rebate

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on the Series of Benefit Special Assessment Bonds. The budgeted amount for the fiscal year is based on historical fees and industry standard fees charged for this service.

Professional Services – Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues and is performed by Digital Assurance Company. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Professional Services - Engineering

The District's engineer, Woolpert Inc., will be providing general engineering services to the District, i.e., attendance and preparation for monthly board meetings, review invoices, etc. Fees are based on prior year activity.

Professional Services - Legal Services

The District's legal counsel, Young, van Assenderp P.A., will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, etc. Fees are based on prior year expenses adjusted for anticipated changes to service levels.

Professional Services- Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. The budgeted amount for the fiscal year is based on the contracted fees of the Management Agreement plus 3.5% increases.

<i>Services Provided</i>	<i>Fee</i>
Management Services	\$48,784.00
Information Technology Services	\$1,071.00
Rentals & Leases	\$2,661.00
Total	\$52,516.00

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

Professional Services - Special Assessment

The District will be billed annually for calculating and levying the annual operating & maintenance, and debt service assessments, as provided by Severn Trent Management Services.

Professional Services- Trustee

The District pays US Bank an annual fee for trustee services on the Series 2001 and the Series 2004 Special Assessment Bonds. The budgeted amount for the fiscal year is based on standard fees for each series plus any out-of-pocket expenses.

Auditing Services

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. The fee is based on the existing engagement letter with Grau & Associates.

Communication-Telephone

Telephone and fax machine expenses. The amount for fiscal year 2010 is based on prior year expenses adjusted for anticipated changes to service levels.

Postage & Freight

Cost of mailing agenda packages, overnight deliveries, correspondence, etc. The amount for fiscal year 2010 is based on prior year expenses adjusted for anticipated changes to service levels.

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Preferred Governmental Insurance Trust, providing insurance coverage to governmental agencies. The budgeted amount is based upon historical fees and an estimated proposal from PGIT.

Printing & Binding

Printing and Binding agenda packages for board meetings. The amount for fiscal year 2010 is based on prior year expenses adjusted for anticipated changes to service levels.

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

Legal Advertising

The District is required to advertise notices for monthly Board meetings, public hearings, workshops, etc. in a newspaper of general circulation within Osceola County. The amount for fiscal year 2010 is based on the prior year budget and anticipated advertising needs for the year.

Misc-Assessment Collection Fee

A collection fee of 2% plus \$1 per unit, paid to Osceola County Tax Collector for the collection and remittance to the District of special assessments pursuant to an agreement with the tax collector.

Misc-Contingency

Bank charges and any other miscellaneous expenses incurred during the year.

Office Supplies

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects. The amount for fiscal year 2010 is based on prior year expenses adjusted for anticipated changes to service levels.

Annual district filing fee

The District is required to pay an annual fee of \$175 to the Department of Community Affairs. This is the only expenditure in this category.

Capital Outlay

Represents any minor capital expenditures the District may need to make during the Fiscal Year.

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

Field Management

Professional Services- Field Management

Annual salary and benefits for full-time field manager/ dockmaster as provided through Severn Trent Management Services. Primary responsibilities are related to docks and boats, with supplemental activities providing on-site field management and maintenance services.

Payroll-Salaried (Dockmaster)

Yearly salary and benefits for assistant dockmaster. Assistant Dockmaster provides supplemental support to boating activities, anticipated at \$50/day, 2 days a week.

FICA Taxes

Payroll taxes on compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the expenditures for payroll salaries for both Dockmaster and Assistant Dockmaster.

Landscape

R&M-Irrigation

\$37,500

Scheduled maintenance consists of regular inspections, adjustments to controller and irrigation heads, minor system repairs, and purchase of irrigation supplies. Unscheduled maintenance consists of major repairs and replacement of system components

<i>Existing Contract (Luke Brothers)</i>	<i>\$28,500</i>
<i>System Management</i>	<i>\$3,000</i>
<i>System Upgrade</i>	<i>\$3,000</i>
<i>Unscheduled maintenance</i>	<i>\$3,000</i>

R&M-Turf Care

\$283,001

Scheduled maintenance consists of mowing, edging, blowing, fertilizing, and applying pest and disease control chemicals to turf within Harmony CDD. Unscheduled maintenance consists of replacement to any damaged areas.

<i>Existing Contract (Luke Brothers)</i>	<i>\$278,001</i>
<i>Unscheduled maintenance</i>	<i>\$5,000</i>

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

R&M-Ground Cover

\$32,994

Scheduled maintenance consists of mowing, edging, blowing, fertilizing and applying pest and disease control chemicals to ground cover. Planting and replacing various annual and seasonal flowers within the District. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

<i>Existing Contract (Luke Brothers)</i>	<i>\$20,394</i>
<i>Existing Contract (Luke Brothers- Flowers)</i>	<i>\$9,600</i>
<i>Unscheduled maintenance</i>	<i>\$3,000</i>

R&M-Shrub Care

\$110,539

Scheduled maintenance consists of pruning, mulching, fertilizing, applying pest and disease control chemicals, and providing weed control and debris removal to Shrubs within the District. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

<i>Existing Contract (Luke Brothers)</i>	<i>\$107,539</i>
<i>Unscheduled maintenance</i>	<i>\$3,000</i>

R&M-Tree Care 10' and Under

\$21,115

Scheduled maintenance consists of pruning, maintaining tree basins and fertilizing trees less than 10 feet in height.

<i>Existing Contract (Luke Brothers)</i>	<i>\$19,115</i>
<i>Unscheduled maintenance</i>	<i>\$2,000</i>

R&M-Tree Trimming

Scheduled maintenance consists of canopy trimming for trees over 10 feet, and consulting with a certified arborist.

Refuse Removal

\$32,576

Scheduled maintenance consists of trash disposal, litter control and replacement of trash liners. Unscheduled maintenance consists of replacement of damaged trash cans.

<i>Existing Contract (Luke Brothers)</i>	<i>\$30,576</i>
<i>Unscheduled maintenance</i>	<i>\$2,000</i>

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

Miscellaneous Services

Unscheduled or one-time landscape maintenance expenses for other areas within the District not listed above.

UTILITY

Electricity – General

Electricity for accounts with Orlando Utilities Commissions for the swim club, parks, and irrigation. Fees are based on historical costs for metered use plus anticipated 25% increase.

Electricity – Street lighting

Electricity for all street lighting, as per agreement with the Orlando Utilities Commission. Fees are based on historical costs for metered use plus anticipated 25% increase.

Utility - Water & Sewer

The District currently has utility accounts with Toho Water Authority (a division of KUA). Usage consists of water, sewer and reclaimed water services.

OPERATION & MAINTENANCE

Contracts-Lake and Wetland

Scheduled maintenance consists of inspections and treatment of nuisance aquatic species. Unscheduled maintenance consists of aquatic plantings and repair of any damaged areas.

Current Contract (Applied Aquatic)	\$2,766
------------------------------------	---------

Communication – Telephone

Telephone expenses for the dock master's phone and irrigation line for the computerized Maxicom irrigation system. The budgeted amount for the fiscal year is based on prior year expenses.

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

R&M-Common Area **\$6,500**

- Benches: Scheduled maintenance consists of cleaning benches. Unscheduled maintenance consists of replacing damaged benches and purchasing benches for added areas. (\$2,000)
- Miscellaneous cleaning supplies, light bulbs, and other supplies used throughout the District. (\$500)
- Security camera: unscheduled maintenance includes repair or replacement of damaged cameras and any required upgrades. (\$2,000)
- Other miscellaneous common area expense not provided in other line items. (\$2,000)

R&M-Equipment **\$16,000**

Supplies, maintenance and equipment needed for the boats.

<i>Boat Operation and maintenance</i>	<i>\$8,000</i>
<i>Repairs</i>	<i>\$5,000</i>
<i>Misc.</i>	<i>\$3,000</i>

R&M-Pools **\$28,560**

This includes monthly pool service and any repairs and maintenance for the Swim Club and Ashley Park pools that may be incurred during the year by the District, including repair and replacement of pool furniture, shades, safety equipment, etc.

<i>Contract (Jan Pro and Robert's Pool Service)</i>	<i>\$22,560</i>
<i>Repairs for Shade</i>	<i>\$1,000</i>
<i>Repairs for Furniture</i>	<i>\$2,000</i>
<i>Unscheduled Maintenance</i>	<i>\$3,000</i>

R&M Park Amenities **\$17,600**

Maintenance or repairs to the basketball courts and athletic fields, including sod replacement, cleaning of basketball courts, dog parks and all miscellaneous park areas. Proposed Skate Park is being considered.

<i>Lakeshore Park</i>	<i>\$4,000</i>
<i>Dog Parks</i>	<i>\$2,000</i>
<i>Proposed Skate Park</i>	<i>\$10,000</i>
<i>Misc. Park Areas</i>	<i>\$1,600</i>

Harmony
Community Development District

GENERAL FUND BUDGET NARRATIVE
Fiscal Year 2010

R&M-Hardscape Cleaning

Scheduled maintenance consists of pressure washing PVC fencing, bridges and other Hardscape. Unscheduled maintenance consists of repairs and replacement of damaged areas.

Misc-Pool Licenses & Permits

Various pool licenses and permits required for the pools, based on historical expenses.

Misc-Contingency

The current year contingency represents the potential excess of unscheduled maintenance expenses not included in budget categories or not anticipated in specific line items.

Op Supplies - Pool and Fountain

Supplies for the pool and fountains such as chemicals and chlorine, provided by Spies Pool LLC.

RESERVES

1st Quarter Operating Reserve

The District has appropriated a reserve to fund the District during the first quarter of the Fiscal Year to pay invoices the first months of the next fiscal year until assessments are collected.

Self Insurance Reserve

The District has set aside funds as a general self insurance reserve.

HARMONY COMMUNITY DEVELOPMENT DISTRICT

2001 DEBT SERVICE FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
REVENUE					
Interest - Investments	\$ 25,000	\$ 5,559	\$ 5,000	\$ 10,559	\$ 25,000
Special Assmnts - On Roll	1,075,376	485,164	590,212	1,075,376	1,045,451
Special Assmnts - Off Roll	373,344	158,409	214,935	373,344	372,252
Special Assmnts - Prepayment	-	9,693	(9,693)	-	-
Special Assmnts - Direct Bill	61,000	-	61,000	61,000	61,000
Special Assmnts - Delinquent	-	-	-	-	-
Special Assmnts - Discounts	(43,015)	(18,839)	-	(18,839)	(41,818)
TOTAL REVENUE	1,491,705	639,986	861,454	1,501,440	1,461,885
EXPENDITURES					
ADMINISTRATIVE					
Misc-Assessmnt Collection Fee	21,508	9,327	3,585	12,912	20,909
TOTAL ADMINISTRATIVE	21,508	9,327	3,585	12,912	20,909
DEBT SERVICE					
Principal Debt Retirement	270,000	-	270,000	270,000	290,000
Debt Retirement Series A	-	-	-	-	-
Principal Prepayments	-	-	20,000	20,000	-
Prepayments Series A	-	-	-	-	-
Principal Line of Credit/Note	-	-	-	-	-
Interest Expense	1,174,138	583,263	587,069	1,170,332	1,145,500
TOTAL DEBT SERVICE	1,444,138	583,263	877,069	1,460,332	1,435,500
TOTAL EXPENDITURES & RESERVES	1,465,646	592,590	880,653	1,473,243	1,456,409
Excess of Revenues Over (Under) Expenditures	26,060	47,396	(19,199)	28,197	5,476

HARMONY COMMUNITY DEVELOPMENT DISTRICT

2001 DEBT SERVICE FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
OTHER FINANCING SOURCES (USES)					
Contribution to Fund Balance	(26,061)	-	-	-	(5,476)
TOTAL OTHER SOURCES (USES)	(26,061)	-	-	-	(5,476)
Net Change In Fund Balance	<u>26,060</u>	<u>47,396</u>	<u>(19,199)</u>	<u>28,197</u>	<u>5,476</u>
FUND BALANCE, OCTOBER 1	1,735,114	1,735,114	-	1,735,114	1,763,311
FUND BALANCE, ENDING	\$ 1,761,174	\$ 1,782,510	\$ (19,199)	\$ 1,763,311	\$ 1,768,787

Harmony
Community Development District
Series 2001 Special Assessment Bonds

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	PREPAYMENT	INTEREST	TOTAL
11/01/04	\$ 17,280,000.00	7.25%	\$ 105,000.00		\$ 626,400.00	\$ 1,573,993.75
05/01/05	\$ 17,175,000.00	7.25%	\$ 205,000.00	\$ 15,000.00	\$ 622,593.75	
11/01/05	\$ 16,955,000.00	7.25%	\$ -	\$ 50,000.00	\$ 614,618.75	\$ 1,497,425.00
05/01/06	\$ 16,905,000.00	7.25%	\$ 220,000.00		\$ 612,806.25	
11/01/06	\$ 16,685,000.00	7.25%	\$ -	\$ 20,000.00	\$ 604,831.25	\$ 1,513,937.50
05/01/07	\$ 16,665,000.00	7.25%	\$ 235,000.00	\$ 50,000.00	\$ 604,106.25	
11/01/07	\$ 16,380,000.00	7.25%	\$ -	\$ 35,000.00	\$ 593,775.00	\$ 1,476,281.25
05/01/08	\$ 16,345,000.00	7.25%	\$ 255,000.00		\$ 592,506.25	
11/01/08	\$ 16,090,000.00	7.25%	\$ -		\$ 583,262.50	\$ 1,456,525.00
05/01/09	\$ 16,090,000.00	7.25%	\$ 270,000.00	\$ 20,000.00	\$ 583,262.50	
11/01/09	\$ 15,800,000.00	7.25%	\$ -		\$ 572,750.00	\$ 1,435,500.00
05/01/10	\$ 15,800,000.00	7.25%	\$ 290,000.00		\$ 572,750.00	
11/01/10	\$ 15,510,000.00	7.25%	\$ -		\$ 562,237.50	\$ 1,439,475.00
05/01/11	\$ 15,510,000.00	7.25%	\$ 315,000.00		\$ 562,237.50	
11/01/11	\$ 15,195,000.00	7.25%	\$ -		\$ 550,818.75	\$ 1,436,637.50
05/01/12	\$ 15,195,000.00	7.25%	\$ 335,000.00		\$ 550,818.75	
11/01/12	\$ 14,860,000.00	7.25%	\$ -		\$ 538,675.00	\$ 1,432,350.00
05/01/13	\$ 14,860,000.00	7.25%	\$ 355,000.00		\$ 538,675.00	
11/01/13	\$ 14,505,000.00	7.25%	\$ -		\$ 525,806.25	\$ 1,431,612.50
05/01/14	\$ 14,505,000.00	7.25%	\$ 380,000.00		\$ 525,806.25	
11/01/14	\$ 14,125,000.00	7.25%	\$ -		\$ 512,031.25	\$ 1,434,062.50
05/01/15	\$ 14,125,000.00	7.25%	\$ 410,000.00		\$ 512,031.25	
11/01/15	\$ 13,715,000.00	7.25%	\$ -		\$ 497,168.75	\$ 1,434,337.50
05/01/16	\$ 13,715,000.00	7.25%	\$ 440,000.00		\$ 497,168.75	
11/01/16	\$ 13,275,000.00	7.25%	\$ -		\$ 481,218.75	\$ 1,432,437.50
05/01/17	\$ 13,275,000.00	7.25%	\$ 470,000.00		\$ 481,218.75	
11/01/17	\$ 12,805,000.00	7.25%	\$ -		\$ 464,181.25	\$ 1,433,362.50
05/01/18	\$ 12,805,000.00	7.25%	\$ 505,000.00		\$ 464,181.25	
11/01/18	\$ 12,300,000.00	7.25%	\$ -		\$ 445,875.00	\$ 1,431,750.00
05/01/19	\$ 12,300,000.00	7.25%	\$ 540,000.00		\$ 445,875.00	
11/01/19	\$ 11,760,000.00	7.25%	\$ -		\$ 426,300.00	\$ 1,432,600.00
05/01/20	\$ 11,760,000.00	7.25%	\$ 580,000.00		\$ 426,300.00	
11/01/20	\$ 11,180,000.00	7.25%	\$ -		\$ 405,275.00	\$ 1,435,550.00
05/01/21	\$ 11,180,000.00	7.25%	\$ 625,000.00		\$ 405,275.00	
11/01/21	\$ 10,555,000.00	7.25%	\$ -		\$ 382,618.75	\$ 1,435,237.50
05/01/22	\$ 10,555,000.00	7.25%	\$ 670,000.00		\$ 382,618.75	
11/01/22	\$ 9,885,000.00	7.25%	\$ -		\$ 358,331.25	\$ 1,436,662.50
05/01/23	\$ 9,885,000.00	7.25%	\$ 720,000.00		\$ 358,331.25	
11/01/23	\$ 9,165,000.00	7.25%	\$ -		\$ 332,231.25	\$ 1,434,462.50
05/01/24	\$ 9,165,000.00	7.25%	\$ 770,000.00		\$ 332,231.25	
11/01/24	\$ 8,395,000.00	7.25%	\$ -		\$ 304,318.75	\$ 1,438,637.50
05/01/25	\$ 8,395,000.00	7.25%	\$ 830,000.00		\$ 304,318.75	
11/01/25	\$ 7,565,000.00	7.25%	\$ -		\$ 274,231.25	\$ 1,438,462.50
05/01/26	\$ 7,565,000.00	7.25%	\$ 890,000.00		\$ 274,231.25	
11/01/26	\$ 6,675,000.00	7.25%	\$ -		\$ 241,968.75	\$ 1,438,937.50
05/01/27	\$ 6,675,000.00	7.25%	\$ 955,000.00		\$ 241,968.75	
11/01/27	\$ 5,720,000.00	7.25%	\$ -		\$ 207,350.00	\$ 1,439,700.00
05/01/28	\$ 5,720,000.00	7.25%	\$ 1,025,000.00		\$ 207,350.00	
11/01/28	\$ 4,695,000.00	7.25%	\$ -		\$ 170,193.75	\$ 1,425,387.50
05/01/29	\$ 4,695,000.00	7.25%	\$ 1,085,000.00		\$ 170,193.75	
11/01/29	\$ 3,610,000.00	7.25%	\$ -		\$ 130,862.50	\$ 1,426,725.00
05/01/30	\$ 3,610,000.00	7.25%	\$ 1,165,000.00		\$ 130,862.50	
11/01/30	\$ 2,445,000.00	7.25%	\$ -		\$ 88,631.25	\$ 1,432,262.50
05/01/31	\$ 2,445,000.00	7.25%	\$ 1,255,000.00		\$ 88,631.25	
11/01/31	\$ 1,190,000.00	7.25%	\$ -		\$ 43,137.50	\$ 1,431,275.00
05/01/32	\$ 1,190,000.00	7.25%	\$ 1,345,000.00		\$ 43,137.50	
			\$ 17,245,000.00		\$ 23,070,587.50	\$ 40,505,587.50

HARMONY COMMUNITY DEVELOPMENT DISTRICT

2004 DEBT SERVICE FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
REVENUE					
Interest - Investments	\$ 20,000	\$ 3,575	\$ 3,400	\$ 6,975	\$ 20,000
Special Assmnts - On Roll	-	-	-	-	-
Special Assmnts - Off Roll	1,205,596	153,777	1,051,819	1,205,596	1,201,791
Special Assmnts - Prepayments	-	-	-	-	-
Special Assmnts - Direct Bill	-	-	-	-	-
Special Assmnts - Delinquent	-	-	-	-	-
TOTAL REVENUE	1,225,596	157,352	1,055,219	1,212,571	1,221,791
EXPENDITURES					
DEBT SERVICE					
Principal Debt Retirement	195,000	-	195,000	195,000	210,000
Interest Expense	1,028,025	514,013	514,013	1,028,026	1,014,863
TOTAL DEBT SERVICE	1,223,025	514,013	709,013	1,223,026	1,224,863
TOTAL EXPENDITURES & RESERVES	1,223,025	514,013	709,013	1,223,026	1,224,863
Excess of Revenues					
Over (Under) Expenditures	2,571	(356,661)	346,207	(10,455)	(3,071)

HARMONY COMMUNITY DEVELOPMENT DISTRICT

2004 DEBT SERVICE FUND

Proposed Budget - Fiscal Year 2010

DESCRIPTION	ADOPTED BUDGET FY 2009	ACTUAL THRU MARCH 2009	PROJECTED APRIL- SEPT 2009	TOTAL PROJECTED 9/30/2009	PROPOSED BUDGET FY 2010
OTHER FINANCING SOURCES (USES)					
Prior Year Fund Balance	-	-	-	-	3,071
Contribution to Fund Balance	(2,571)	-	-	-	-
TOTAL OTHER SOURCES (USES)	(2,571)	-	-	-	3,071
Net Change in Fund Balance	<u>2,571</u>	<u>(356,661)</u>	<u>346,207</u>	<u>(10,455)</u>	<u>(3,071)</u>
FUND BALANCE, OCTOBER 1	1,463,770	1,463,770	-	1,463,770	1,453,316
FUND BALANCE, ENDING	\$ 1,466,341	\$ 1,107,109	\$ 346,207	\$ 1,453,316	\$ 1,450,244

Harmony
 Community Development District
 Series 2004 Capital Improvement Revenue Bonds

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
5/1/2005	\$ 15,590,000.00	6.75%	\$ -	\$ 137,442.19	\$ 137,442.19
11/1/2005	\$ 15,590,000.00	6.75%	\$ -	\$ 376,799.06	\$ 902,961.56
5/1/2006	\$ 15,590,000.00	6.75%	\$ -	\$ 528,162.50	
11/1/2006	\$ 15,590,000.00	6.75%	\$ -	\$ 526,162.50	\$ 1,227,325.00
5/1/2007	\$ 15,590,000.00	6.75%	\$ 175,000.00	\$ 526,162.50	
11/1/2007	\$ 15,415,000.00	6.75%	\$ -	\$ 520,256.25	\$ 1,225,512.50
5/1/2008	\$ 15,415,000.00	6.75%	\$ 185,000.00	\$ 520,256.25	
11/1/2008	\$ 15,230,000.00	6.75%	\$ -	\$ 514,012.50	\$ 1,223,025.00
5/1/2009	\$ 15,230,000.00	6.75%	\$ 195,000.00	\$ 514,012.50	
11/1/2009	\$ 15,035,000.00	6.75%	\$ -	\$ 507,431.25	\$ 1,224,862.50
5/1/2010	\$ 15,035,000.00	6.75%	\$ 210,000.00	\$ 507,431.25	
11/1/2010	\$ 14,825,000.00	6.75%	\$ -	\$ 500,343.75	\$ 1,225,687.50
5/1/2011	\$ 14,825,000.00	6.75%	\$ 225,000.00	\$ 500,343.75	
11/1/2011	\$ 14,600,000.00	6.75%	\$ -	\$ 492,750.00	\$ 1,230,500.00
5/1/2012	\$ 14,600,000.00	6.75%	\$ 245,000.00	\$ 492,750.00	
11/1/2012	\$ 14,355,000.00	6.75%	\$ -	\$ 484,481.25	\$ 1,223,962.50
5/1/2013	\$ 14,355,000.00	6.75%	\$ 255,000.00	\$ 484,481.25	
11/1/2013	\$ 14,100,000.00	6.75%	\$ -	\$ 475,875.00	\$ 1,226,750.00
5/1/2014	\$ 14,100,000.00	6.75%	\$ 275,000.00	\$ 475,875.00	
11/1/2014	\$ 13,825,000.00	6.75%	\$ -	\$ 466,593.75	\$ 1,223,187.50
5/1/2015	\$ 13,825,000.00	6.75%	\$ 290,000.00	\$ 466,593.75	
11/1/2015	\$ 13,535,000.00	6.75%	\$ -	\$ 456,806.25	\$ 1,223,612.50
5/1/2016	\$ 13,535,000.00	6.75%	\$ 310,000.00	\$ 456,806.25	
11/1/2016	\$ 13,225,000.00	6.75%	\$ -	\$ 446,343.75	\$ 1,222,687.50
5/1/2017	\$ 13,225,000.00	6.75%	\$ 330,000.00	\$ 446,343.75	
11/1/2017	\$ 12,895,000.00	6.75%	\$ -	\$ 435,206.25	\$ 1,225,412.50
5/1/2018	\$ 12,895,000.00	6.75%	\$ 355,000.00	\$ 435,206.25	
11/1/2018	\$ 12,540,000.00	6.75%	\$ -	\$ 423,225.00	\$ 1,226,450.00
5/1/2019	\$ 12,540,000.00	6.75%	\$ 380,000.00	\$ 423,225.00	
11/1/2019	\$ 12,160,000.00	6.75%	\$ -	\$ 410,400.00	\$ 1,225,800.00
5/1/2020	\$ 12,160,000.00	6.75%	\$ 405,000.00	\$ 410,400.00	
11/1/2020	\$ 11,755,000.00	6.75%	\$ -	\$ 396,731.25	\$ 1,228,462.50
5/1/2021	\$ 11,755,000.00	6.75%	\$ 435,000.00	\$ 396,731.25	
11/1/2021	\$ 11,320,000.00	6.75%	\$ -	\$ 382,050.00	\$ 1,224,100.00
5/1/2022	\$ 11,320,000.00	6.75%	\$ 460,000.00	\$ 382,050.00	
11/1/2022	\$ 10,860,000.00	6.75%	\$ -	\$ 366,525.00	\$ 1,228,050.00
5/1/2023	\$ 10,860,000.00	6.75%	\$ 495,000.00	\$ 366,525.00	
11/1/2023	\$ 10,365,000.00	6.75%	\$ -	\$ 349,818.75	\$ 1,224,637.50
5/1/2024	\$ 10,365,000.00	6.75%	\$ 525,000.00	\$ 349,818.75	
11/1/2024	\$ 9,840,000.00	6.75%	\$ -	\$ 332,100.00	\$ 1,224,200.00
5/1/2025	\$ 9,840,000.00	6.75%	\$ 560,000.00	\$ 332,100.00	
11/1/2025	\$ 9,280,000.00	6.75%	\$ -	\$ 313,200.00	\$ 1,221,400.00
5/1/2026	\$ 9,280,000.00	6.75%	\$ 595,000.00	\$ 313,200.00	
11/1/2026	\$ 8,685,000.00	6.75%	\$ -	\$ 293,118.75	\$ 1,221,237.50
5/1/2027	\$ 8,685,000.00	6.75%	\$ 635,000.00	\$ 293,118.75	
11/1/2027	\$ 8,050,000.00	6.75%	\$ -	\$ 271,687.50	\$ 1,223,375.00
5/1/2028	\$ 8,050,000.00	6.75%	\$ 680,000.00	\$ 271,687.50	
11/1/2028	\$ 7,370,000.00	6.75%	\$ -	\$ 248,737.50	\$ 1,227,475.00
5/1/2029	\$ 7,370,000.00	6.75%	\$ 730,000.00	\$ 248,737.50	
11/1/2029	\$ 6,640,000.00	6.75%	\$ -	\$ 224,100.00	\$ 1,223,200.00
5/1/2030	\$ 6,640,000.00	6.75%	\$ 775,000.00	\$ 224,100.00	
11/1/2030	\$ 5,865,000.00	6.75%	\$ -	\$ 197,943.75	\$ 1,220,887.50
5/1/2031	\$ 5,865,000.00	6.75%	\$ 825,000.00	\$ 197,943.75	
11/1/2031	\$ 5,040,000.00	6.75%	\$ -	\$ 170,100.00	\$ 1,220,200.00
5/1/2032	\$ 5,040,000.00	6.75%	\$ 860,000.00	\$ 170,100.00	
11/1/2032	\$ 4,180,000.00	6.75%	\$ -	\$ 140,400.00	\$ 1,220,800.00
5/1/2033	\$ 4,180,000.00	6.75%	\$ 940,000.00	\$ 140,400.00	
11/1/2033	\$ 3,220,000.00	6.75%	\$ -	\$ 108,675.00	\$ 1,217,350.00
5/1/2034	\$ 3,220,000.00	6.75%	\$ 1,000,000.00	\$ 108,675.00	
11/1/2034	\$ 2,220,000.00	6.75%	\$ -	\$ 74,925.00	\$ 1,219,850.00
5/1/2035	\$ 2,220,000.00	6.75%	\$ 1,070,000.00	\$ 74,925.00	
11/1/2035	\$ 1,150,000.00	6.75%	\$ -	\$ 38,812.50	\$ 1,227,625.00
5/1/2036	\$ 1,150,000.00	6.75%	\$ 1,150,000.00	\$ 38,812.50	
			\$ 15,590,000.00	\$ 22,178,028.75	\$ 37,768,028.75

**Harmony
Community Development District
2009 - 2010 Proposed Assessments**

Neighborhood	Lot Type	Lot Width	2010 O & M Assessment	2009 O & M Assessment	2010 Debt Service Assessment	2009 Debt Service Assessment	2010 Total Assessment	2009 Total Assessment	% Change (Decrease) Increase
A-1	MF	n/a	\$ 430.21	\$ 394.14	\$ 678.50	\$ 678.61	\$ 1,108.72	\$ 1,072.75	3.35%
B	B	80	\$ 1,360.04	\$ 1,246.01	\$ 2,144.96	\$ 2,145.31	\$ 3,505.00	\$ 3,391.31	3.35%
	C	65	\$ 1,105.03	\$ 1,012.38	\$ 1,742.78	\$ 1,743.06	\$ 2,847.81	\$ 2,755.44	3.35%
	E	52	\$ 884.03	\$ 809.90	\$ 1,394.22	\$ 1,394.45	\$ 2,278.25	\$ 2,204.35	3.35%
	G	42	\$ 714.02	\$ 654.15	\$ 1,126.10	\$ 1,126.29	\$ 1,840.12	\$ 1,780.44	3.35%
	H	35	\$ 595.02	\$ 545.13	\$ 938.42	\$ 938.57	\$ 1,533.44	\$ 1,483.70	3.35%
C-1	B	80	\$ 1,337.69	\$ 1,225.53	\$ 2,109.71	\$ 2,110.06	\$ 3,447.41	\$ 3,335.59	3.35%
	C	65	\$ 1,086.88	\$ 995.75	\$ 1,714.14	\$ 1,714.42	\$ 2,801.02	\$ 2,710.17	3.35%
	E	52	\$ 869.50	\$ 796.60	\$ 1,371.31	\$ 1,371.54	\$ 2,240.82	\$ 2,168.13	3.35%
	G	42	\$ 702.29	\$ 643.41	\$ 1,107.60	\$ 1,107.78	\$ 1,809.89	\$ 1,751.19	3.35%
	H	35	\$ 585.24	\$ 536.17	\$ 923.00	\$ 923.15	\$ 1,508.24	\$ 1,459.32	3.35%
C-2	B	80	\$ 1,391.01	\$ 1,274.38	\$ 2,193.80	\$ 2,194.16	\$ 3,584.82	\$ 3,468.54	3.35%
	C	65	\$ 1,130.20	\$ 1,035.44	\$ 1,782.47	\$ 1,782.75	\$ 2,912.66	\$ 2,818.19	3.35%
	E	52	\$ 904.16	\$ 828.35	\$ 1,425.97	\$ 1,426.20	\$ 2,330.13	\$ 2,254.55	3.35%
	G	42	\$ 730.28	\$ 669.05	\$ 1,151.75	\$ 1,151.93	\$ 1,882.03	\$ 1,820.98	3.35%
	H	35	\$ 608.57	\$ 557.54	\$ 959.79	\$ 959.94	\$ 1,568.36	\$ 1,517.49	3.35%
D-1	B	80	\$ 1,437.12	\$ 1,316.62	\$ 2,266.52	\$ 2,266.89	\$ 3,703.64	\$ 3,583.51	3.35%
	C	65	\$ 1,167.66	\$ 1,069.76	\$ 1,841.55	\$ 1,841.84	\$ 3,009.20	\$ 2,911.60	3.35%
	E	52	\$ 934.13	\$ 855.80	\$ 1,473.24	\$ 1,473.48	\$ 2,407.36	\$ 2,329.28	3.35%
D-2	E	n/a	\$ 853.66	\$ 782.09	\$ 1,346.33	\$ 1,346.55	\$ 2,200.00	\$ 2,128.64	3.35%
E	Custom	n/a	\$ 2,277.73	\$ 2,086.75	\$ 3,592.27	\$ 3,592.85	\$ 5,870.00	\$ 5,679.61	3.35%
G	E	52	\$ 1,028.24	\$ 942.03	\$ 1,621.67	\$ 1,621.93	\$ 2,649.90	\$ 2,563.95	3.35%
	G	42	\$ 830.50	\$ 760.87	\$ 1,309.81	\$ 1,310.02	\$ 2,140.31	\$ 2,070.89	3.35%
	H	35	\$ 692.08	\$ 634.06	\$ 1,091.51	\$ 1,091.68	\$ 1,783.59	\$ 1,725.74	3.35%

3B

RESOLUTION 2009-4

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE HARMONY COMMUNITY DEVELOPMENT
DISTRICT APPROVING THE BUDGET FOR FISCAL
YEAR 2010 AND SETTING A PUBLIC HEARING
THEREON PURSUANT TO FLORIDA LAW**

WHEREAS, the District Manager has heretofore prepared and submitted to the Board a proposed operating and/or debt service budget for Fiscal Year 2010; a copy of which is attached hereto, and

WHEREAS, the Board of Supervisors has considered said proposed budget and desires to set the required public hearing thereon;

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD
OF SUPERVISORS OF THE HARMONY COMMUNITY
DEVELOPMENT DISTRICT;**

1. The budget proposed by the District Manager for Fiscal Year 2010 is hereby approved as the basis for conducting a public hearing to adopt said budget.
2. A public hearing on said approved budget is hereby declared and set for the following date, hour and place:

Date: Thursday, August 27, 2009

Hour: 6:00 P.M.

Place: Harmony/Greensides
7251 Five Oaks Drive
Harmony, Florida

Notice of this public hearing shall be published in the manner prescribed in Florida Law.

Adopted this 28th day of May, 2009.

Robert D. Evans
Chairman

Gary L. Moyer
Secretary

FOURTH ORDER OF BUSINESS

**HARMONY
COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2008**

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	2-5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Assets	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet – Governmental Funds	8
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets	9
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Notes to the Financial Statements	12-19
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	20
Notes to Required Supplementary Information	21
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	22-23
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	24-26



2700 North Military Trail • Suite 350
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Harmony Community Development District
Osceola County, Florida

We have audited the accompanying financial statements of the governmental activities and each major fund of Harmony Community Development District, Osceola County, Florida (the "District") as of and for the fiscal year ended September 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2008, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Grau & Associates

April 30, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Harmony Community Development District, Osceola County, Florida ("District") would like to offer the readers of the District's financial statements this discussion and analysis of the District's financial activities for the fiscal year ended September 30, 2008. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the fiscal year ended September 30, 2008 resulting in a net asset deficit balance of (\$11,136,428). Of this amount, \$354,303 is unrestricted net assets which may be used to meet the District's ongoing obligations.
- The change in the District's total net assets in comparison with the prior year was (\$9,929,611), a decrease. The majority of the decrease is attributable to the conveyance of capital assets from the District to others for ownership and maintenance. The key components of the District's net assets and change in net assets are reflected in the table in the government-wide financial analysis section.
- At September 30, 2008, the District's governmental funds reported combined ending fund balances of \$3,807,317, an increase of \$47,747 in comparison with the prior year. Of the total fund balance, \$3,453,545 is reserved for debt service, capital projects, and other items; and \$353,772 is unreserved and available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management), maintenance, and recreational functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service 2001, debt service 2004, and capital projects 2004 funds. The funds are all considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the fiscal year ended September 30, 2008 resulting in a net asset deficit balance of (\$11,136,428).

A portion of the District's net assets reflects the investment in capital assets (e.g. land, land improvements, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents consequently these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net assets represents resources that are subject to external restrictions on how they may be used. They are funds set aside for debt service under the District's Bond Indentures. The remaining balance of unrestricted net assets may be used to meet the District's other obligations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key components of the District's net assets are reflected in the following table:

		NET ASSETS SEPTEMBER 30,	
		2008	2007
Assets, excluding capital assets	\$	4,471,578	\$ 4,505,863
Capital assets, net of depreciation		16,741,337	27,186,531
Total assets		21,212,915	31,692,394
Liabilities, excluding long-term liabilities		1,029,343	1,104,211
Long-term liabilities		31,320,000	31,795,000
Total liabilities		32,349,343	32,899,211
Net Assets			
Invested in capital assets, net of related debt		(13,775,219)	(3,680,561)
Restricted for debt service and other items		2,284,488	2,252,164
Unrestricted		354,303	221,580
Total net assets (deficit)	\$	(11,136,428)	\$ (1,206,817)

The District's deficit net assets decreased by (\$9,929,611) during the fiscal year ended September 30, 2008. The majority of the decrease is attributable to the conveyance of capital assets from the District to others for ownership and maintenance.

Key elements of the change in net assets are reflected in the following table:

		CHANGES IN NET ASSETS FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
		2008	2007
Revenues:			
Program revenues	\$	4,240,511	\$ 4,956,015
General revenues		13,771	6,195
Total revenues		4,254,282	4,962,210
Expenses:			
General government		199,109	173,868
Maintenance and operations		11,627,550	1,107,046
Parks and recreation		123,276	7,222
Interest		2,233,958	2,268,254
Total expenses		14,183,893	3,556,390
Change in net assets		(9,929,611)	1,405,820
Net assets (deficit), beginning		(1,206,817)	(2,612,637)
Net assets (deficit), ending	\$	(11,136,428)	\$ (1,206,817)

Program revenues for the fiscal year ended September 30, 2008 are comprised of approximately \$2,821,000 in Developer assessment revenues, approximately \$1,338,000 from assessments, and approximately \$95,000 from interest. Program revenues for the fiscal year ended September 30, 2007 were comprised of approximately \$3,836,000 in Developer revenues, including approximately \$747,000 of capital assets contributed by the Developer, approximately \$933,000 from assessments, and approximately \$187,000 from interest and other items.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District's general fund includes all activities related to providing management and operating services.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS (Continued)

In the table below, we have presented the cost of the largest functions/programs as a percentage of total governmental funds.

FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2008		2007	
General government	\$ 199,109	5%	\$ 173,868	4%
Maintenance and operations	1,192,205	28%	1,101,065	23%
Interest and principal on long-term debt	2,701,794	64%	2,741,263	58%
Capital outlay	113,427	3%	724,727	15%
Total	<u>\$ 4,206,535</u>	<u>100%</u>	<u>\$ 4,740,923</u>	<u>100%</u>

As noted above, debt service comprises the majority of expenditures for total governmental activities for both the 2008 and 2007 fiscal years.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2008. The variance between budgeted and actual general fund revenues for the 2008 fiscal year was not considered significant. The actual general fund expenditures for the 2008 fiscal year were lower than budgeted amounts due primarily to anticipated repair and maintenance work which was not required.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2008, the District had \$17,212,299 invested in land, land improvements, infrastructure, recreation areas and facilities, and equipment. In the government-wide financial statements, accumulated depreciation of \$470,962 has been taken, which resulted in a net book value of \$16,741,337. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2008, the District had \$31,320,000 in Bonds outstanding for its governmental activities, a decrease of approximately 1.5% from the prior year. No new debt was issued during the year, and the District had no immediate need to issue additional debt. More detailed information about the District's capital debt is presented in the notes of the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact Harmony Community Development District's Finance Department at 210 N. University Drive, Suite 702, Coral Springs, Florida, 33071.

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2008**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 513,201
Assessments receivable	61,090
Developer assessments receivable	736,046
Interest receivable	3,954
Prepays	531
Restricted assets:	
Investments	2,607,441
Deferred charges	549,315
Capital assets:	
Nondepreciable	8,543,600
Depreciable, net	8,197,737
Total assets	<u>21,212,915</u>
LIABILITIES	
Accounts payable	114,946
Accrued interest payable	914,397
Non-current liabilities:	
Due within one year	465,000
Due in more than one year	30,855,000
Total liabilities	<u>32,349,343</u>
NET ASSETS	
Invested in capital assets, net of related debt	(13,775,219)
Restricted for debt service and other items	2,284,488
Unrestricted	354,303
Total net assets (deficit)	<u>\$ (11,136,428)</u>

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 199,109	\$ 199,109	\$ -	\$ -	-
Maintenance and operations	11,627,550	1,302,520			(10,325,030)
Parks and recreation	123,276				(123,276)
Interest on long-term debt	2,233,958	2,657,167	71,625	10,090	504,924
Total governmental activities	14,183,893	4,158,796	71,625	10,090	(9,943,382)
General revenues:					
Unrestricted investment earnings					13,771
Total general revenues					13,771
Change in net assets					(9,929,611)
Net assets (deficit) - beginning					(1,206,817)
Net assets (deficit) - ending					\$ (11,136,428)

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2008**

	Major Funds				Total Governmental Funds
	General	Debt Service 2001	Debt Service 2004	Capital Projects 2004	
ASSETS					
Cash	\$ 513,201	\$ -	\$ -	\$ -	\$ 513,201
Investments		1,461,794	873,820	271,827	2,607,441
Assessments receivable	16,822	44,268			61,090
Developer assessments receivable	82,335	314,560	339,151		736,046
Interest receivable		2,217	1,325	412	3,954
Due from other funds	18,110	161,750	249,475		429,335
Prepays and other items	531				531
Total assets	<u>\$ 630,999</u>	<u>\$ 1,984,589</u>	<u>\$ 1,463,771</u>	<u>\$ 272,239</u>	<u>\$ 4,351,598</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 114,946	\$ -	\$ -	\$ -	\$ 114,946
Due to other funds	161,750	249,475		18,110	429,335
Total liabilities	<u>276,696</u>	<u>249,475</u>	<u>-</u>	<u>18,110</u>	<u>544,281</u>
Fund balances:					
Reserved for:					
Debt service		1,735,114	1,463,771		3,198,885
Capital projects				254,129	254,129
Other	531				531
Unreserved, reported in:					
General fund	353,772				353,772
Total fund balances	<u>354,303</u>	<u>1,735,114</u>	<u>1,463,771</u>	<u>254,129</u>	<u>3,807,317</u>
Total liabilities and fund balances	<u>\$ 630,999</u>	<u>\$ 1,984,589</u>	<u>\$ 1,463,771</u>	<u>\$ 272,239</u>	<u>\$ 4,351,598</u>

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2008**

Fund balance - governmental funds		\$ 3,807,317
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net assets includes those capital assets, net of any accumulated depreciation, in the net assets for the government as a whole.</p>		
Cost of capital assets	17,212,299	
Accumulated depreciation	<u>(470,962)</u>	16,741,337
<p>Bond issue costs are not financial resources and, therefore are not reported as assets in the governmental funds. The statements of net assets includes these costs, net of amortization.</p>		
Bond issue costs	633,823	
Accumulated amortization	<u>(84,508)</u>	549,315
<p>Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.</p>		
Accrued interest payable	(914,397)	
Bonds payable	<u>(31,320,000)</u>	<u>(32,234,397)</u>
Net assets of governmental activities		<u>\$ (11,136,428)</u>

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008**

	Major Funds				Total Governmental Funds
	General	Debt Service 2001	Debt Service 2004	Capital Projects 2004	
REVENUES					
Assessments	\$ 513,157	\$ 824,437	\$ -	\$ -	\$ 1,337,594
Developer revenue	988,472	648,272	1,184,458		2,821,202
Interest	13,771	45,929	25,696	10,090	95,486
Total revenues	<u>1,515,400</u>	<u>1,518,638</u>	<u>1,210,154</u>	<u>10,090</u>	<u>4,254,282</u>
EXPENDITURES					
Current:					
General government	190,472	8,637			199,109
Maintenance and operations	1,192,205				1,192,205
Debt Service:					
Principal		290,000	185,000		475,000
Interest		1,186,281	1,040,513		2,226,794
Capital outlay				113,427	113,427
Total expenditures	<u>1,382,677</u>	<u>1,484,918</u>	<u>1,225,513</u>	<u>113,427</u>	<u>4,206,535</u>
Excess (deficiency) of revenues over (under) expenditures	132,723	33,720	(15,359)	(103,337)	47,747
Fund balances - beginning	<u>221,580</u>	<u>1,701,394</u>	<u>1,479,130</u>	<u>357,466</u>	<u>3,759,570</u>
Fund balances - ending	<u>\$ 354,303</u>	<u>\$ 1,735,114</u>	<u>\$ 1,463,771</u>	<u>\$ 254,129</u>	<u>\$ 3,807,317</u>

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008**

Net change in fund balances - total governmental funds	\$	47,747
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, the costs of capital assets is eliminated in the statement of activities and capitalized in the statement of net assets.		113,427
Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.		(455,964)
Conveyances of infrastructure improvements to other governments of previously capitalized capital assets is recorded as an expense in the statement of activities.		(10,102,657)
Repayment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net assets and are eliminated in the statement of activities.		475,000
Governmental funds report the effect of issuance of costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Amortization of issuance costs		(21,127)
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.		13,963
Change in net assets of governmental activities	\$	<u>(9,929,611)</u>

See notes to the financial statements

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Harmony Community Development District (the "District") was established on February 28, 2000 by the Osceola County, Florida Ordinance No. 00-05 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board") which is composed of five members. The Supervisors are elected by qualified electors within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. Certain Board members are affiliated with Birchwood Acres Limited Partnership ("Developer") at September 30, 2008. The District is economically dependent on the Developer.

The Board has the responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement 14, and Statement 39, an amendment of GASB Statement 14. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services. and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. For debt service, certain amounts are collected at lot closings as advance payments and are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments. The fiscal year for which annual assessments are levied begins on October 1. The District's annual assessments for operations and debt service are billed and collected by the County Tax Assessor/Collector for non-Developer owned lots. Other amounts are direct billed by the District. The amounts remitted to the District are net of applicable discounts or fees. Assessments are collectable on a calendar year basis under the uniform collection law with discounts available at varying rates if collected by the Tax Assessor/Collector at 4% in November through 0% in the following March and become delinquent April 1. In addition, amounts remitted by the County Tax Assessor/Collector include interest on monies held from the day of collection to the day of distribution.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund 2001

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on the Series 2001 Bonds.

Debt Service Fund 2004

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on the Series 2004 Bonds.

Capital Projects Fund 2004

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Assets or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	10
Infrastructure	15
Recreational facilities	30

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 3 – CASH AND INVESTMENTS

Cash

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2008:

	Fair Value	Credit Risk	Maturities
Money Market Mutual Funds - First American Government Obligation Funds	\$ 2,607,441	S&P AAAM	Weighted average of the fund portfolio: 40 days

Custodial risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk.

The money market mutual funds are not evidenced by securities that exist in physical or book entry form.

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

NOTE 4 – INTERUND TRANSACTIONS

Interfund balances at September 30, 2008 were as follows:

Fund	Receivable	Payable
General	\$ 18,110	\$ 161,750
Debt service 2001	161,750	249,475
Debt service 2004	249,475	
Capital projects 2004		18,110
Total	\$ 429,335	\$ 429,335

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2008 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 4,742,000	\$ 3,801,600	\$ -	\$ 8,543,600
Infrastructure in progress	21,769,757	113,427	(21,883,184)	-
Total capital assets, not being depreciated	26,511,757	3,915,027	(21,883,184)	8,543,600
Capital assets, being depreciated				
Infrastructure		4,930,607		4,930,607
Recreational	649,967	3,048,320		3,698,287
Equipment	39,805			39,805
Total capital assets, being depreciated	689,772	7,978,927	-	8,668,699
Less accumulated depreciation for:				
Infrastructure - physical environment		328,707		328,707
Recreational areas	7,222	123,276		130,498
Equipment	7,776	3,981		11,757
Total accumulated depreciation	14,998	455,964	-	470,962
Total capital assets, being depreciated, net	674,774	7,522,963	-	8,197,737
Governmental activities capital assets, net	\$ 27,186,531	\$ 11,437,990	\$ (21,883,184)	\$ 16,741,337

Infrastructure within the District was developed in three phases and was expected to cost a total of approximately \$26,193,000. During the fiscal year ended September 30, 2008, infrastructure improvements were completed and the capital assets to be owned and maintained by the District are reflected in the table above. The remainder of the infrastructure improvements were for capital assets which were conveyed to others for ownership and maintenance.

In addition, the District acquired Lakeshore Park Improvements from the Developer in the approximate amount of \$60,000 which are included in additions in the table above.

Depreciation expense was charged to functions/programs as follows:

Maintenance and operations	\$ 332,688
Parks and recreation	123,276
	\$ 455,964

NOTE 6 – LONG TERM LIABILITIES

The District Board has authorized the issuance of Bonds not to exceed \$50,000,000. At September 30, 2008, the following Bonds are outstanding.

Capital Improvement Revenue Bonds Series 2001

On October 9, 2001 the District issued \$17,700,000 of Capital Improvement Revenue Bonds Series 2001, due on May 1, 2032 with a fixed interest rate of 7.25%. Interest is payable semiannually on each May 1 and November 1. Principal is payable on an annual basis commencing May 1, 2003 through May 1, 2032.

The Series 2001 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. This occurred during the fiscal year ended September 30, 2008 as the District collected prepaid assessments from lot owners and prepaid \$35,000 of the Bonds.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements of the Bond Indenture at September 30, 2008.

The Bond Indenture requires that the District obtain a \$5,000,000 letter of credit which can be utilized by the Trustee in the event that sufficient funds are not available to cover the required debt service payments. The letter of credit expired in a prior fiscal year and was not extended.

There is an insurance policy and mortgage security agreement in place through the District’s trust account.

Capital Improvement Revenue Bonds Series 2004

On December 10, 2004 the District issued \$15,490,000 of Capital Improvement Revenue Bonds Series 2004, due on May 1, 2036 with a fixed interest rate of 6.75%. Interest is payable semiannually on each May 1 and November 1 commencing May 1, 2006. Principal is payable on an annual basis commencing May 1, 2007.

The Series 2004 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as certain other restrictions and requirements relating principally to the use of proceeds and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements of the Bond Indenture at September 30, 2008.

Changes in long-term liability activity for the fiscal year ended September 30, 2008 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2001	\$ 16,380,000	\$ -	\$ 290,000	\$ 16,090,000	\$ 270,000
Series 2004	15,415,000		185,000	15,230,000	195,000
Total	<u>\$ 31,795,000</u>	<u>\$ -</u>	<u>\$ 475,000</u>	<u>\$ 31,320,000</u>	<u>\$ 465,000</u>

NOTE 6 – LONG TERM LIABILITIES (Continued)

At September 30, 2008, the scheduled debt service requirements on the long - term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2009	\$ 465,000	\$ 2,194,550	\$ 2,659,550
2010	500,000	2,161,813	2,661,813
2011	540,000	2,126,792	2,666,792
2012	580,000	2,088,588	2,668,588
2013	610,000	2,047,763	2,657,763
2014-2018	3,765,000	9,529,713	13,294,713
2019-2023	5,300,000	8,001,913	13,301,913
2024-2028	7,400,000	5,859,263	13,259,263
2029-2033	8,940,000	2,862,288	11,802,288
2034 - 2036	3,220,000	444,825	3,664,825
Total	\$ 31,320,000	\$ 37,317,505	\$ 68,637,505

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer owns a portion of land within the District; therefore, revenues in the general and debt service funds include amounts billed on those lots. Developer assessment revenue for the fiscal year ended September 30, 2008 for the general fund totaled \$988,472 and included a receivable of \$82,335. For debt service, Developer revenue for the fiscal year ended September 30, 2008 was \$648,272 for the Series 2001 Bonds and \$1,184,458 for debt service on the Series 2004 Bonds, which include receivables of \$314,560 and \$339,151, respectively. In addition, the Developer was also directly billed for \$61,000 of assessments related to the golf course which is not owned or maintained by the District. This amount is included in the Developer assessment revenue for the debt service 2001 fund.

NOTE 8 – DEFICIT FUND EQUITY

The District has a government-wide net asset deficit balance of (\$11,136,428) as of September 30, 2008. There is no such deficit reflected in the governmental fund statements. The deficit primarily relates to capital outlay which has been financed through the issuance of long term debt but is not owned or maintained by the District as discussed in Note 5 – Capital Assets.

NOTE 9 - MANAGEMENT COMPANY

The District has contracted with a management company to perform services which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 499,491	\$ 513,157	\$ 13,666
Developer revenue	988,513	988,472	(41)
Interest		13,771	13,771
Total revenues	<u>1,488,004</u>	<u>1,515,400</u>	<u>27,396</u>
EXPENDITURES			
Current:			
General government	211,173	190,472	20,701
Maintenance and operations	1,479,943	1,192,205	287,738
Total expenditures	<u>1,691,116</u>	<u>1,382,677</u>	<u>308,439</u>
Excess (deficiency) of revenues over (under) expenditures	(203,112)	132,723	335,835
Fund balance - beginning	<u>203,112</u>	<u>221,580</u>	<u>18,468</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 354,303</u>	<u>\$ 354,303</u>

See notes to required supplementary information

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
OSCEOLA COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2008. The variance between budgeted and actual general fund revenues for the 2008 fiscal year was not considered significant. The actual general fund expenditures for the 2008 fiscal year were lower than budgeted amounts due primarily to anticipated repair and maintenance work which was not required.

This report is intended for the information of the management, Board of Supervisors of Harmony Community Development District, Osceola County, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Shaw & Associates

April 30, 2009

**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Harmony Community Development District
Osceola County, Florida

We have audited the accompanying basic financial statements of Harmony Community Development District, Osceola County, Florida ("District") as of and for the fiscal year ended September 30, 2008, and have issued our report thereon dated April 30, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In addition, we have issued our Report on Internal Control over Financial Reporting and Compliance and Other Matters dated April 30, 2009. Disclosures in that report should be considered in conjunction with this management letter.

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

This report is intended for the information of the management, Board of Supervisors of Harmony Community Development District, Osceola County, Florida and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Harmony Community Development District, Osceola County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

Grau & Associates

April 30, 2009

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2007.

2. A statement as to whether or not the local governmental entity complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The District complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

3. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2008.

4. Violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2008.

5. For matters that are inconsequential to the determination of financial statement amounts, considering both quantitative and qualitative factors, the following may be reported based on professional judgment:

- a. Violations of laws, regulations, and contracts or grant agreements, or abuse that have occurred, or are likely to have occurred.

- b. Control deficiencies that are not significant deficiencies, including, but not limited to:

1. Improper or inadequate accounting procedures (e.g., the omission of required disclosures from the annual financial statements).

2. Failures to properly record financial transactions.

3. Inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor.

REPORT TO MANAGEMENT (Continued)

There were no such matters discovered by, or that came to the attention of, the auditor, that, in our judgment, are required to be reported, for the fiscal year ended September 30, 2008.

6. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
7. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2008 financial audit report.
8. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

FIFTH ORDER OF BUSINESS

5A

**Harmony
Community Development District**

Financial Statements

April 30, 2009

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
APRIL 30, 2009**

	GENERAL	2001 DEBT SERVICE	2004 DEBT SERVICE	2004 CAPITAL PROJECTS	TOTALS
ASSETS	\$	\$	\$	\$	\$
CASH	485,781	-	-	-	485,781
CASH ON HAND	500	-	-	-	500
ASSESSMENTS RECEIVABLE, NET	67,830	36,418	-	-	124,048
DUE FROM OTHER FUNDS	18,110	-	-	-	18,110
INVESTMENTS:					
CONSTRUCTION FUND	-	-	-	288,750	288,750
PREPAYMENT ACCOUNT	-	23,234	3,229	-	26,483
RESERVE FUND	-	1,442,006	881,350	-	2,303,356
REVENUE FUND	-	1,004,006	838,865	-	1,942,871
TOTAL ASSETS	\$ 572,001	\$ 2,505,664	\$ 1,803,444	\$ 288,750	\$ 5,149,859
LIABILITIES & FUND BALANCES					
LIABILITIES	\$	\$	\$	\$	\$
ACCOUNTS PAYABLE	83,078	-	-	-	83,078
DUE TO OTHER FUNDS	-	-	-	18,110	18,110
DEPOSITS	500	-	-	-	500
TOTAL LIABILITIES	83,578	-	-	18,110	101,688
FUND BALANCES					
RESERVED FOR DEBT SERVICE	-	2,505,664	1,803,444	-	4,309,108
RESERVED FOR CAPITAL PROJECTS	-	-	-	250,640	250,640
UNRESERVED/UNDESIGNATED	488,423	-	-	-	488,423
TOTAL FUND BALANCES	488,423	2,505,664	1,803,444	250,640	5,048,171
TOTAL LIABILITIES & FUND BALANCES	\$ 572,001	\$ 2,505,664	\$ 1,803,444	\$ 288,750	\$ 5,149,859

HARMONY COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING APRIL 30, 2009

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	5,728	3,341	249	(3,092)
INTEREST - TAX COLLECTOR	-	-	70	70
SPECIAL ASSMNTS - ON ROLL	622,750	622,750	554,735	(68,015)
SPECIAL ASSMNTS - OFF ROLL	914,363	533,376	457,223	(76,155)
SPECIAL ASSMNTS - DISCOUNTS	(24,910)	(24,910)	(11,196)	13,714
OTHER MISCELLANEOUS REVENUES	-	-	1,050	1,050
TOTAL REVENUE	1,517,930	1,134,559	1,002,131	(132,428)
EXPENDITURES				
ADMINISTRATIVE				
P/R-BOARD OF SUPERVISORS	12,000	7,000	5,000	2,000
FICA TAXES	918	536	383	153
WORKERS' COMPENSATION	2,000	1,167	-	1,167
PROFSERV-ARBITRAGE REBATE	3,000	3,000	1,200	1,800
PROFSERV-DISSEMINATION AGENT	500	500	500	-
PROFSERV-ENGINEERING	26,000	15,167	293	14,874
PROFSERV-LEGAL SERVICES	20,000	11,667	17,811	(6,144)
PROFSERV-MGMT CONSULTING SERV	50,740	29,598	29,598	0
PROFSERV-SPECIAL ASSESSMENT	10,714	10,714	10,714	-
PROFSERV-TRUSTEE	10,000	10,000	10,746	(746)
AUDITING SERVICES	15,500	15,500	7,000	8,500
COMMUNICATION - TELEPHONE	250	146	77	69
POSTAGE AND FREIGHT	3,400	1,983	758	1,225
INSURANCE - GENERAL LIABILITY	23,000	23,000	18,484	4,516
PRINTING AND BINDING	7,000	4,083	4,160	(97)
LEGAL ADVERTISING	3,000	1,750	999	751
MISC-ASSESSMNT COLLECTION FEE	12,455	12,455	11,650	805
MISC-CONTINGENCY	1,000	583	25	556
OFFICE SUPPLIES	1,000	583	602	(19)
ANNUAL DISTRICT FILING FEE	175	175	175	-
CAPITAL OUTLAY	750	438	-	438
TOTAL ADMINISTRATIVE	203,402	150,044	120,197	29,847
OPERATIONS AND MAINTENANCE				
FIELD				
PROFSERV-FIELD MANAGEMENT	-	-	14,272	(14,272)
TOTAL FIELD	-	-	14,272	(14,272)
LANDSCAPE				
R&M-IRRIGATION	22,000	12,833	9,684	3,149
R&M-LAKE PHASE II	52,000	30,333	28,583	1,750
R&M-LANDSCAPE - LAKESHORE PARK	25,000	14,583	13,825	758
R&M-LANDSCAPE - TOWN SQUARE	30,800	17,850	17,337	513
R&M-LANDSCAPE - US 192 ENTR	63,000	36,750	38,505	245
R&M-SWIMMING POOL	13,300	7,758	7,128	630
R&M-TREES AND TRIMMING	15,000	8,750	17,000	(8,250)
R&M-LANDSCAPE PARC D-1 PARK	7,000	4,083	3,850	233
R&M-LANDSCAPE PARC C-2 PARK	8,000	3,500	3,465	35
R&M-LANDSCAPE PET PARK	21,000	12,250	12,111	139
R&M-LANDSCAPE HWY 192	30,000	17,500	17,500	-
R&M-LANDSCAPE PARCEL G PARK	14,400	8,400	8,400	-
R&M-LANDSCAPE POND AREAS	140,100	81,725	81,725	-
R&M-LANDSCAPE BUCK LAKE	6,000	3,500	2,050	1,450

HARMONY COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING APRIL 30, 2009

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
R&M-LANDSCAPE PARC B PARK	6,500	3,792	3,640	152
R&M-LANDSCAPE PARC C PARK	6,000	3,500	3,325	175
R&M-PHASE I	80,000	46,667	44,324	2,343
R&M-PHASE III	80,000	46,667	46,200	467
R&M-LANDSCAPE PARCEL D-2 & E	13,200	7,700	8,325	(625)
MISCELLANEOUS SERVICES	10,000	5,833	7,540	(1,707)
TOTAL LANDSCAPE	<u>641,100</u>	<u>373,976</u>	<u>372,517</u>	<u>1,458</u>
UTILITY				
ELECTRICITY - GENERAL	21,000	12,250	18,328	(6,078)
ELECTRICITY - STREETLIGHTING	371,000	216,417	216,361	(1,944)
UTILITY - WATER & SEWER	120,000	70,000	45,700	24,300
TOTAL UTILITY	<u>512,000</u>	<u>298,667</u>	<u>262,389</u>	<u>16,278</u>
OPERATION & MAINTENANCE				
PAYROLL-SALARIED	30,888	18,019	2,183	15,856
FICA TAXES	2,111	1,232	185	1,087
CONTRACTS-LAKE AND WETLAND	40,000	23,333	19,413	3,820
COMMUNICATION - TELEPHONE	2,700	1,575	1,825	(250)
R&M-COMMON AREA	12,000	7,000	5,495	1,505
R&M-EQUIPMENT	5,000	2,917	8,358	(5,441)
R&M-POOLS	25,000	14,583	18,232	(3,649)
R&M-LANDSCAPE LAKESHORE PARK	4,000	2,333	-	2,333
R&M-HARDSCAPE CLEANING	10,000	5,833	5,270	583
MISC-LICENSES & PERMITS	900	525	140	385
MISC-PARKS	3,600	2,100	815	1,285
MISC-CONTINGENCY	12,000	7,000	12,330	(5,330)
OP SUPPLIES-POOL AND FOUNTAIN	7,500	4,375	4,428	(53)
TOTAL OPERATION & MAINTENANCE	<u>155,700</u>	<u>90,625</u>	<u>78,634</u>	<u>12,191</u>
RESERVES				
1ST QUARTER OPERATING RESERVES	173,924	173,924	-	173,924
TOTAL RESERVES	<u>173,924</u>	<u>173,924</u>	<u>-</u>	<u>173,924</u>
TOTAL EXPENDITURES	<u>1,686,126</u>	<u>1,087,435</u>	<u>888,009</u>	<u>219,426</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(168,198)</u>	<u>47,124</u>	<u>134,122</u>	<u>86,998</u>
OTHER FINANCING SOURCES				
RESERVE - SELF INSURANCE	(50,000)	(50,000)	-	50,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCES	<u>(218,198)</u>	<u>(2,876)</u>	<u>134,122</u>	<u>136,998</u>
FUND BALANCE, OCTOBER 1	<u>381,906</u>	<u>381,906</u>	<u>354,905</u>	<u>(27,601)</u>
FUND BALANCE, ENDING	<u>\$ 163,710</u>	<u>\$ 379,030</u>	<u>\$ 488,427</u>	<u>\$ 109,397</u>

HARMONY COMMUNITY DEVELOPMENT DISTRICT
2001 DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING APRIL 30, 2009

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	25,000	14,583	5,839	(8,744)
SPECIAL ASSMNTS - ON ROLL	1,048,703	1,048,703	934,166	(114,537)
SPECIAL ASSMNTS - OFF ROLL	481,018	271,405	428,813	158,408
SPECIAL ASSMNTS - PREPAYMENT	-	-	21,155	21,155
SPECIAL ASSMNTS - DISCOUNTS	<u>(43,015)</u>	<u>(43,015)</u>	<u>(18,855)</u>	<u>24,180</u>
TOTAL REVENUE	<u>1,491,706</u>	<u>1,291,676</u>	<u>1,372,118</u>	<u>80,442</u>
EXPENDITURES				
ADMINISTRATIVE				
MISC-ASSESSMNT COLLECTION FEE	<u>21,508</u>	<u>21,508</u>	<u>18,306</u>	<u>3,202</u>
TOTAL ADMINISTRATIVE	<u>21,508</u>	<u>21,508</u>	<u>18,306</u>	<u>3,202</u>
DEBT SERVICE				
PRINCIPAL DEBT RETIREMENT	270,000	-	-	-
INTEREST EXPENSE	<u>1,174,138</u>	<u>587,069</u>	<u>583,263</u>	<u>3,806</u>
TOTAL DEBT SERVICE	<u>1,444,138</u>	<u>587,069</u>	<u>583,263</u>	<u>3,806</u>
TOTAL EXPENDITURES	<u>1,465,645</u>	<u>608,578</u>	<u>601,569</u>	<u>7,007</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>26,061</u>	<u>683,100</u>	<u>770,549</u>	<u>87,450</u>
NET CHANGE IN FUND BALANCES	<u>26,061</u>	<u>683,100</u>	<u>770,549</u>	<u>87,450</u>
FUND BALANCE, OCTOBER 1	<u>1,725,707</u>	<u>1,725,707</u>	<u>1,735,114</u>	<u>9,407</u>
FUND BALANCE, ENDING	<u>\$ 1,751,768</u>	<u>\$ 2,408,807</u>	<u>\$ 2,505,663</u>	<u>\$ 86,857</u>

HARMONY COMMUNITY DEVELOPMENT DISTRICT
2004 DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING APRIL 30, 2009

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	20,000	11,689	3,752	(7,917)
SPECIAL ASSMNTS - OFF ROLL	<u>1,205,596</u>	<u>688,157</u>	<u>849,935</u>	<u>153,778</u>
TOTAL REVENUE	<u>1,225,596</u>	<u>707,828</u>	<u>853,687</u>	<u>145,861</u>
DEBT SERVICE				
PRINCIPAL DEBT RETIREMENT	195,000	-	-	-
INTEREST EXPENSE	<u>1,028,025</u>	<u>514,013</u>	<u>514,013</u>	<u>(1)</u>
TOTAL DEBT SERVICE	<u>1,223,025</u>	<u>514,013</u>	<u>514,013</u>	<u>(1)</u>
TOTAL EXPENDITURES	<u>1,223,025</u>	<u>514,013</u>	<u>514,013</u>	<u>(1)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,571</u>	<u>193,814</u>	<u>339,674</u>	<u>145,860</u>
NET CHANGE IN FUND BALANCES	<u>2,571</u>	<u>193,814</u>	<u>339,674</u>	<u>145,860</u>
FUND BALANCE, OCTOBER 1	<u>1,461,322</u>	<u>1,461,322</u>	<u>1,463,770</u>	<u>2,448</u>
FUND BALANCE, ENDING	<u>\$ 1,463,893</u>	<u>\$ 1,655,136</u>	<u>\$ 1,803,444</u>	<u>\$ 148,308</u>

HARMONY COMMUNITY DEVELOPMENT DISTRICT
2004 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING APRIL 30, 2009

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	-	-	1,015	1,015
TOTAL REVENUE	-	-	1,015	1,015
CONSTRUCTION IN PROGRESS				
CONSTRUCTION IN PROGRESS A	-	-	4,505	(4,505)
TOTAL CONSTRUCTION IN PROGRESS	-	-	4,505	(4,505)
TOTAL EXPENDITURES	-	-	4,505	(4,505)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,490)	(3,490)
NET CHANGE IN FUND BALANCES	-	-	(3,490)	(3,490)
FUND BALANCE, OCTOBER 1	-	-	254,129	254,129
FUND BALANCE, ENDING	\$ -	\$ -	\$ 250,639	\$ 250,639

**Harmony
Community Development District**

**Notes to the Financial Statements
April 30, 2009**

GENERAL FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS	See Cash and Investment Report for details		
ASSESSMENTS RECEIVABLE, NET	Accrued Birchwood Developer monthly assessment for March 2009	\$	76,197
	Delinquent assessments from FY2008.	\$	<u>11,433</u>
		Total	<u>\$ 87,630</u>
DUE FROM OTHER FUNDS	Due from Capital Project Series 2004	\$	16,110
 <u>LIABILITIES</u>			
ACCOUNTS PAYABLE	REW Landscape for May 2009	\$	38,865
	City Of St. Cloud		33,802
	Greer's Landscape for May 2009		11,875
	Advance Marine Services		<u>737</u>
		Total	<u>\$ 83,079</u>
DEPOSITS	See Cash and Investment Report for details	\$	500

GENERAL FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS	Interest income as of April 2009
INTEREST - TAX COLLECTOR	Interest on Assessments collected as of April 2009
SPECIAL ASSMNTS - ON ROLL	See Assessment Collection Schedule for details
SPECIAL ASSMNTS - OFF ROLL	Birchwood Acres monthly assessment bill of \$76,197
SPECIAL ASSMNTS - DISCOUNTS	See Assessment Collection Schedule for details
OTHER MISCELLANEOUS REVENUES	Donation - Doreen Bardell Memorial \$1,050

EXPENDITURES

ADMINISTRATIVE

PROFSERV-DISSEMINATION AGENT	Digital Assurance dissemination fees for 2004 Series
PROFSERV-ENGINEERING	Miller Einhouse Rymer & Boyd invoices paid through October 2008
PROFSERV-LEGAL SERVICES	Young Van Assenderp, PA invoices paid through March 2009
PROFSERV-MGMT CONSULTING SERV	Sewern Trent Management Services monthly fee \$4,228
PROFSERV-TRUSTEE	US Bank annual fees for Series 2001 and Series 2004
AUDITING SERVICES	Grau & Associates progress billing for Audit FY 2008
COMMUNICATION - TELEPHONE	Charges for telephone and faxes.
POSTAGE AND FREIGHT	Postage for monthly agenda packages and correspondence with trustee.
INSURANCE - GENERAL LIABILITY	Public Risk Agency - Paid in Full for FY 2009 for General Insurance Policy Preferred Government - Second Installment for FY 2009 for Worker's Comp Policy
PRINTING AND BINDING	Copies of agendas for board meetings. Average monthly \$483 Pages printed in December 2008 (5,033)
MISC-ASSESSMNT COLLECTION FEE	Commission on Collected Assessment, including Tax-roll Preparation fee of \$779
MISC-CONTINGENCY	Shade Systems - Wire Fee NGI Digital- Landscaping RFP Packages \$135
ANNUAL DISTRICT FILING FEE	Department of Community Affairs

FIELD

PROFSERV- FIELD MANAGEMENT	Salary for full-time dockmaster.
-----------------------------------	----------------------------------

**Harmony
Community Development District**

**Notes to the Financial Statements
April 30, 2009**

LANDSCAPE

R&M-IRRIGATION	Irrigation repairs provided by REW Landscape. Walker Technical Services average monthly fee monitoring of Maxi Com \$233	
R&M-LAKE PHASE II	REW Landscape monthly fee for \$4,083 for Secondary Entrance	
R&M-LANDSCAPE - LAKESHORE PARK	REW Landscape monthly fee \$1,975	
R&M-LANDSCAPE - TOWN SQUARE	REW Landscape monthly fee \$2,429	
R&M-LANDSCAPE - US 192 ENTRY	REW Landscape monthly fee \$5,015 for Entry US 192 and \$200 for US 192 Entrance to Fence line West Side.	
R&M-SWIMMING POOL	REW Landscape monthly fee \$1,018	
R&M-TREES AND TRIMMING	A Cut Above Tree and Landscape- One time tree work \$14,000 Trimming of 384 trees \$ 3,000	
R&M-LANDSCAPE PARK D-1 PARK	REW Landscape monthly fee \$550	
R&M-LANDSCAPE PARK C-2 PARK	REW Landscape monthly fee \$485	
R&M-LANDSCAPE PET PARK	REW Landscape monthly fee \$1,873 REW Landscape- Installation of Live Oak \$400	
R&M-LANDSCAPE HWY 192	REW Landscape monthly fee \$2,500	
R&M-LANDSCAPE PARCEL G PARK	REW Landscape monthly fee \$1,200	
R&M-LANDSCAPE POND AREAS	REW Landscape monthly fee \$2,000	
R&M-LANDSCAPE BUCK LAKE	REW Landscape average monthly fee \$300	
R&M-LANDSCAPE PARK B PARK	REW Landscape monthly fee \$520	
R&M-LANDSCAPE PARK C PARK	REW Landscape monthly fee \$475	
R&M-PHASE I	REW Landscape monthly fee \$6,332 for Blvd & Linear Park	
R&M-PHASE III	REW Landscape monthly fee \$6,600 for Long Park East and Streetscape	
R&M-LANDSCAPE PARCEL D-2 AND E	REW Landscape monthly fee \$1,100 REW Landscape- Installation of Holly, mulch \$825	
MISCELLANEOUS SERVICES	REW Landscape- Playground mulching \$7,540	

UTILITY

ELECTRICITY - GENERAL	City of St. Cloud average monthly fee \$2,618 for services paid through April 2009	
ELECTRICITY - STREETLIGHTING	City of St. Cloud average monthly fee \$31,194 for services paid through April 2009	
UTILITY - WATER & SEWER	KUA average monthly fee \$6,529 for services paid through April 2009	

OPERATION & MAINTENANCE

PAYROLL-SALARIED	Salary for assistant dockmaster.	
FICA TAXES	Taxes for assistant dockmaster.	
CONTRACTS-LAKE AND WETLAND	Aquatic System monthly fees of \$2,388 and \$378. The \$378 monthly billing in effect since Jan 2008 covers ponds in Sites 32-34 and Control Structure Outfalls 5, 7, 8, 10, 12, 13, 15, 17, 18, 19, 21, 24, 25, 27, 28-34 The \$2,388 monthly billing covers 30 Ponds 1-8, 10-31.	
COMMUNICATION - TELEPHONE	AT&T and Embarq monthly fee paid through March 2009	
R&M-COMMON AREA	Monthly trash pick up and dumpster pick up services by REW Landscape. Folsom Services- Electrical work \$524 Intelligence- Skatestoppers \$375	
R&M-EQUIPMENT	Advance Marine boat supplies for \$8,358.	\$ 7,514
	NAPA Auto Parts	844
		<u>Total \$ 8,358</u>
R&M-POOLS	Jan Pro and Robert's Pool Service monthly fee \$1,880 Chapco Fence- Fence Installation \$2,440 Various invoices for pest control and pool supplies \$1,452	

**Harmony
Community Development District**

**Notes to the Financial Statements
April 30, 2009**

R&M-HARDSCAPE CLEANING	Ledesma Innovations inc.- Pressure washing post and rail \$5,270		
MISC-LICENSES & PERMITS	Osceola County Health Department- Re-Inspections		
MISC-PARKS	REW Landscape- Litter bags \$440		
	All Florida Septic- Repair pipe in lift station \$375		
MISC-CONTINGENCY	Shade System for Swim Club	\$	5,487
	Chapco Fence- Fence repair Dog/Water Park		3,355
	GMS Home Repair- Installation		1,045
	REW Landscape- Litter bags		793
	Poolworks- New Pool Drain March		1,850
		<u>Total \$</u>	<u>12,330</u>
OP SUPPLIES-POOL AND FOUNTAIN	Spies Pool LLC average monthly fee \$ 833 for pool chemicals and bleach.		

SERIES 2001 DEBT SERVICE FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS

See Cash and Investment Report for details

ASSESSMENTS RECEIVABLES, NET

Delinquent assessments from FY2008. Added to On-Roll assessments for FY2010

SERIES 2001 DEBT SERVICE FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS

Interest Income as of March 2009

SPECIAL ASSMNTS - ON ROLL

See Assessment Collection Schedule for details.

SPECIAL ASSMNTS - OFF ROLL

Received assessments for FY 2008

SPECIAL ASSMNTS - PREPAYMENT

Prepaid by Vista Title Company

SPECIAL ASSMNTS - DISCOUNTS

Early payment discount on collected assessments

EXPENDITURES

ADMINISTRATIVE

MISC-ASSESSMNT COLLECTION FEE

Commission on Collected Assessments

DEBT SERVICE

INTEREST EXPENSE

Due to previous years principal prepayment, the interest payment was lower than budgeted.

**Harmony
Community Development District**

**Notes to the Financial Statements
April 30, 2009**

SERIES 2004 DEBT SERVICE FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS

See Cash and Investment Report for details

SERIES 2004 DEBT SERVICE FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS

Interest Income as of March 2009

SPECIAL ASSMNTS - OFF ROLL

Received assessments for FY 2008

EXPENDITURES

ADMINISTRATIVE

MISC-ASSESSMNT COLLECTION FEE

Commission on Collected Assessments

DEBT SERVICE

INTEREST EXPENSE

Due to previous years principal prepayment interest is lowered than budgeted.

SERIES 2004 CAPITAL PROJECTS FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS

See Cash and Investment Report for details

Construction In Progress- Invoices still generated and paid from Construction account

LIABILITIES

DUE TO OTHER FUNDS

Due to General Fund

\$

18,110

**Harmony
Community Development District**

**Cash and Investment Report
April 30, 2009**

<u>ACCOUNT NAME</u>	<u>BANK NAME</u>	<u>YIELD</u>	<u>BALANCE</u>
GENERAL FUND			
Checking Account- Operating	Centerstate Bank	0.00%	\$ 465,761
Cash On Hand			\$ 500
DEBT SERVICE AND CAPITAL PROJECT FUNDS			
Series 2001 Prepayment Fund	US Bank	0.14%	23,234
Series 2001 Reserve Fund	US Bank	0.14%	1,442,006
Series 2001 Revenue Fund	US Bank	0.14%	1,004,006
Series 2004 Prepayment Fund	US Bank	0.14%	3,229
Series 2004 Reserve Fund	US Bank	0.14%	861,350
Series 2004 Revenue Fund	US Bank	0.14%	938,865
Series 2004 Contruction Fund	US Bank	0.14%	268,750
	Subtotal	\$	4,541,439
	Total	\$	5,007,701

NOTE 1 - INVESTED IN FIRST AMERICAN GOVERNMENT OBLIGATION FUND - RATING AAAM/AAA

Report Date: 5/21/2009

Harmony
COMMUNITY DEVELOPMENT DISTRICT
ASSESSMENT COLLECTIONS SCHEDULE - OSCEOLA COUNTY
FISCAL YEAR ENDING SEPTEMBER 30, 2009

Date Received	Net Amount Received	Discount Amount	Commission Amount	Gross Amount	General Fund Gross Assessments	Series 2001 Debt Service Gross Assessments
Assessments Levied				\$ 1,671,453	\$ 622,750	\$ 1,048,703
Allocation %				100%	37%	63%
11/12/08	\$ 1,824	\$ 103	\$ 37	\$ 1,964	\$ 732	\$ 1,232
12/01/08	18,609	791	380	19,779	7,369	12,410
12/11/08	134,952	5,738	2,754	143,444	53,444	89,999
12/23/08	516,851	21,944	10,548	549,343	204,674	344,669
01/14/09	26,157	826	534	27,517	10,252	17,265
02/14/09	15,572	434	318	16,323	6,082	10,241
03/13/09	14,415	190	294	14,899	5,551	9,348
04/15/09	701,295	26	14,312	715,633	266,630	449,002
TOTAL	\$ 1,429,673	\$ 30,051	\$ 29,177	\$ 1,488,901	\$ 554,735	\$ 934,166
% COLLECTED				89.08%	89.08%	89.08%
TOTAL OUTSTANDING				\$ 182,552	\$ 68,015	\$ 114,537

Date of Report
4/30/2009

Harmony
 COMMUNITY DEVELOPMENT DISTRICT
 ASSESSMENT COLLECTIONS SCHEDULE - OSCEOLA COUNTY
 FISCAL YEAR ENDING SEPTEMBER 30, 2009

Date Received	Net Amount Received	Discount Amount	Commission Amount	Gross Amount	General Fund Gross Assessments	Series 2001 Debt Service Gross Assessments
Assessments Levied				\$1,671,453	\$ 622,750	\$ 1,048,703
Allocation %				100%	37%	63%
11/12/08	\$ 1,824	\$ 103	\$ 37	\$ 1,964	\$ 732	\$ 1,232
12/01/08	18,609	791	380	19,779	7,369	12,410
12/11/08	134,952	5,738	2,754	143,444	53,444	89,999
12/23/08	516,851	21,944	10,548	549,343	204,674	344,669
01/14/09	26,157	826	534	27,517	10,252	17,265
02/14/09	15,571.54	433.80	317.78	16,323.12	6,081.67	10,241.45
03/13/09	14,414.74	189.86	294.18	14,898.78	5,550.99	9,347.79
04/15/09	701,294.97	25.61	14,312.15	715,632.73	266,630.39	449,002.34
05/14/09	29,768.56	(802.50)	607.52	29,573.58	11,018.52	18,555.06
TOTAL	\$ 1,459,442	\$ 29,249	\$ 29,785	\$ 1,518,475	\$ 565,753	\$ 952,721
% COLLECTED				90.85%	90.85%	90.85%
TOTAL OUTSTANDING				\$ 152,978	\$ 56,997	\$ 95,982

5B

**Harmony
Community Development District**

**Check Register
April 1 - April 30, 2009**

HARMONY COMMUNITY DEVELOPMENT DISTRICT

Check Register By Fund

For The Period from 4/1/09 to 4/30/09

Fund No.	Check No.	Posting Date	Vendr Name	Vendcr Inv. No.	Posting Description	G/L Description	G/L / Org	Check Amount
001	51484	4/2/2009	A CUT ABOVE TREE & LANDSCAPE	2059	TRIMMING OF 384 TREES	R&M-Trees and Trimming	546099 - 53902	3,000.00
001	51485	4/2/2009	AT & T	993377858X03262009	#0008089857 2/19-3/18	Communication - Telephone	541003 - 53910	61.36
001	51486	4/2/2009	FEDEX	9-132-55242	#2506-5623-8	Postage and Freight	541006 - 51301	40.59
001	51487	4/2/2009	KISSIMMEE UTILITY AUTHORITY	032509	BILLING PERIOD 2/17-3/18	Utility - Water & Sewer	543021 - 53903	5,822.97
001	51488	4/3/2009	LEDESMA INNOVATIONS INC.	030209	PRESSURE WASHING/PAVILIONS & SWIM CLUB	R&M-Hardscape Cleaning	546312 - 53910	792.00
001	51488	4/3/2009	LEDESMA INNOVATIONS INC.	030209	PRESSURE WASHING/PAVILIONS & SWIM CLUB	R&M-Hardscape Cleaning	546312 - 53910	740.00
001	51493	4/7/2009	EMBARQ	032509-11308	#4078911308 3/25-4/24	Communication - Telephone	541003 - 53910	42.80
001	51494	4/7/2009	ORLANDO SENTINEL	621047001	LEGAL AD-MTG 3/26	Legal Advertising	548002 - 51301	45.80
001	51495	4/15/2009	CITY OF ST CLOUD	040909	BLLING PERIOD 3/10-4/8	Electricity - Streetlighting	543013 - 53903	31,329.93
001	51495	4/15/2009	CITY OF ST CLOUD	040909	BLLING PERIOD 3/10-4/8	Electricity - General	543006 - 53903	2,341.14
001	51496	4/15/2009	EMBARQ	040409-27636	#4078927636 4/4-5/3	Communication - Telephone	541003 - 53910	213.68
001	51496	4/15/2009	EMBARQ	040709-83185	#4074983185 4/7-5/6	Communication - Telephone	541003 - 53910	49.12
001	51497	4/15/2009	FEDEX	9-140-59610	#2506-5623-8	Postage and Freight	541006 - 51301	27.24
001	51498	4/15/2009	ORLANDO SENTINEL	633104001	LEGAL AD-SPEC MTG 4/3	Legal Advertising	548002 - 51301	44.60
001	51500	4/22/2009	OSCEOLA COUNTY HEALTH DEPARTME	040309-00634	#49-60-00634 INSPECTION DATE 3/12	Misc-Licenses & Permits	549066 - 53910	35.00
001	51501	4/22/2009	HOME DEPOT CREDIT SERVICES	040609-08018	#6035 3220 2490 8018	R&M-Common Area	546016 - 53901	121.13
001	51501	4/22/2009	HOME DEPOT CREDIT SERVICES	040609-08018	#6035 3220 2490 8018	R&M-Common Area	546016 - 53901	211.86
001	51501	4/22/2009	HOME DEPOT CREDIT SERVICES	040609-08018	#6035 3220 2490 8018	R&M-Common Area	546016 - 53901	292.50
001	51502	4/30/2009	AT & T	993377858X04262009	#993377858 3/19-4/18	Communication - Telephone	541003 - 53910	79.95
001	51503	4/30/2009	KISSIMMEE UTILITY AUTHORITY	042409	BILLING PERIOD 3/18-4/16	Utility - Water & Sewer	543021 - 53903	5,849.17
001	51504	4/30/2009	WALKER TECHNICAL SERVICES	598	MOX-COM MONITORING -APRIL	R&M-Irrigation	546041 - 53902	250.00
001	51505	4/30/2009	ADVANCED MARINE SERVICES	38249	BOAT PARTS/SUPPLIES	R&M-Equipment	546022 - 53910	808.12
001	51505	4/30/2009	ADVANCED MARINE SERVICES	38589	BOAT SUPPLIES	R&M-Equipment	546022 - 53910	739.06
001	51506	4/30/2009	AQUATIC SYSTEMS, INC	0000118101	MTHLY LAKE & WETLAND SVCS APRIL	Contracts-Lake and Wetland	534021 - 53910	395.00
001	51506	4/30/2009	AQUATIC SYSTEMS, INC	0000118084	MTHLY LAKE & WETLAND SVCS-APRIL	Contracts-Lake and Wetland	534021 - 53910	2,388.00
001	51507	4/30/2009	A-1 HOME INSPECTION SVC	040209	PEST CONTROL	R&M-Pools	546074 - 53910	75.00
001	51508	4/30/2009	CORPORATE EXPRESS	93875595	OFFICE SUPPLIES	Office Supplies	551002 - 51301	20.82
001	51509	4/30/2009	CUNNINGHAM'S INC.	1184771	SOAP DISPENSER	R&M-Pools	546074 - 53910	12.49
001	51509	4/30/2009	CUNNINGHAM'S INC.	118727	DAILY USE BOAT AGREEMENTS	Printing and Binding	547001 - 51301	85.00
001	51510	4/30/2009	DISCOUNT PLUMBING INC	1-5039	INSTALLED PULL CHAIN SHOWER	R&M-Pools	546074 - 53910	460.00
001	51511	4/30/2009	FOLSOM SERVICES INC	23921E	PROBLEM WITH POOL PUMP	R&M-Pools	546074 - 53910	113.00
001	51511	4/30/2009	FOLSOM SERVICES INC	0000025627	TOWN SQUARE/PARK REPAIRS	R&M-Landscape - Town Square	546047 - 53902	334.37
001	51512	4/30/2009	GRAU & ASSOCIATES	4478	FY 2008 AUDIT PROGRESS BILLING	Auditing Services	532002 - 51301	2,000.00
001	51513	4/30/2009	GREER'S LANDSCAPE & LAWN	3*2809	POND MOWING-MARCH	R&M-Landscape Pond Areas	546309 - 53902	11,675.00
001	51513	4/30/2009	GREER'S LANDSCAPE & LAWN	3*2409	BOAT DOCK MOWING 2 TIMES	R&M-Landscape Buck Lake	546310 - 53902	200.00
001	51514	4/30/2009	HARMONY DEVELOPMENT CO, LLC	042009	REIMBURSEMENT PHONE	Communication - Telephone	541003 - 53910	267.46
001	51515	4/30/2009	JAN-PRO OF ORLANDO	10283	JANITORIAL SVCS APRIL 2009	R&M-Pools	546074 - 53910	735.39
001	51516	4/30/2009	LEDESMA INNOVATIONS INC.	030209A	PRESSURE WASHING/TOWN SQ & MAIN SIDEWALKS	R&M-Hardscape Cleaning	546312 - 53910	552.00
001	51516	4/30/2009	LEDESMA INNOVATIONS INC.	030209A	PRESSURE WASHING/TOWN SQ & MAIN SIDEWALKS	R&M-Hardscape Cleaning	546312 - 53910	350.00
001	51517	4/30/2009	NGI DIGITAL	30-317032	LANDSCAPING RFP PACKAGES	Office Supplies	551002 - 51301	135.02
001	51519	4/30/2009	REW LANDSCAPE CORP.	706013	MAINT-ASHLY PK POOL & CABANA MARCH	R&M-Swimming Pool	546096 - 53902	533.33
001	51519	4/30/2009	REW LANDSCAPE CORP.	706014	MAINT-192 MARCH	R&M-Landscape Hwy 192	546305 - 53902	2,500.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Landscape - US 192 Entr	546048 - 53902	5,015.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Phase I	546318 - 53902	6,332.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Landscape - Town Square	546047 - 53902	2,429.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Landscape Pet Park	546304 - 53902	1,673.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Landscape - US 192 Entr	546048 - 53902	200.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Swimming Pool	546096 - 53902	485.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706015	MAINTENANCE-MARCH 2009	R&M-Landscape - Lakeshore Park	546046 - 53902	1,975.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706016	MAINTENANCE-NBD B MARCH	R&M-Landscape Parc B Park	546314 - 53902	520.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706017	MAINTENANCE-NBD C2	R&M-Landscape Parc C-2 Park	546302 - 53902	495.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706018	MAINTENANCE-NBD D1	R&M-Landscape Parc D-1 Park	546301 - 53902	550.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706019	MAINTENANCE-LONG PARK EAST MARCH	R&M-Phase III	546320 - 53902	6,600.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706020	MAINTENANCE-NBD C1	R&M-Landscape Parc C Park	546315 - 53902	475.00

SEVERN
TRENT
SERVICES

Municipal Management Division

Treasury Services Department

Report Date
5/21/2009

HARMONY COMMUNITY DEVELOPMENT DISTRICT

Check Register By Fund

For The Period from 4/1/09 to 4/30/09

Account No.	Check No.	Date	Description	Account No.	Description	Account No.	Amount
001	51519	4/30/2009	REW LANDSCAPE CORP.	706021	MAINTENANCE-D2 & E MARCH	R&M-Landscape Parcel D-2 & E	1,100.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706022	MAINTENANCE-WBD G MARCH	R&M-Landscape Parcel G Park	1,200.00
001	51519	4/30/2009	REW LANDSCAPE CORP.	706023	MAINTENANCE-2NDARY ENTR MARCH	R&M-Lake Phase II	4,083.33
001	51519	4/30/2009	REW LANDSCAPE CORP.	706005	IRRIGATION REPAIRS	R&M-Irrigation	113.42
001	51519	4/30/2009	REW LANDSCAPE CORP.	706006	IRRIGATION REPAIRS	R&M-Irrigation	48.95
001	51519	4/30/2009	REW LANDSCAPE CORP.	706007	IRRIGATION REPAIRS	R&M-Irrigation	290.75
001	51519	4/30/2009	REW LANDSCAPE CORP.	706008	IRRIGATION REPAIRS	R&M-Irrigation	130.35
001	51519	4/30/2009	REW LANDSCAPE CORP.	706056	IRRIGATION REPAIRS	R&M-Irrigation	322.45
001	51519	4/30/2009	REW LANDSCAPE CORP.	706057	IRRIGATION REPAIRS	R&M-Irrigation	349.71
001	51519	4/30/2009	REW LANDSCAPE CORP.	706058	DUMPSTER PULLS	R&M-Common Area	1,359.71
001	51519	4/30/2009	REW LANDSCAPE CORP.	706059	STRAIGHTNE OAK/SQUARE CENTER FRONT	R&M-Common Area	318.00
001	51520	4/30/2009	ROBERTS POOL SERVICE & REPAIR	031509	POOL MAINT-MARCH	R&M-Pools	1,475.00
001	51520	4/30/2009	ROBERTS POOL SERVICE & REPAIR	041509	POOL MAINTENANCE-APRIL	R&M-Pools	1,180.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	ProfServ-Mgmt Consulting Serv	4,228.33
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	ProfServ-Mgmt Consulting Serv	3,568.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	Postage and Freight	17.89
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	Printing and Binding	14.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	Office Supplies	9.11
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	Communication - Telephone	3.79
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040706	MGT FEES-MAR 2009	Communication - Telephone	1.80
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040707	MGT FEES-ADDT'L JAN	ProfServ-Mgmt Consulting Serv	3,568.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2040708	MGT FEES-ADDT'L FEB	ProfServ-Mgmt Consulting Serv	3,568.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	ProfServ-Mgmt Consulting Serv	4,228.33
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	ProfServ-Field Management	3,568.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	Postage and Freight	13.02
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	Printing and Binding	740.20
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	Office Supplies	55.00
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	Communication - Telephone	7.98
001	51521	4/30/2009	SEVERN TRENT ENVIRONMENTAL SER	2041169	MGT FEES-APRIL 2009	Communication - Telephone	2.00
001	51522	4/30/2009	UNITED FIRE PROTECTION	269533	INSTALLATION OF FIRE EXTINGUISHERS	R&M-Equipment	58.85
001	51523	4/30/2009	YOUNG VAN ASSENDERP, P.A.	8093	LEGAL FEES-MARCH	ProfServ-Legal Services	6,101.89
001	51489	4/3/2009			JAMES C. O'KEEFE	PAYROLL	184.70
001	51490	4/3/2009			ROBERT D. EVANS	PAYROLL	184.70
001	51491	4/3/2009			NANCY M. SNYDER	PAYROLL	184.70
001	51492	4/3/2009			MARK W. LEMENAGER	PAYROLL	184.70
Credits							
Sub Total							\$ 144,973.57

201	51499	4/17/2009	US BANK NATIONAL ASSOC	041709	TRANSFER OF TAX RECEIPTS 2008/09	Due From Other Funds	131000 -	440,006.48
Credits								
Sub Total							\$ 440,006.48	
Total Checks Paid							\$ 584,980.05	



Report Date
5/21/2009

Municipal Management Division
Treasury Services Department



Harmony CDD

May 19, 2009

Invoice Approval #109

ITEM NO.	PAYEE	A=Approval R=Ratification	General Fund
	<u>A-1 Pest Control</u>		
#050509		A	\$75.00
	<u>Advanced Marine</u>		
#38926		A	\$736.85
	<u>Aquatic Systems Inc.</u>		
#0000120456		A	\$395.00
#0000120436		A	\$2,388.00
	<u>AT & T</u>		
#993377858x04262009		R	\$79.95
	<u>Broward County</u>		
#050809-47856	Registration fee	R	\$17.80
	<u>City of St Cloud</u>		
	Billing Period 4/8-5/8	R	\$33,601.81
	<u>Cunninghams</u>		
#1189160		A	\$48.26
	<u>Debbie Small-Controller</u>		
	Petty Cash Reimbursement	R	\$494.15
	<u>Embarg</u>		
#4078911308	4/25-5/24	R	\$43.23
#4078927636	5/4-6/3	R	\$46.77
#4074983185	5/7-6/6	R	\$49.12
	<u>FedEx</u>		
#9-173-25888		R	\$12.00
#9-180-89359		R	\$30.29
	<u>Gary's Lock & Safe</u>		
#46515		A	\$105.80
	<u>Grau & Associates</u>		
#4619		A	\$8,500.00

Greer's Landscape

Inv#4*2809	A	\$11,675.00
Inv#4*2409	A	\$200.00

Harmony Development Company

#51209	A	\$466.50
--------	---	----------

Harmony Golf Preserve

#000994	R	\$46.22
---------	---	---------

Home Depot

#050509-08018	R	\$187.62
---------------	---	----------

Jan-Pro Cleaning

#10503	A	\$735.39
--------	---	----------

Kissimmee Utility Authority

Billing Period 3/18-4/16	R	\$5,954.17
--------------------------	---	------------

Osceola County Health Dept

#49-60-00621	R	\$290.00
#49-60-00622	R	\$200.00
#49-60-00634	R	\$200.00
#49-60-00687	R	\$325.00

REW Landscape Corp

#706066	A	\$235.13
#706068	A	\$145.54
#706069	A	\$249.53
#706073	A	\$68.95
#706088	A	\$533.33
#706089	A	\$2,500.00
#706090	A	\$18,109.00
#706091	A	\$520.00
#706092	A	\$495.00
#706093	A	\$550.00
#706094	A	\$6,600.00
#706095	A	\$475.00
#706096	A	\$1,100.00
#706097	A	\$1,200.00
#706098	A	\$4,083.33

Spies

#197731	A	\$477.75
#197732	A	\$82.50

Walker Technical Services
#610

A

\$250.00

TOTAL

\$104,578.99

5C

HARMONY COMMUNITY DEVELOPMENT DISTRICT

REQUEST FOR PROPOSAL NUMBER 2009-201 AQUATIC PLANT MAINTENANCE SERVICES

TABLE OF CONTENTS

1. COPY OF NOTICE
2. INSTRUCTIONS TO PROPOSERS
3. BIDDER INFORMATION FORM
4. EVALUATION CRITERIA
5. PRICING FORM
6. FORM OF CONTRACT
 - a. EXHIBIT A – Worksheet for Frequency and Unit Prices
 - b. EXHIBIT B – Scope of Services
 - c. EXHIBIT C – Work Authorization Form
 - d. EXHIBIT D – Maintenance Map and Measurements of Ponds and Littoral Shelves
 - e. EXHIBIT E – General Release
7. NON-COLLUSION AFFIDAVIT
8. ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS
9. AUTHORITY TO CONTACT REFERENCES

**HARMONY COMMUNITY DEVELOPMENT DISTRICT
NOTICE OF SOLICITATION FOR REQUEST FOR PROPOSALS**

**Aquatic Plant Maintenance Services
Osceola County, Florida**

Notice is hereby given the **Harmony Community Development District** (the "District") requests proposals to provide aquatic plant maintenance services (Request for Proposals No. 2009-201) including but not limited to, lake littoral shelf maintenance, wetland mitigation area maintenance, wetland preserve area maintenance, and bridge area maintenance throughout the District, as more specifically set forth in the project manual.

The project manual, comprised of proposal and contract documents, will be available for the public inspection and may be obtained beginning (date) _____, at 10:00 a.m., from the District Manager's office, 610 Sycamore Street, Suite 130, Celebration, FL 34747, or by contacting Brenda Burgess at 407-566-1935.

Firms desiring to provide services for this project must submit ten (10) copies of the required proposal no later than (date) _____ at 2:00 p.m. at the office of the District Manager, 610 Sycamore Street, Suite 130, Celebration, FL 34747 Attn: Gary L. Moyer, at which time the proposals will be publicly opened. Proposals must be submitted in a sealed envelope pursuant to the Instructions to Proposers. Proposals received after the time and date stipulated above will be returned unopened to the Proposer.

Ranking of Proposers will be made on the basis of firm qualifications and price, in accordance with the criteria set forth in the ranking worksheet contained within the Request for Proposal. The District reserves the right to reject any and all proposals, with or without cause, to waive minor technical errors and informalities, or to accept the proposal which, in its judgment, is in the best interest of the District.

Gary L. Moyer, Manager

HARMONY COMMUNITY DEVELOPMENT DISTRICT

REQUEST FOR PROPOSAL NUMBER 2009-201 AQUATIC PLANT MAINTENANCE SERVICES

INSTRUCTIONS TO PROPOSERS

1. Due Date: Sealed proposals must be received no later than **Monday, _____, 2009, at 2:00 p.m.** at the office of the District Manager, 610 Sycamore Street, Suite 130, Celebration, FL 34747 ATTN: Gary L. Moyer. Proposals will be opened publicly at that time.
2. Signature on Proposal: In addition to executing all forms, affidavits, and acknowledgments for which signature and notary blocks are provided, the Proposer must correctly sign the Acknowledgment of Receipt and Proposal Signature Form. If the proposal is made by an individual, that person's name and business address shall be shown. If made by a partnership, the name and business address of an authorized member of the firm or partnership shall be shown. If made by a corporation, the person signing the proposal shall show the name of the state under the laws of which the corporation was chartered. In addition, the proposal shall bear the seal of the corporation. Anyone signing the proposal as agent shall file with the proposal legal evidence of his authority to do so.
3. Familiarity with Laws: The Proposer is assumed to be familiar with all Federal, State, and local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility.
4. Qualifications of Proposer: The contract, if awarded, will only be awarded to a responsible Proposer who is qualified by experience to do the work specified herein. The Proposer shall submit with its proposal satisfactory evidence of experience in similar work and show that it is fully prepared with the necessary organization, capital, and equipment to complete the work to the satisfaction of the District.
5. No Proposer shall submit more than one proposal. Proposers shall be disqualified and their proposals rejected if The District has reason to believe that collusion may exist among the Proposers, the Proposer has defaulted on any previous contract or is in arrears on any existing contract, or for failure to demonstrate proper licensure and business organization.
6. Interpretations and Addenda: All questions about the meaning or intent of the proposal documents are to be directed in writing to the District Manager. Interpretations or clarifications considered necessary by the District Manager in response to such questions will be issued by Addenda mailed or delivered to all parties recorded as having received the proposal documents. Questions received less than seven (7) days prior to the date of opening of proposals may not be answered. Only questions answered by formal written Addenda will be binding. No interpretations will be given verbally. All questions and answers will be distributed to all Proposers. Please email questions to manager@harmonyccd.org.
7. Submission of Proposal: Submit ten (10) copies of the proposal forms and other requested attachments at the time and place indicated herein, which shall be enclosed in an opaque sealed envelope, marked with the project title and name and address of the Proposer and accompanied by the required documents. If the proposal is sent through the mail or other

delivery system, the sealed envelope shall be enclosed in a separate envelope with a notation "RESPONSE TO HARMONY CDD PROPOSAL NO. 2009-201 ENCLOSED" on the face of it.

8. **Modification and Withdrawal:** Proposals may be modified or withdrawn by an appropriate document duly executed and delivered to the place where proposals are to be submitted at any time prior to the time and date the proposals are due. No proposal may be withdrawn after opening for a period of sixty (60) days.
9. **Proposal Documents:** The Request for Proposal will be available on **Wednesday, _____, 2009, at 10:00 a.m.** at the District Office, 610 Sycamore Street, Suite 130, Celebration, Florida. The person to contact is Brenda Burgess at 407-566-1935.
11. **Basis of Award/Right to Reject or Award:** The District reserves the right to reject any and all proposals, make modifications to the work, and waive any informalities or irregularities in proposals as it is deemed appropriate.
12. **Contract Award:** Within fourteen (14) days of receipt of the Notice of Award, the Proposer shall enter into and execute the Contract in substantially the form included in the proposal documents.
13. **Pre-Proposal Conference:** A mandatory pre-proposal conference and onsite inspection will be held **Thursday, _____, 2009, at 2:00 p.m.**, convening at 7251 Five Oaks Drive, Harmony, FL. Proposers are also encouraged to make on-site visits to the area for which services are required in order to gain an understanding of the scope of the area to be served. The Proposer is assumed to be familiar with the area and any natural features which will in any manner affect the work. Ignorance on the part of the Proposer will in no way relieve it from responsibility.
14. **Insurance:** All Proposers shall include as part of their proposal a current Certificate of Insurance detailing the company's insurance coverage. A sample certificate is included as an attachment to the Basic Organization Information Form. In the event the Proposer is notified of award, it shall provide proof of Insurance Coverage, as stated in the Contract form provided herein, within fourteen (14) calendar days after notification, or within such approved extended period as the District may grant. Failure to provide proper proof of insurance coverage shall constitute a default.
15. **Indemnification:** The successful Proposer shall fully indemnify and hold harmless The District, the District Manager and the District Engineer, from and against all claims, damages, costs and losses arising, in whole or in part, from Contractor's negligence or breach of contract, as more fully set forth in the Contract form, provided herein.
16. **Limitation of Liability:** Nothing herein shall be construed as or constitute a waiver of The District's limitations on liability contained in §768.28, Florida Statutes, or other Statute or law.

17. All proposals shall include the following information in addition to any other requirements of the proposal documents. **Please expressly label these items behind lettered tabs in the proposal so that there is no misinterpretation of included items.**
- A. Completed bid pricing sheet (form attached).
 - B. Completed unit price worksheet (this will be Exhibit A to the contract).
 - C. Proposer's organizational chart.
 - D. List position or title and corporate responsibilities of key management or supervisory personnel in present position for each party listed.
 - E. Describe proposed staffing levels.
 - F. Financial statements for 2007, and if available, for 2008.
 - G. List three other contracts related to the provision of services by the Proposer in which the company is presently engaged.
 - H. Three References, including the name address and phone number of a contact person, from projects of similar size and scope. The references may, but are not required to, overlap with projects or current contracts as listed above under F.
 - I. Current certificates of insurance.
 - J. Completed copies of all other forms included within the proposal documents.
18. Any person who is affected adversely by the District's decision or intended decision shall file with the District a notice of protest within seventy-two (72) hours after the posting of the final bid tabulation or after receipt of the notice of the District decision or indented decision, and shall file a formal written protest within seven (7) days after the date of filing of the notice of protest. The notice of protest shall identify the procurement by title and number or any other language that will enable the District to identify it, shall state that the person intends to protest the decision, and shall state with particularity the law and facts upon which the protest is based. With respect to protest of the specifications contained in an Invitation to Bid or Request for Proposals, the notice of protest shall be filed in writing within seventy-two (72) hours after the receipt of notice of the project plans and specifications (or intended project plans and specifications) in an Invitation to Bid or Request for Proposals, and the formal written protest shall be filed within seven (7) days after the date when notice of protest is filed. Failure to file a notice of protest (or failure to file a formal written protest) shall constitute a waiver of all further proceedings.
19. The proposals shall be ranked based on price and the District's evaluation of the Proposer's ability to perform the services for the project as demonstrated by the documentation provided by the Proposer and reference checks of the Proposer's clients.

BIDDER INFORMATION FORM

(Please attach additional pages to the Statement if there is not sufficient space provided to fully respond to the information requested.)

DATE SUBMITTED _____, 200__

- 1) Applicant: _____ / ____ / A Partnership
 _____ / ____ / A Corporation
 _____ / ____ / A Subsidiary Corporation

2) Parent Company Name: _____

3) Parent Company Address: _____

Street Address _____

P.O. Box (if any) _____

City _____ State _____ Zip Code _____

1st Contact Name: _____ Title: _____

2nd Contact Name: _____ Title: _____

4) Applicant Company Address (if different)

Street Address _____

P.O. Box (if any) _____

City _____ State _____ Zip Code _____

1st Contact Name: _____ Title: _____

2nd Contact Name: _____ Title: _____

5) List the location of the applicant's office which would handle the District work of this contract.

Street Address _____

P.O. Box (if any) _____

City _____ State _____ Zip Code _____

1st Contact Name: _____ Title: _____

2nd Contact Name: _____ Title: _____

6) Is the applicant Company incorporated in the State of Florida?

yes () no ()

6.1 If yes, please provide the following:

Is the Company in good standing with the Florida Secretary of State, Division of Corporations? yes () no ()

If no, please explain: _____

6.2 If no, provide the following:

The State applicant company is incorporated in? _____

Is the company in good standing with the State?

yes () no ()

If no, please explain: _____

Date incorporated _____ Charter No. _____

Is the applicant company registered with the State of Florida?

yes () no ()

7) Is the applicant company a registered or licensed contractor with the State of Florida?

yes () no ()

7.1 If yes, provide the following:

Type of registration (i.e. certified general contractor, certified electrical contractor, etc.)

License Number _____ Exp Date _____

Qualifying individual _____

Title: _____

List company (s) currently qualified under this license: _____

7.2 Is the applicant Company a registered or licensed Contractor with Osceola County?

yes () no ()

7.3 Is the applicant Company a certified F.D.O.T contractor?

yes () no ()

8) What are the applicant company's current insurance limits? (provide a copy of certificate of insurance)

General Liability \$ _____

Automobile Liability \$ _____

Workers Compensation \$ _____

Expiration Date _____

9) Has the applicant company been involved as a plaintiff or defendant in any legal action in the past 2 years?

yes () no ()

If yes, please identify the case, case number and describe each case: _____

10) Has the applicant company or predecessor company petitioned for bankruptcy protection in the past 5 years?

yes () no ()

If yes, please identify the bankruptcy case, case number and describe each case: _____

11) Has the applicant company performed services for other Community Development Districts within Osceola County? yes () no ()
If yes, please describe the work performed and the amount of each contract: _____

12) If any of the work will be subcontracted, please provide a list of each subcontractor, the work the subcontractor will perform and the approximate percent amount of the total work assigned to each subcontractor: _____

13) Identify the applicant company's key employees that will be assigned to the work, their experience, the number of year employed with the applicant company, and their license, degrees, and/or certifications:

Employee: _____
Experience: _____
Yrs of Experience _____
Licenses, Degrees, Certifications _____

Employee: _____
Experience: _____
Yrs of Experience _____
Licenses, Degrees, Certifications _____

Employee: _____
Experience: _____
Yrs of Experience _____
Licenses, Degrees, Certifications _____

Employee: _____
Experience: _____
Yrs of Experience _____
Licenses, Degrees, Certifications _____

14) Will the equipment utilized by the applicant company be owned or leased:
 owned () leased () both ()
If both, please provide a breakdown between the lease and owned equipment:

15) Please state the number is full time employees with the applicant company:

Number _____

16) Please provide the total amount of the applicant company's total liquid case reserve.

Amount \$ _____

17) Please list the three lending institutions the applicant company has conducted the most significant business with the past two years:

Lending Institution: _____

Address: _____

Telephone Number: _____

Contact Person: _____

Lending Institution: _____

Address: _____

Telephone Number: _____

Contact Person: _____

Lending Institution: _____

Address: _____

Telephone Number: _____

Contact Person: _____

Note: By submitting this Application, the applicant company has agreed to permit a District representative to contact the institutions. The applicant company also agrees to instruct the institution to authorize the contact person to discuss relevant information with the District.

Notice:

The District may request the following information after the submittal of the information contained in this application package in order to qualify prospective bidders.

- a) Additional information on the total amount of work the applicant company will be undertaking if a bid is awarded, to determine if the company has the capability at the time of the award to timely complete the District's projects.
- b) Other relevant information

The undersigned hereby authorize(s) and request(s) any person, firm, or corporation to furnish any pertinent information requested by the District, or their authorized agents, deemed necessary to verify the statements made in this application or attachments hereto, or regarding the ability, standing and general reputation of the applicant.

Name of Applicant Company

By: _____
Printed Name

Title: _____
Corporate Seal

This _____ day of _____, 20____

Sworn before me this _____ day of _____, 20____.

My Commission Expires: _____

(Printed Name)

(Signature)

Notary Public-State of _____

Notary Seal

HARMONY CDD
Aquatic Maintenance Services
RFP No. 2009-201

Evaluation Criteria

Criteria	Firm #1	Firm #2	Firm #3
<p>1. <u>Personnel (25 points)</u></p> <ul style="list-style-type: none"> • Geographic locations of the firm's headquarters or office in relation to the project (5 points) • Adequacy and capabilities of key personnel, including the project manager and field supervisor, present ability to manage this project (5 points) • Proposed staffing levels (10 points) • Evidence supplied for training of onsite personnel in IPM, Florida Friendly practices or similar (5 points) 			
<p>2. <u>Experience (30 points)</u></p> <ul style="list-style-type: none"> • Past record and experience of the respondent in similar projects (10 points) • Past performance with other contracts (5 points) • Experience dealing with customers and clients and being responsive to routine and non-routine issues (5 points) • Reputation of providing excellent customer service (5 points) • Positive responses from references (5 points) 			
<p>3. <u>Understanding of Scope of Work (15 points)</u> Does the proposal demonstrate an understanding of the District's needs for the services requested, including principles of Integrated Pest Management?</p>			
<p>4. <u>Price (30 Total points)</u> Points available for price will be allocated as follows:</p> <ul style="list-style-type: none"> • <u>15 points</u> will be awarded to the Proposer submitting the lowest total bid for completing the work for year 1 and year 2 of the contract, as reflected on the bid form. All other proposals will receive a percentage of this amount based upon the difference between that Proposer's bid and the low bid. • <u>10 points</u> are allocated for the reasonableness of unit prices. • <u>5 points</u> are allocated for the proposed increase in total annual price for the renewal term. 			
Total Points:			

HARMONY CDD
Aquatic Plant Maintenance RFP 2009-201

PRICING FORM

POND ID	PERIMETER (in feet)	SURFACE ACRES	LITTORAL SHELF (in acres)	INITIAL CLEANUP COST	PREVENTIVE MAINTENANCE COST PER MONTH	LITTORAL AREA NUISANCE REMOVAL
1	1,425	2.7				
2	1,200	1.7				
3	750	1.2				
4	2,325	4.1				
5	3,200	4.0	0.9			
6	1,950	1.1	0.3			
7	1,950	2.9	0.9			
8	2,000	2.4	1.4			
9	760	0.9				
10	1,000	1.1				
11	2,625	4.5				
12	1,550	2.3	0.1			
13	1,130	1.4				
14	1,150	1.5				
15	1,850	3.1	0.9			
16	800	0.6	0.5			
17	1,150	1.6	0.6			
18	750	0.7				
19	1,500	2.5				
20	1,600	3.2				
21	1,250	2.3				
22	1,320	2.4				
23	1,950	1.7				
24	1,950	2.7				
25	750	0.6				
26	2,100	2.1				
27	4,080	4.2				
28	1,590	3.1				
29	2,500	5.1				
30	1,630	2.1				
31	1,450	2.6				
32	1,400	1.8				
33	1,000	1.4				
34	970	1.0				
TOTALS	54,605	76.6	5.4	\$	\$	\$

**AGREEMENT BETWEEN _____ AND HARMONY COMMUNITY
DEVELOPMENT DISTRICT REGARDING THE PROVISIONS OF AQUATIC PLANT
MAINTENANCE SERVICES**

THIS AGREEMENT made and entered into this _____ day of _____, 2009, by and between the _____ (“Contractor”), whose address is _____, _____, Florida _____, and Harmony Community Development District (“District”), in care of the District Manager, whose address is 610 Sycamore Street, Suite 140, Celebration, Florida 34747, shall bind the Contractor to provide aquatic plant maintenance services, as prescribed by the Contractor’s bid in accompaniment with the District’s Aquatic Plant Maintenance Specifications, for a period beginning _____, 2009 and ending September 30, 2011.

SECTION I

Purpose of Agreement

The purpose of this Agreement is to secure the services of an independent Contractor which shall provide aquatic plant maintenance services within and around the District as prescribed in the specifications listed within the District’s Aquatic Plant Maintenance Specifications, which are incorporated as part of this Agreement and are dispositive.

SECTION II

Qualifications of Contractor

The Contractor submitted a proposal, incorporated herein by reference, and represents that it is qualified to serve as an aquatic plant maintenance contractor and provide such services to the District.

SECTION III

Consideration

1. That which induced the parties to enter into this agreement, in addition to the provisions of Sections I - III, which provisions are dispositive, is the fee for the Contractor and

DRAFT

the services to be received by the District both constituting good, valuable, adequate and sufficient consideration.

2. In consideration of this Agreement and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree to all of the provisions of this contract.

SECTION IV

Duties

1. The duties, obligations, and responsibilities of the Contractor are described within the District's Aquatic Plant Maintenance Specifications, which are attached as Exhibit B and which are incorporated by reference and dispositive to this contract.

2. All decisions concerning compliance with the terms of this contract and operations under this contract are specifically delegated and assigned to the District Manager or her or his designee.

3. Subject to the approval of the District Manager, the Contractor shall:

a. Be responsible solely for the means, manner and methods by which its duties, obligations and responsibilities are met to the satisfaction of the District Manager.

b. Ensure that employees working on the Project shall wear uniforms or professional attire at all times. Clothing that expresses or implies obscene language or graphics, degrading or demeaning connotations, or in the opinion of the District Manager is unsightly for any reason, shall be strictly prohibited. Contractor personnel shall wear shirts at all times and shall wear footwear that conforms to safe work practices.

c. Enforce strict discipline and good order among its employees on the Project site. The Contractor shall ensure that its employees that communicate and interact with the Harmony community and any other customers/party associated with the Harmony project are knowledgeable of the Project and the Services that the Contractor is performing.

d. Develop, implement, and maintain a safety program or its operations on the Project. The safety program shall include, at a minimum, a safety policy, safety rules and procedures, safety training, procedures for reinforcing and monitoring safety programs, procedures for accident investigations, providing and maintain equipment safety features, and safety record keeping.

DRAFT

e. Be available for a monthly inspection (walk-through) with the District Manager or the Manager's representative during regular working hours. This inspection shall be scheduled with the District Manager and the Contractor, or their lawful representatives with a resulting punch list of problems and corrective actions taken as soon as practicable and to be reviewed each month or as time allows.

f. Be responsible for immediately notifying the District through the District Manager of any/all issues, damage, and/or decline directly related to the Contractor's scope of work.

g. Report to the District Manager or its designee.

4. Additional duties may be specified by the District Manager or his or her designee.

SECTION V

Compensation

1. Provided that the Contractor shall strictly perform all of its obligations under the Agreement, and subject only to additions and deductions by Work Authorizations as set forth below, the District shall pay to Contractor for its Services as set forth in Section IV, a Fixed Fee in the amount of _____ (\$ _____), on a monthly basis plus additional fees for services rendered in connection with Work Authorizations as defined below.

2. Work Authorizations shall mean orders or directives, in the form attached hereto as Exhibit C, issued by the District Manager. Work Authorizations shall be issued for repairs or emergency services, changes to the scope of the area in which services are required, or for any services beyond those set forth in Section IV. Services performed under a Work Authorization may be paid either on a lump sum basis, a unit price basis, or a time and material basis in the District's sole discretion, such amount to be invoiced and paid in accordance with the terms set forth in this Section V and also in Section XV.

SECTION VI

Contractual Relationship

1. Nothing herein shall be construed as creating the relationship of employer or employee between the District/District Manager and the Contractor or between the District/District Manager and the Contractor's employees.

DRAFT

2. Neither the District nor the District Manager shall be subject to any obligations or liabilities of the Contractor or its employees, incurred in the performance of the contract.

3. The Contractor is an independent contractor and nothing contained herein shall constitute or designate the Contractor or any of their employees as employees of the District or the District Manager.

4. Nothing herein shall be construed as to creating an agency relationship between the District and Contractor or the District Manager and Contractor.

SECTION VII

Term

This Agreement shall commence upon execution by both Parties hereto and the issuance of a Notice to Proceed by the District and shall continue for a period of up to _____ (xx) months from the date first written above ending on September 30, 2011, with the option to renew for an additional two (2) years, unless terminated by the District in accordance with this Agreement.

SECTION VIII

Insurance

The Contractor shall maintain throughout the term of this Agreement the following insurance:

- (a) Worker's Compensation Insurance in accordance with the laws of the State of Florida.
- (b) Commercial General Liability Insurance covering the Contractor's legal liability for bodily injuries, with limits of not less than \$1,000,000 (one million dollars) combined single limit bodily injury and property damage liability with the District named as an additional insured, and covering at least the following hazards:
 - (i) Independent Contractors Coverage for bodily injury and property damage in connection with subcontractors' operation;
 - (ii) The District shall be named as additional insured
- (c) Employer's Liability Coverage with limits of at least \$300,000 (three hundred thousand dollars) per accident or disease.
- (d) Professional Liability Insurance with limits of \$1,000,000 (one million dollars).

DRAFT

- (e) Automobile Liability Insurance for bodily injuries in limits of not less than \$1,000,000 combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Contractor of any owned, non-owned, or hired automobiles, trailers, or other equipment required to be licensed.

SECTION IX

Indemnification

1. The Contractor agrees to indemnify and hold harmless the District and its Manager, officers, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or of any nature, arising out of, or in connection with, the work to be performed by Contractor, including litigation or any appellate proceedings with respect thereto.

2. Contractor agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, Florida Statutes, or other statute.

SECTION X

Authorization

The execution of this Agreement has been authorized duly by the appropriate body or official of the District and the Contractor, both the District and the Contractor have complied with all the requirements of law, and both the District and the Contractor have full power and authority to comply with the terms and provisions of this instrument.

SECTION XI

Assignment of Contract

1. No right or interest in this Agreement, or further formal contract, shall be assigned or delegated by the Contractor without the written permission of the District.

2. Any attempted assignment or delegation by Contractor shall be, void wholly, and ineffective totally, for all purposes, unless made in the conformity with this section.

DRAFT

SECTION XII

Waiver

No claim or right arising out of a breach of this contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved.

SECTION XIII

Termination

1. The performance of services may be terminated in whole or in part by the District Manager in accordance with this provision and may be revised by the Board.

2. Termination of services thereunder shall be effected by the delivery to the Contractor a "Notice of Termination" specifying the extent to which performance of services under the order is terminated and the date upon which such termination becomes effective.

3. Anything in this Agreement to the contrary notwithstanding, District shall, in its sole discretion and without cause, have the right to suspend or terminate this Agreement upon sixty (60) days' prior written notice to Contractor. In the event of termination, District's sole obligation and liability to Contractor, if any, shall be to pay to Contractor that portion of the fee earned by it, plus any earned amounts for extra Services performed pursuant to Section V, through the date of termination.

4. If the Contractor should become insolvent, file any bankruptcy proceedings, make a general assignment for the benefit of creditors, suffer or allow appointment of a receiver, refuse, fail or be unable to make prompt payment to Subcontractors, disregard applicable laws, ordinances, governmental orders or regulations or the instructions of the District, or if the Contractor should otherwise be guilty of a violation of, or in default under, any provisions of the Contract, then the District may, without prejudice to any other right or remedy available to the District and after giving the Contractor and its surety, if any, seven (7) days written notice, terminate the Contract and the employment of the Contractor. In addition, without terminating this Contract as a whole, the District may, under any of the circumstances set forth above, terminate any portion of this Contract (by reducing, in such manner the District deems appropriate, the Scope of the Service to be performed by the Contractor) and complete the portion of this Contract so terminated in such manner as the District may deem expedient.

DRAFT

SECTION XIV

Modifications

This Agreement can be modified or rescinded only by a writing signed by both parties to the contract or their duly authorized agents.

SECTION XV

Payment for Services Procedure

1. The Contractor shall by the 30th day of each calendar month deliver to the District Manager an Application for Payment in such form and with such detail as the District Manager requires.

2. The District Manager on behalf of the District shall make monthly payments to the Contractor including the Fixed Fee plus additional fees in connection with Work Authorizations.

3. The District Manager on behalf of the District shall make monthly payments on or before the 30th day of each calendar month after receipt, by the District Manager, of the Contractor's Application for Payment.

4. The District through its Manager reserves the right to require itemized documentation to verify the amount owed as prescribed in the Application for Payment. If documentation is required to verify the Contractor's Application for Payment, then payment by the District Manager on behalf of the District will take place on the 30th day of the calendar month in which both the Application for Payment and the itemized documentation are received by the District through its Manager.

5. The District Manager reserves to right to withhold monthly payment if the Application for Payment is not approved by the District.

6. Any change orders are discouraged and subject to the District Board approval and any District change order policy.

SECTION XVI

Adjustment of Services

1. The District reserves the right to reduce any portion of the Contractor's Scope of Services, or amend any work Authorization, as agreed upon by this Agreement.

DRAFT

2. In such event that an adjustment is deemed necessary, the District shall be entitled to a fee reduction proportionate to the negotiated Fixed Fee determined within this agreement.

SECTION XVII

Advertising

1. The Contractor, by virtue of this Agreement, shall acquire no right to use, and shall not use, the name of the District or the name of "Harmony" (either alone or in conjunction with or as part of any other word, mark or name) in any advertising, publicity or promotion.

2. This advertising restriction shall include, but is not limited to, the express or implied endorsement by the District of the Contractor's services.

3. This advertising prohibition shall extend to any use of "Harmony," or the District, in any other manner whatsoever, whether specifically mentioned above or not.

SECTION XVIII

Compliance with Agreement

Any failure by the District and the District Manager to require strict compliance with any provision of this Agreement, or incorporated Aquatic Plant Maintenance Specifications, shall not be construed as a waiver of such provision, and the District reserves the right and privilege to subsequently require strict compliance at any time, notwithstanding any prior failure to do so.

SECTION XIX

Final Payment

1. The Contractor's acceptance of the final payment under this Agreement, or the acceptance of the final payment upon early termination hereof, shall constitute a full and complete release of the District and District Manager from any and all claims of the Contractor.

2. The claims upon which the District is released includes, but may not be limited by, any demands and causes of action whatsoever which the contractor may have against the District in any way related to the subject matter of this Agreement.

DRAFT

3. Upon receipt of final payment from the District Manager, the Contractor shall, as a condition precedent to receipt of final payment, submit to the District a fully and properly executed general Release.

4. Neither the District's or District Manager's review, approval, acceptance of payment, nor lack of payment for any of the Services required under this Agreement shall be construed as a waiver of any rights, under this Agreement or act as a waiver to any cause of action arising out of the performance of this Agreement.

5. The Contractor shall be and remain liable to the District in accordance with law for all damages to the District caused by the Contractor's performance, or lack of performance, of any of the services furnished, or agreed upon, pursuant to this Agreement.

SECTION XX

Enforcement of Agreement

In the event that either the District or the Contractor is required to enforce this Agreement by court proceedings or otherwise, then the prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

SECTION XXI

Other Provisions of the Agreement

1. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter contained herein and may not be assigned, amended, modified or rescinded, unless otherwise provided in this Agreement, except in writing and signed by the parties hereto. Should any provision of this Agreement be declared to be invalid, the remaining provisions of this Agreement shall remain in full force and effect, unless such provision is found to be invalid or alter substantially the benefits of the Agreement for either of the parties.

2. The rights and remedies of the District provided for under this Agreement are cumulative and are in addition to any other rights and remedies provided by law.

3. This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida.

DRAFT

4. Written notices, required to be given under this Agreement, shall deemed given when received by the District through personal delivery, courier service, or certified mail delivered to all of the following addresses:

Harmony Community Development District
Attention: Gary Moyer, District Manager
610 Sycamore Street, Suite 140
Celebration, Florida 34747

Harmony Development Company, LLC
3500 Harmony Square Drive W
Harmony, Florida 34773
ATTN: Shad Tome

Young, van Assenderp, P.A.
225 South Adams Street Suite 200
Tallahassee, Florida 32301
ATTN: Timothy R. Qualls

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and such of them as are corporations have caused these presents to be signed by their duly authorized officers.

ATTEST:

CONTRACTOR

By: _____

Date: _____

ATTEST:

HARMONY COMMUNITY DEVELOPMENT DISTRICT

By: _____
_____ of the Board of Supervisors

Date: _____

As authorized for execution by the Board of Supervisors of the Harmony Community Development District at its _____, 2009, regular meeting.

HARMONY CDD
Aquatic Plant Maintenance RFP 2009-201

EXHIBIT A -- WORKSHEET FOR UNIT PRICES

POND ID	PERIMETER (in feet)	SURFACE ACRES	LITTORAL SHELF (in acres)	FREQUENCY OF TREATMENT	COST PER TREATMENT
				<i>(e.g., monthly, quarterly)</i>	
1	1,425	2.7			
2	1,200	1.7			
3	750	1.2			
4	2,325	4.1			
5	3,200	4.0	0.9		
6	1,950	1.1	0.3		
7	1,950	2.9	0.9		
8	2,000	2.4	1.4		
9	760	0.9			
10	1,000	1.1			
11	2,625	4.5			
12	1,550	2.3	0.1		
13	1,130	1.4			
14	1,150	1.5			
15	1,850	3.1	0.9		
16	800	0.6	0.5		
17	1,150	1.6	0.6		
18	750	0.7			
19	1,500	2.5			
20	1,600	3.2			
21	1,250	2.3			
22	1,320	2.4			
23	1,950	1.7			
24	1,950	2.7			
25	750	0.6			
26	2,100	2.1			
27	4,080	4.2			
28	1,590	3.1			
29	2,500	5.1			
30	1,630	2.1			
31	1,450	2.6			
32	1,400	1.8			
33	1,000	1.4			
34	970	1.0			
TOTALS	54,605	76.6	5.4		

EXHIBIT B
Scope of Services

1. Project Scope
 - 1.1 General Overview
 - 1.2 Community Development District (CDD)
 - 1.3 Pond Management Program Objectives
 - 1.4 Contractor Adherence to Scope of Services
 - 1.5 Access to Jobsite

2. General Requirements and Procedures
 - 2.1 Operation Procedures
 - 2.2 Key Personnel
 - 2.3 Personnel Dress Code
 - 2.4 Personnel Conduct
 - 2.5 Safety Program
 - 2.6 Facility Location
 - 2.7 Subcontractors
 - 2.8 Consultants
 - 2.9 Document Control and Data Management
 - 2.10 Verification of Data
 - 2.11 Ownership of Data
 - 2.12 Quality of Data Control
 - 2.13 Insurance
 - 2.14 Materials
 - 2.15 Licenses and Permits
 - 2.16 Liability
 - 2.17 Contractor Responsibilities

3. Coordination
 - 3.1 General Coordination
 - 3.2 Permitting Consideration
 - 3.3 Contractor's Project Manager
 - 3.4 District Awareness

4. Scheduled Operations and Maintenance
 - 4.1 General Scope and Practices
 - 4.2 Pond Open Water Maintenance
 - 4.3 Littoral Shelf Maintenance
 - 4.4 Wetland Preserve Area Maintenance
 - 4.5 Mitigation Area Maintenance
 - 4.6 Target Vegetation
 - 4.7 Maintenance Methodology

5. Unscheduled Maintenance
 - 5.1 General
 - 5.2 Unscheduled Maintenance

6. Administrative/Maintenance/Operations Program
 - 6.1 General
 - 6.2 Administration
 - 6.3 Operations
 - 6.4 Maintenance

7. Response Time and Emergency Response Program

Scope of Services

1. PROJECT SCOPE

The Contractor shall perform maintenance services of the Harmony lakes shown on the map in Attachment 1. Maintenance services of the areas shown in the Contract Drawings will include, but are not limited to, treatment removal and offsite disposal of “nuisance vegetation” and algae treatment. The removal or treatment of nuisance species shall occur at a frequency that prohibits flower or seed production. The maintenance services will comply with the requirements set forth within this Scope of Services. The following is a Project overview describing the various entities within Harmony and the limits of service.

1.1 **General Overview**

Harmony, located in the eastern part of Osceola County on U.S. 192, is a planned residential community.

1.2 **Community Development District (CDD)**

The Harmony Community Development District (“District” or “CDD”) is a special-purpose government which was created pursuant to Chapter 190, Florida Statutes and established on the property via an ordinance enacted, ordered and approved by Osceola County.

The CDD areas to be included in this landscape and ground maintenance Scope of Services are generally defined as all the District systems, works or facilities within Harmony. These areas and elements include public parks, roadway shoulder areas (landscape, irrigation, and sidewalks), stormwater management ponds, roadway bridges, culverts and headwalls. These areas are highlighted on the attached map.

1.3 **Pond Management Program Objectives**

The Harmony CDD desires to manage its stormwater ponds in a way that directs the ponds toward a natural balance that reduces the need for chemical control of aquatic plants. Accordingly, the following objectives for this program are identified:

- To provide responsible environmental ecological management of the lakes and stormwater facilities under the management jurisdiction of the Harmony CDD.
- To eliminate or bring under control all exotic invasive and problematic native aquatic plants in the CDD’s lakes and stormwater facilities.
- To ensure that the lakes and stormwater facilities are maintained to create an environmentally sound and aesthetically appealing aquatic community.
- To use Integrated Pest Management (IPM) practices in meeting these objectives.

Integrated Pest Management is a method of conducting proper aquatic vegetation management with minimum impact on human health, the environment, and non-target organisms. IPM is not a single chemical approach or strategy but a decision-making process that involves a combination of practices to control problems. Control tactics can include cultural or biological measures. For example, reduction of lakeshore fertilizing activities, installation of shoreline plants, stocking triploid carp, pond aeration and/or increased education of the public on IPM practices and potential effects of pesticides on health and the environment might be considered for reaching the desired natural balance. IPM requires more information, thought and team planning than ordinary, single approach management strategies, but the outcome is a healthier community and environment, and lower management costs. Therefore, the primary service desired from the Aquatic Maintenance Contractor (“Contractor”) is the contractor’s knowledge about aquatic systems and plant management, and not the Contractor’s ability to apply pesticides.

1.4 Contractor Adherence to the Scope of Services

The Contractor shall recognize and perform in accordance with the contract terms, written specifications, and/or drawings contained or referenced herein.

1.5 Access to Jobsite

The District shall furnish access to all areas of the jobsite where the Contractor is required to perform under the terms of this Scope of Services.

2. General Requirements and Procedures

The Contractor shall meet the requirements and follow the procedures associated with all items set forth in the Contract Documents including, but not limited to, the following:

Operation Procedures

The Contractor shall perform the basic services outlined within the Scope of Services between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday unless specified otherwise or directed by the District through its District Manager. The Contractor may submit a request for additional operation time, in response to poor weather conditions, to be reviewed for approval by the District Manager or its Designee. The District Manager or its Designee will designate where Contractor's crew will take breaks, lunches, and use restroom facilities. Employee personnel vehicles will be parked only in areas designated by the District. The Contractor shall be responsible for security of the maintenance areas during working hours and for locking all gates (if applicable) each day.

Key Personnel

All Services shall be managed and/or directed by key personnel identified by the Contractor in the proposal. Any changes in the assigned key personnel shall be subject to approval by the District Manager. Where applicable, the Contractor shall require that certifications, training, etc., be secured and updated for all employees for the maintenance and technical services performed under this contract.

Contractor shall provide one (1) Project Manager who is knowledgeable of the Contractor's daily activities when performed at this site. This Manager shall serve as the point of contact between the District Manager and Contractor. The Project Manager shall be responsible for coordinating all scheduled services with the District Manager and for the timely scheduling of unscheduled maintenance services.

2.2.3 Contractor will provide the name and résumé of the onsite foreman that will be responsible for supervising and/or completing all field services. The résumé shall list the firms who have employed the foreman for work similar to that to be performed under the Contract. Contractor must demonstrate that the onsite foreman can identify all the plant species that are included as nuisance vegetation on this project.

2.2.4 The Contractor shall ensure that all employees who use or are in contact with registered and restricted-use herbicides are certified as required by the appropriate regulatory agencies and are knowledgeable as to qualifications for handling material safely and correctly in accordance with the Federal Environmental Pesticide Control Act of 1972 (PL92-516, FIFRA). Such employees shall also possess, or be under the direct supervision of an employee who possesses the Florida Department of Agriculture's Public Applicator Certification for use of restricted pesticides.

2.3 Personnel Dress Code

The Contractor shall ensure that employees working on the Project shall wear uniforms or professional attire at all times. Clothing that expresses or implies obscene language or graphics, degrading or demeaning connotations, or in the opinion of the District Manager is unsightly of any reason, shall be strictly prohibited. The Contractor personnel shall wear shirts at all times and shall wear footwear that conforms to safe work practices. Applicators must use at least minimum personal protective equipment (PPE) required by the label of the materials being handled.

2.4 Personnel Conduct

The Contractor shall enforce strict discipline and good order among its employees on the Project site. The Contractor shall ensure that its employees that communicate and interact with the Harmony community are knowledgeable of the Project and the Services the Contractor is performing.

2.5 Safety Program

The Contractor shall develop, implement, and maintain a safety program for its operations on the Project. That safety program shall include, at a minimum, a safety policy, safety rules and procedures, safety training, procedures for reinforcing and monitoring safety programs, procedures for accident investigations, providing and maintaining equipment safety features, and safety record keeping.

The Contractor shall comply with all State of Florida and Federal and local regulations, rules and orders, as they pertain to occupational safety and health, the safe operation and security of the facilities.

The Contractor shall provide, at the Contractor's expense, all safety equipment and materials necessary for and related to the work performed by its employees. Such equipment will include, but is not limited to items necessary to protect its employees and the general public, if applicable.

2.6 Facility Location

The District shall not provide a facility on the Project Site for the Contractor as part of this Scope of Services. No fuels, oils or chemicals are permitted to be stored on site.

2.7 Subcontractors

If the Contractor, as a part of the performance of its Services, elects to employ Subcontractors, the following shall apply:

- The Contractor shall reserve the right to hire qualified Subcontractors to perform specialized functions or work including specialized equipment as may be required, at Contractor's expense.
- The Contractor shall be responsible for, and coordinate with, the services of any of its Subcontractors.
- The Contractor shall require all of its Subcontractors, as a condition of employment, to agree to the applicable terms and conditions identified in the Contract Documents.

2.8 Consultants

If the Contractor, as a part of the performance of its Services, elects to employ consultants, the following shall apply:

- The Contractor shall reserve the right to hire qualified consultants to perform specialized functions or work including specialized equipment as may be required, at Contractor's expense

- The Contractor shall be responsible for, and coordinate with, the services of any of its consultants.
- The Contractor shall require all consultants, as a condition of employment, to agree to the applicable terms and conditions identified in the Contract Documents.

2.9 Document Control and Data Management

2.9.1 Document Control

The Contractor shall keep accurate records of documents received and, if applicable, issued by this Contractor. A document log shall be maintained during the work of this Contractor to provide records on the information available to or from this Contractor. The log shall outline document titles and dates, the originator, received dates, and to/from information. This log shall be updated monthly and submitted to the District Manager when requested.

2.9.2 Data Maintenance

The Contractor shall, after review with the District Manager, establish a systematic process for the insertion of revised sets and the integration of that data into the overall Project plan after verification for compatibility and consistency of the information received with existing information.

2.9.3 Data Dispersal

Should the Contractor distribute data to others, the Contractor shall document the distribution of data by completing a letter of transmittal. All distribution of data shall be accompanied by a letter of transmittal with a copy provided to the District identifying:

- Party to whom the data is being transferred
- Origination of the request for transfer
- Name of data being transferred
- Type(s) of data being transferred
- Date of transfer
- Purpose of transfer, or use of information
- Further action necessary

The Contractor shall propose a format for, and keep a log of, all data transfers for updates to the District Manager.

2.10 Verification of Data

All data provided to the Contractor shall be examined for consistency with its records and work efforts. Any obvious inconsistency shall be reported to the District Manager verbally and in writing, upon discovery.

2.11 Ownership of Data

It is to be understood that all data transmitted, and material/equipment purchased under this contract by the Contractor or provided to the Contractor, either by the District or third parties, are the sole properties of the District. The Contractor shall have temporary charge of the data while performing contracted services for the Project. All data shall be returned to the District through the District Manager at the conclusion of the Project, after which no copies of the data may be kept by the Contractor without the express written permission of the District.

The District shall retain the right to require that the Contractor transfer all Project data, material, or equipment to the District immediately upon fourteen (14) days' written notice, for any reason. The same procedures shall apply should it become necessary for the Contractor to voluntarily return all Project data to the District.

2.12 Quality Control

The District will have the right, at any stage of the operation, to reject any or all of the Contractor's services and materials, which in the District's opinion does not meet the requirements of these specifications.

If requested by the District Manager, the Contractor will make weekly walk-through reviews of the entire site related to visual observations and the Contractor's performance. The Contractor will make repairs and adjustments, as directed by the District Manager, during these site visits. A monthly Maintenance Report shall be generated by the Contractor and submitted to the District Manager outlining potential problem areas and the Contractor's proposed corrective action, upcoming work approval request, coordination, scheduling, etc. The Contractor shall provide the District Manager with a weekly updated maintenance log addressing all activities occurring in that week.

2.13 Insurance

As more fully described in the agreement for services, the Contractor will provide Worker's Compensation, Unemployment Insurance, and any other insurance required by law. In addition, the Contractor will carry Public Liability and Automobile Insurance to the limits required by the District.

2.14 Materials

All materials shall conform to bid specifications. The Contractor will meet all agricultural licensing and reporting requirements.

2.15 Licensing and Permits

Contractor shall maintain any applicable license and permit requirements of Osceola County, the State of Florida, the Federal Government as well as all other requirements of the law.

2.16 Liability

Throughout the entire project, Contractor shall be liable for any damage of any kind whatsoever that is caused by the negligence of the Contractor, its agents or employees. Throughout the entire work area, the Contractor shall replace or reimburse the District for the cost of replacement and/or repairs, at the Contractor's own expense, any turf and ornamental plants killed or damaged by herbicide application or mechanical equipment. The Contractor shall be completely responsible for any environmental cleanup resulting from chemical or fuel spills that occur in the course of business.

2.17 Contractor Responsibilities

- 2.17.1 The Contractor shall have demonstrated experience in total pond system management. Contractor personnel applying herbicides for the management of aquatic plants shall be certified/licensed by the Florida Department of Agriculture and Consumer Services (FDACS) for Aquatic Pest Control.
- 2.17.2 At a minimum, the job supervisor and ideally all on site personnel shall have been trained in Integrated Pest Management, Florida Friendly management practices or similar best management practices. Evidence of such training will be provided.

- 2.17.3 No pest management treatments are to be conducted unless the problem has been identified and scouted. Integrated Pest Management (IPM) at Harmony is a decision-making approach to managing invasive and undesirable vegetation. Monitoring and identification of the problem is one of the most important components of IPM.
- 2.17.4 The Contractor will use the least toxic herbicides only when other control methods would not be effective or practical in maintaining the established level of service.
- 2.17.5 The Contractor will avoid disruption of natural enemies by becoming familiar with beneficial organisms. The Contractor will use available charts and literature to evaluate impact of control strategies and their toxicity to specific natural enemies.
- 2.17.6 Pesticide efficacy can vary from one area to another, one location to another, and even from one year to the next in the same location. It is essential when pesticides have to be used to select the correct materials based upon their least toxic impact and efficacy. Record keeping will be used to support selections.
- 2.17.7 Regular monitoring of pest and beneficial populations will determine the optimal times for applying pesticides or other practices and to enhance their effectiveness. The Contractor will control undesirable vegetation during the most vulnerable point in their life cycle or growth period. Young, actively growing weeds are usually the easiest to control or remove. The Contractor will control weeds before they produce seeds.
- 2.17.8 The Contractor will follow the label to determine the rate and method of application. The control action chosen must focus on the site of the problem so that only the areas that need to be treated are targeted. Proper application will maximize effectiveness and minimize effects on beneficial organisms. The goal is to use the most environmentally responsible and effective pesticide.
- 2.17.9 Liquid sprays must not be applied when winds exceed 10 mph to minimize any undesirable drift.
- 2.17.10 Personnel assigned to this contract shall use at least minimum personal protective equipment (PPE) required by the label of materials being handled.
- 2.17.11 The Contractor will establish action thresholds for undesirable plant levels to determine when numbers or situations pose a problem. The Contractor will maintain records of numbers or kinds of problems to track occurrence and to evaluate actions taken
- 2.17.12 The Contractor will adhere to the following pesticide procedures:
- Proper application techniques
 - Knowledge and actions to follow in the event of a pesticide spill
 - Proper pesticide transporting and handling procedures
 - Cleaning and calibration of equipment procedures
 - Storage and disposal of pesticide containers
 - Scouting and record keeping – summary reports of pond observations and management strategies are to be routinely filed with the District Manager
 - Strict compliance with each EPA label's PPE requirements
 - Maintenance of up-to-date records of pesticides applied, by treatment area.

- 2.17.13 Use of any product being phased out or banned by State or Federal agencies is prohibited under this contract.
- 2.17.14 The Contractor shall provide at his own risk and cost, all labor, materials, tools, equipment, transportation, hauling, biological controls, pesticides, chemicals and other items needed to perform the aquatic plant management work under this contract.
- 2.17.15 All work shall be performed on weekdays during normal business hours unless other arrangements are made on a case-by-case basis.
- 2.17.16 Access to pond work sites can sometimes be limited; therefore, ATV use rather than truck is preferred. Pond banks, littoral shelves and other portions of the work site shall not be rutted or otherwise damaged. Electric-powered vehicles are preferred where practical, but muffled gas engines may also be used. If needed, each pond is accessible for boat launching from a small truck.
- 2.17.17 Paper, cans, trash, and other debris shall be removed from the surface of storm water retention ponds when the Contractor is using a watercraft as part of his operations.

COORDINATION

The Contractor shall provide coordination with the District for all items associated with the requirements of this Agreement.

3.1 General Coordination

The Contractor shall provide coordination with the District Manager for all items associated with the requirements of this Agreement.

The Contractor shall be available to meet with the District Manager as appropriate, on a monthly basis for an inspection and walk-through during normal business hours. The inspection shall be scheduled with the District Manager's and the Contractor's representatives with a resulting punch list of problem areas and corrective actions to be reviewed each month or as time allows. The Contractor shall be responsible for immediately notifying the District Manager of any and all issues, damage, and/or decline directly related to the Contractor's scope of work.

Those inspection meetings shall also serve as a forum for the exchange of information, identification of pertinent and critical issues, determination of an action plan and schedule for resolving those issues, review of schedule and budget status, and other issues deemed appropriate by the District Manager or the Contractor. The Contractor shall record and distribute notes of each meeting to all attendees within five (5) business days, as well as other parties with a need-to-know. The District Manager shall set the meeting time and location.

In addition, Contractor shall provide a representative to attend the monthly meeting of the Harmony Board of Supervisors if requested to do so by the District Manager. This representative shall be knowledgeable of this Project Scope and Scope of Services and shall be able to respond to any questions the District Board of Supervisors may have as to the day to day activities at the Project site pursuant to this Agreement.

Coordination of the construction, operation, and general maintenance at Harmony is considered one of the many critical activities of the Contractor. Further, coordination of those efforts with all parties involved, or those with a need-to-know, is crucial to the success of the Project. While all parties involved with the Harmony Project cannot be identified at this time, a partial list is provided as follows:

- CDD District Manager
- CDD District Engineer
- CDD Field Manager/Dockmaster
- Harmony Development Company
- Orlando Utility Commission (OUC)
- Toho Water Authority
- Osceola County and its various departments
- Florida Department of Transportation
- Adjacent property Owners, as directed by the District

3.2 Permitting Consideration

Harmony was permitted through the South Florida Water Management District (SFWMD), Florida Department of Environmental Protection (FDEP).

3.3 Contractor's Project Manager

The Contractor shall designate an on-site representative with experience in aquatic plant management who will be responsible for overall supervision of the Contractor's work force on the Project and shall act as the single point of contact, on a daily basis, between the District Manager and the Contractor. This individual shall maintain at all times a means of being contacted by the District Manager and shall respond to such calls within a reasonable amount of time. This individual shall be responsible for maintaining the Contractor's schedule of activities and notifying the District Manager of this daily schedule for quality control of the Contractor's service and for arranging and supervising unscheduled service requests by the District Manager.

3.4 District Awareness

The Maintenance Contractor shall be responsible for notifying the District:

- Of any accidents involving the Contractor personnel or others at Harmony
- Of any recommended cultural practices that could be taken by the community, property owners or other contractors to support the objectives of the aquatic plant management program,
- Of any desirable plants that have died or are showing significant damage, whether or not they are believed to be as a result of plant management activities

4. SCHEDULED OPERATIONS AND MAINTENANCE

Harmony is a Florida Green Building Coalition "Certified Green Development." Whenever feasible and as allowed by all stormwater management permits, "green" alternatives shall be considered and utilized.

The Contractor shall perform all services necessary to control and remove nuisance vegetation for those areas of the Project Scope that are to maintained on a regularly scheduled basis, with a minimum of monthly. The Contractor shall make a complete site inspection of Harmony, specifically the areas of CDD maintenance. Exhibit D includes a plan identifying the general limits of CDD maintenance by area. Services are generally described below.

4.1 General Scope and Practices

4.1.1 Water Bodies Included in the Scope

Exhibit D describes the water bodies included in this scope and their dimensions. The scope generally consists of two parts:

- 1) Maintenance of water bodies shown on Exhibit D to consist of open water areas, shorelines and outfalls of the ponds. The perimeter and surface area of each pond is included in an accompanying table.
- 2) Maintenance of developed littoral shelves in selected ponds for their water-cleansing qualities and habitat values. The surface areas of littoral shelves created especially to provide nesting sites for sand hill cranes are included in the pond table.

4.1.2 Natural Balance of Ponds

The Contractor will assess the condition of the ponds at the beginning of the contract period and develop a plan directed toward achieving a more balanced condition. The Contractor will routinely appraise the condition of ponds for progress toward such a natural balance. While it is recognized that such a balance might not be reached during the contract period, recommended strategies and maintenance activities will be directed toward that goal and not toward keeping the ponds in a "new pond" condition.

4.1.3 Noxious Weeds

The Contractor will control and maintain existing noxious aquatic weeds growing in the waterways with the use of EPA-approved chemicals in strict accordance of label specifications.

4.1.4 Grass Carp

Sterile grass carp have already been distributed in all stormwater ponds. The Contractor will be responsible for maintaining outfall barriers per stocking permit requirements and for adding additional fish if that is part of the plan.

4.1.5 Invasive Exotic Weeds

Control of various FEPPC Category I and II invasive exotic weeds including, but not limited to, Old World Climbing Fern, Torpedo Grass, Cogon Grass and Water Hyacinth, shall be conducted on an as-needed basis in ponds and pond banks, including any forested edges, littoral shelves and outfall areas.

4.1.6 Lake Outflows

The Contractor shall maintain all noted lake outflows to allow proper drainage into nearby wetlands. This insures control water levels function as designed.

4.1.7 Native Plants

Native plants are generally to be encouraged to grow to enhance the aesthetics as well as provide a habitat for native fish and wildlife.

4.1.8 Shorelines and Pond Edges

Community volunteers have planted some shorelines with herbaceous plants. Close communication with on site management staff is key since the management goals can vary from pond to pond. Similarly, the Harmony Golf Preserve superintendent may specify certain pond edge practices from time to time to achieve standards for its International Audubon certification.

4.2 Pond Open Water Maintenance

The Contractor shall be responsible for the development and implementation of a preventative maintenance program. For the algae control portion, the Contractor is responsible for taking all the preventative measures to control algae.

4.3 Littoral Shelf Maintenance

The Contractor shall perform monthly maintenance within the littoral zones. Maintenance will include monthly site inspections, manual removal and/or herbicide application on the littoral shelves and lake banks.

4.4 Wetland Preserve Area Maintenance

The Contractor will perform quarterly maintenance within preserved wetland areas. Maintenance events will include manual removal of emergent nuisance and exotic species and periodical herbicide applications.

4.5 Mitigation Area Maintenance

The Contractor will perform quarterly maintenance within Mitigation Areas. Maintenance events will include the manual removal of emergent nuisance and exotic species and periodical herbicide applications.

4.6 Target Vegetation

The Contractor shall control/remove all nuisance and exotic vegetation including, but not limited to, the following species, if present, within each of the maintenance areas. The limits of the maintenance activities shall be defined as all property waterward of the limits of the turf, including open water areas.

- a. All species of cattails (*Typha* spp.)
- b. Primrose willow (*Ludwigia peruviana*)
- c. Seedbox (*Ludwigia octovalvis*)
- d. Water primrose (*Ludwigia leptocarpa*)
- e. All nuisance species of the family Fabaceae
- f. Dog fennel (*Eupatorium* spp.)
- g. Caesarweed (*Urena lobata*)
- h. Carolina Willow (*Salix caroliniana*)
- i. Torpedo grass (*Panicum hemitomon*)
- j. Climbing hemp vine (*Mikania scandens*)
- k. Brazilian pepper (*Schinus terebinthifolius*)
- l. Water hyacinth (*Eichhornia crassipes*)
- m. Tropical soda apple
- n. Frogsbit (*Limnobium spongia*)
- o. All species of algae filamentous and suspended
- p. Common duck weed (*Lemna minor*)
- q. Salvinia (*Salvinia minima*)
- r. Hydrilla (*Hydrilla Verticillata*)
- s. Southern Naiad (*Najas guadalupensis*)
- t. Azolla (*Azolla Caroliniana*)
- u. Musk grass (*Chara* spp.)
- v. Giant duckweed (*Spirodela polyrhiza*)

4.7 Maintenance Methodology

Maintenance methodology shall be determined by the vegetative composition within the specific pond areas. Natural recruitment of desirable herbaceous vegetation outside the planted areas shall be generally allowed and shall not be adversely affected by maintenance activities unless otherwise directed by District. It is the intent of the contract to provide a vegetated littoral zone without creating an overgrown appearance.

4.7.1 Hand-Removal Techniques

- a. The Contractor shall remove nuisance species from within the planted littoral zones by hand or as directed by the District Manager to ensure that desirable species are not damaged by maintenance activities.
- b. Contractor shall remove all vegetative parts of the plant, including roots, stems, and flowering/fruitletting parts. The Contractor shall be responsible for removing all individuals of the species listed in Item 4.7 above. The Contractor shall remove all collected vegetation from the site on a daily basis. All material removed from the immediate work site shall be disposed of by the Contractor off the Project Area.
- c. The Contractor shall use equipment specifically designed for commercial application of herbicides. Equipment shall be kept in good repair and operational condition at all times and shall meet all safety requirements established for the type of work. Equipment is subject to inspection and acceptance by the District Manager or its designee.
- d. The Contractor shall properly use and dispose of all chemicals and herbicides in strict accordance with applicable local, State, and Federal environmental regulations and shall indemnify the District for any liabilities arising out of the Contractor's handling, use of, and disposal of said chemicals and herbicides.
- e. The Contractor shall ensure that employees who use or are in contact with registered and restricted use herbicides/pesticides are certified as required by the appropriate regulatory agencies and are knowledgeable as to qualifications for handling material safely and correctly in accordance with the Federal Environmental Pesticide Control Act of 1972 (PL 92-516, FIFRA).

Such employees shall also possess, or be under the direct supervision of an employee who possesses, the Florida Department of Agriculture's Public Applicator Certification for use of restricted herbicides. For purposes of the Scope, "pesticides" shall refer to "herbicides."

- f. The Contractor shall provide a Herbicide Summary Report for each location where nuisance species control occurs. These reports shall include specific information including the chemical(s) used, the application rate, mixture, condition of growth being treated, desired results and weather conditions (wind speed and direction, temperature, precipitation) under which it was applied. Completed forms shall be submitted to the District Manager within 10 days of the application event.
- g. The Contractor shall replace desirable trees or other plants, at no cost to the District, that are injured or lost due to the Contractor's negligent acts or failure to perform the Services.

5. **Unscheduled Maintenance**

The Contractor shall be equipped and organized to provide any unscheduled maintenance and repairs related to the Services performed under this Agreement and if required by the District. The following addresses the general

procedures for unscheduled maintenance activities.

General

The Contractor shall be responsible for additional maintenance and corrective actions relative to this Scope within the Harmony limits unless directed otherwise by the District Manager. Unscheduled maintenance that results from the Contractor's failure to properly perform the Services under this Scope of Services shall not be considered an Additional Service and therefore, shall not warrant additional compensation to the Contractor. Unscheduled maintenance that, in the Contractor's and District Manager's opinion, are not as a result of the Contractor's negligent acts or failure to perform the Services, shall be deemed an Additional Service and shall, at the District Manager's election, be made by the Contractor upon receipt of a Work Authorization from the District. When the Contractor determines that an unscheduled maintenance is necessary, the Contractor shall submit to the District Manager a Work Authorization form (Exhibit C) together with the Contractor's estimate of the cost to perform the repair. Whenever possible, this Work Authorization and cost estimate should be sent to the District seven (7) calendar days in advance of the Contractor performing the Services. The District Manager shall return one executed copy of the Work Authorization form and shall indicate the method of compensation. In the event the Services are to be provided on a unit price of time-and-materials basis within seven (7) calendar days upon completion of the Services, the Contractor shall submit to the District Manager an itemized listing of the Contractor's costs to perform the Services including all unit quantity items or labor, equipment, materials, and Subcontractor's accordingly. The itemized listing shall be presented in a format acceptable to the District Manager and, if requested by the District Manager, shall include copies of invoices from others providing work or materials on the repair.

Unscheduled Maintenance

The contractor shall provide occasional unscheduled maintenance that is in addition to the base Scope of Services. The Contractor shall receive a Work Authorization from the District Manager and shall respond and complete the request within two (2) weeks, or a mutually agreeable time with the District Manager. The Contractor's cost estimate to provide the work shall be approved by the District Manager prior to commencement. The Contractor shall be available and willing to provide the following unscheduled maintenance services:

Maintenance of Wetlands and Upland Buffer Areas

- a. The District may require the Contractor to perform selected unscheduled maintenance for aquatic or nuisance species control. Unscheduled maintenance is restricted to exotic and nuisance plants within the buffers or wetlands as these areas are to be retained in their natural state. The use of pesticides, herbicides or fertilizers shall be prohibited in the buffers and the existing wetlands they protect, except when used in accordance with applicable law and pursuant to permits from agencies having jurisdiction thereover and consistent with the management intent of these buffers and wetlands.
- b. If requested by District Manager, the Contractor shall provide a nuisance species removal plan specific to each protected wetland and buffer area. This plan will detail the methodology and target species within each area. Written approval of the plan by the District Manager will be required prior to implementation.
- c. The Contractor shall replace desirable trees or other plants, at no cost to the District, that are injured or lost due to the Contractor's negligent acts in the performance of the scheduled and unscheduled Service.

Wetland Planting

- a. The District Manager may elect to direct the Contractor to restore aquatic vegetation in planted littoral zones that are identified in the Contract Documents. The work included in the section shall consist of furnishing, planting, and watering all plants of the species, size, and quality in the location indicated or as directed by the District Manager. Further, the work shall include the maintenance of all plants and planting areas until acceptance by the District, and fulfilling all guarantee provisions as herein specified.
- b. Plant transportation shall comply with applicable Federal and State regulations. Upon delivery at the site, all plants shall be inspected for conformity to specifications and for handle damage
- c. Plants specified herein shall be used unless sufficient evidence is submitted to the District Manager indicating the plant is unavailable. Alternate material may be used upon receipt of authorization from the District Manager. No substitutions shall be made without written approval of the District Manager.
- d. The Contractor shall guarantee all planting work for a minimum period of 365 days after the date of installation. The Contractor shall be responsible for the establishment of all species planted. Establishment shall be defined as all plants successfully budding or leafing out. Before final acceptance, the Contractor shall replace at no cost to the District any plant material necessary to meet the above criteria. In the event the Contractor has to replace plant material, the District Manager may allow such plant material to remain through another establishment (365) period.
- e. **Materials**
 1. The Contractor shall furnish all plants of the species requested by the District Manager. All plants shall be true to name as established by the American Joint Committee on Horticulture nomenclature publication "Standard Plant Names."
 2. The designated authority for the identification of all materials shall be the two (2) publications of L.H. Bailey, "HortusII" and the "Manual of Cultivated Plants," and all specimens shall be true to type, name, etc., as described herein.
 3. If the District Manager elects to request the Contractor to provide trees, all trees shall meet the requirements for a Florida Grade 1, listed under single upright trees in "Grades and Standards for Nursery Plants" established by the Florida Department of Agriculture and Consumer Services.
 4. Furthermore, trees shall minimally be the three-gallon size with a minimum height of 4 feet and caliper measure of mid-height of 0.5 inches to 0.75 inches. The actual height of the tree installed in the field shall be dependant on existing site conditions. It is the Contractor's responsibility to ensure each tree has sufficient height to survive under existing field conditions. All trees shall be sound, healthy, and vigorous, exhibit significant apical growth on the main stem, be well branched and shaped within normal habit of growth, of proper color, and densely foliated when in leaf. They shall have healthy, well-developed root systems and shall be free of disease and insect pests, eggs, or larvae.
 5. All herbaceous materials shall be provided from the following size classes: four (4) inch pot or bare root.

It is the Contractor's responsibility to ensure each plant has sufficient height to survive

under existing field conditions. All plants shall be sound, healthy and vigorous, be shaped within normal habit of growth, of proper color and densely foliated with in leaf. They shall be free of disease and insect pests, eggs, and larvae.

6. In the event that it becomes apparent that any nursery supplying plants for this work has knowingly and consistently represents the grade of plans as being higher than the actual grade as determined by the plant list according to "Grades and Standards for Nursery Plant," all plants already delivered from such source shall be removed from the job at the Contractor's expense, and no further plants will be acceptable from such nursery until written evidence is submitted and confirmed that all materials for delivery have been inspected and approved by the District Manager as being of the grade represented.

7. Container-Grown Plants

- a.) Container-grown plants shall have been grown in a container large enough and for sufficient time for the root system to have developed enough to hold its soil together firm and whole. No plants shall be loose in the container. Plants which have become pot-bound or for which the top system is too large for the size of the container will not be acceptable.

- b.) Collected Plants: Collected plants shall be dug with a root spread at least one-third greater than nursery-grown plants of the same species.

- c.) Bare Root:

- (1) Plant materials removed from natural or manmade wetlands may be transported to the site as bare root plants. However, some provisions must be made to protect this material, especially the roots, from desiccation. All plant material transported in this manner must be approved in writing by the District Manager before proceeding with the work. Otherwise, no bare root plants shall be used unless specifically required by the District.

- (2) Bare root plants shall be dug and delivered with roots adequately protected against drying out by means of moist straw, or other approved material. Shipping containers shall be opened and inspected by the Contractor upon arrival and shall be dampened, if necessary. Plants which are not to be immediately planted shall be "heeled-in" in an approved manner, in moist earth or other suitable medium, and shall be properly cared for until planting.

- f. Planting:

1. Time of Planting: Plant under favorable weather conditions. At the option of, and under the full responsibility of the Contractor, planting operations may be conducted under unreasonable conditions without additional compensation.

2. The District Manager or its designee shall inspect the plants at the time of planting. Plants will be rejected if improperly planted. Improper planting includes the following conditions: exposed roots, not at the proper depth, or planted in water either too deep or shallow. The Contractor shall be responsible for tagging the newly planted trees with surveyor's tape so that the plants can be easily identified and inspected. Plants may not be stored onsite for more than two (2) consecutive days. Any material stored onsite for

longer periods of time may be rejected by the District Manager or its designee. The Contractor should notify the District at least five (5) working days prior to movement of plant material onsite, and shall request the District Manager be present to inspect the plant material as it arrives onsite. The District Manager or its designee may reject all plant material not inspected prior to planting, and the Contractor shall remove and replace rejected material without additional compensation.

3. All containers shall be cut and opened fully, in a manner such as will not damage the root system. Container-grown plants shall not be removed from the container until immediately before planting and with all due care to prevent damage to the root system.
4. The Contractor shall mark each tree planted and shall submit a drawing to the District Manager showing the location of all trees and herbaceous materials planted by the Contractor. The District Manager or its designee will not inspect the sites for final acceptance until this submittal is received.

g. **Staking and Guying of Trees**

The Contractor is wholly responsible for the stability and plumb condition of all trees. All trees located in areas where the soil conditions are unstable must be staked. All staking shall be as specified herein. Trees larger than 1 inch and smaller than 2-inch caliper shall be staked with a 2-inch stake, set at least 24 inches in the ground and extend to the crown of the plant. The tree shall be firmly fastened to the stake with biodegradable twine or hemp. Any staking material remaining one year after installation shall be removed or adjusted/replaced so as not to hinder tree growth.

h. **Watering**

The Contractor shall continue watering to the end of the guarantee period. Watering shall be done frequently enough to fully sustain the health of all plantings. Any plantings showing drought damage shall be replaced at the Contractor's expense.

i. **Warranty of Planted Material**

1. During planting, the Contractor shall request an inspection by the District Manager near the end of the warranty period. When all plants are acceptable, the Contractor will be notified of warranty compliance.
2. Defective work shall be corrected within five (5) working days of notification by the District Manager. Upon completion of planting, the Contractor shall remove from the site excess soil, planting containers and debris, and repair any damage to structures, etc., resulting from planting operations.
3. The Contractor shall be responsible for assuring that all plants, at the time of final inspection, exhibit the characteristics and qualification required for the grade of plant as originally specified.

Observation and Provisional Acceptance

- a. When the vegetative work is completed, including ongoing maintenance, the District Manager or its designee will make an observation to determine acceptability. The vegetative work may

not be reviewed for final acceptance in parts.

- b. Where vegetative work does not comply with the requirements, the Contractor shall replace rejected work and continue specified maintenance until re-observed by the District Manager or its designee and found to be acceptable and will continue the guarantee period. The Contractor shall remove rejected plants and materials promptly from the project site.
- c. At the end of the guarantee period, inspection of plants will be made by the District Manager or its designee upon written notice requesting such inspection, submitted by the Contractor at least three (3) days before the anticipated inspection. All defects discovered shall be repaired or replaced by the Contractor before final acceptance.
- d. Upon completion of the work, prior to Final Acceptance, the Contractor shall thoroughly clean the project site. In addition to removing all equipment, unused materials, deleterious material, and surplus materials, the Contractor shall correct any damaged structures or vegetation altered as a result of the landscape work.

6. Administration/Maintenance/Operations Program

The Contractor shall develop policies and procedures and implement an Administration, Operation, and Maintenance Program. That program shall include, but not be limited to, the following:

General

This program shall be a comprehensive narrative and, where applicable, graphic/diagrammatic explanation of policies and procedures which shall govern the Contractor's Services provided under this Agreement is generally outlined in this Scope of Services. The program document shall contain key information relative to the major components described below.

The program document shall be presented in a three-ring binder using standard 8½" x 11" pages, single-spaced for text, graphics, and/or diagrams, and with, if necessary, 11" x 17" pages for diagrams and/or graphics that fold out. The document shall include as a minimum, a table of contents, section dividers, numbered pages, issuance date of each page, and appendices as required. Each copy shall be numbered and a log shall be kept by the Contractor of document holders (refer to Section 2.9.3, Data Dispersal)

- 6.1.2 The program documents shall be kept up-to-date at all times by the Contractor. Revisions to the document shall be indicated by footnote on the revised pages. Revisions shall be distributed by the Contractor to all document holders.

The Contractor shall prepare draft copies of the document for review and comment by the District Manager within thirty (30) calendar days of the notice to proceed with the Services. The Contractor shall anticipate at least two (2) more additional reviews by the District prior to issuance of the final document. All District Manager comments shall be incorporated into the document. The Contractor shall be responsible for preparing and submitting the following number of copies of the program document to the District Manager.

- First Draft Six (6) bound copies, one (1) unbound copy
- Second Draft Six (6) bound copies, one (1) unbound copy
- Third Draft Six (6) bound copies, one (1) unbound copy
- Final Document Ten (10) bound copies, two (2) digital copies on CD

Administration

The administrative sections of the program document shall, at a minimum, address those functions which are the responsibility of the Contractor related to all administrative matters generally described in the Scope of Services and as outlined below.

Organizational charts for administrative management functions include key personnel names, job titles, and phone numbers.

Policies and procedures related to the Contractor's program for communications with the Harmony community relative to general maintenance operations and customer services.

Policies and procedures related to the coordination and communications with developers, builders and others who are a part of the continuing development and construction of the Harmony community.

Personnel policies and procedures related to the Contractor's personnel performing Services on the Harmony site.

Operations

The operations section of the program document shall, at a minimum, address those functions which are the responsibility of the Contractor related to all operations/customer service matters generally described in the Scope of Services and as outlined below.

Organizational charts for operations and customer service related functions include key personnel names, job titles, and phone numbers.

Policies and procedures related to emergency situations including 24-hour notification, emergency phone numbers, Contractor mobilization and response time (refer to Section 7.2, Emergency Response Program for further details), and so forth.

Maintenance

The maintenance section of the program document shall, at a minimum, address those functions which are the responsibility of the Contractor related to all maintenance matters generally described in the Scope of Services and as outlined below

Contractor shall provide all safety equipment required by the activities outlined in this Scope. Employees shall be provided safety equipment and proper instruction/certification for their work assignments. All equipment, safety gear, and herbicide spray apparatus shall be maintained in good working order.

All gates shall be closed and locked if applicable after accessing pond to perform maintenance services.

The Administration, Operation, and Maintenance Program shall be submitted by the Contractor for review and approval by the District Manager. The Contractor shall modify the program as required by the District Manager.

7. Response Time and Emergency Response Program

The Contractor shall provide services and repairs within the amount of time indicated in the Agreement. The following is general response time information and requirements for the Emergency Response Program to be

developed, implemented, and maintained by the Contractor.

Emergency Response Program

The Contractor shall develop, implement and maintain an Emergency Response Program (ERP) for emergency work that must proceed immediately to avoid property damage or result in a public health or safety hazard. The ERP shall address emergency situations including, but not limited to, the following items:

- Fish Kills
- Chemical Spills
- Equipment Failures
- Water Quality Monitoring Results out of compliance

Additionally, the ERP shall address the following:

- Responsible parties to be notified
- Personnel, equipment, and emergency repair contractors on call and who will respond to each type of emergency.
- Procedures for notifying the District, District Manager, the Harmony community, the Harmony Development Company, and other utility companies or regulatory agencies affected by the listed emergency.
- The Contractor shall prepare, maintain, and distribute an ERP manual detailing the procedures and responsibilities for the situations listed above and any other situation deemed appropriate by the District.

The ERP Manual shall be included in the operations section of the Administrative/Maintenance/ Operations Program (refer to Section 6 for further details).

END OF SCOPE OF SERVICES

Exhibit C
Work Authorization
Contract No. 2009-201

Contract No. **2009-201**
Work Authorization No. **09WA-XX99** (*initials and sequential numbering*)

Date: 00-00-0000

Budget Code: aquatic weed control
001-546007-53001

To: (Company Name)

Pursuant to the Maintenance Services Agreement dated _____, the Contractor agrees to perform the services described below for a fixed fee to be computed in the manner set out below or in accordance with Section 5 of the Agreement.

Description of Work Authorization services: Provide labor and materials to repair or replace x.

Bill to: District or third party (*if applicable*)

The following is/are applicable to this Work Authorization as marked:

- _____ A. As a result of this Work Authorization, the Contractor shall be compensated a fee in the amount of \$ _____

- _____ B. Contractor shall proceed immediately with this Work Authorization on a time and material basis in accordance with the contract Documents. Time and material tickets should be submitted daily to the Program Manager.

- _____ C. Contractor shall proceed immediately with this Work Authorization on a unit price basis in accordance with the Contract Documents.

The total amount of this Work Authorization shall be full and complete consideration to the Contractor for performance of the services set forth above and the Contractor hereby waives any and all claims arising out of or related to the services covered by this Work Authorization.

Contractor shall commence the aforesaid authorized services upon the execution hereof and shall perform the same in accordance with the terms and conditions of the Agreement which remain in full force and effect.

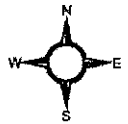
This Work Authorization represents the entire and integrated agreement between the parties, and supersedes all prior negotiations and qualifications, for these authorized services; but this Work Authorization and the services contemplated herein is, except as otherwise specifically provided herein, subject to all the terms and conditions of the Agreement including without limitation, those concerning payment.




Accepted and Agreed by Contractor: Company Name	For District: Harmony Community Development District District Manager
By: _____ Date: _____	By: _____ Date: _____
By: _____ Date: _____	By: _____ Date: _____

Completed By:
By: _____ Date: _____

For Review and Approval (<i>if applicable</i>): District Engineer:
By: _____ Date: _____

**HARMONY CDD
Aquatic RFP 2009-201
Exhibit D**



- Managed Ponds**
-  Pond
 -  Littoral Shelf
 -  Pond Outfalls

**Ponds Managed by Harmony CDD
January 2009**

Harmony CDD
Aquatic Maintenance RFP 2009-201
Size of Maintened Ponds and Littoral Shelves
Exhibit D

Pond ID	Pond	Pond Surface	Littoral Shelf
	Perimeter in Feet	in Acres	in Acres
1	1,425	2.7	
2	1,200	1.7	
3	750	1.2	
4	2,325	4.1	
5	3,200	4.0	0.9
6	1,950	1.1	0.3
7	1,950	2.9	0.9
8	2,000	2.4	1.4
9	760	0.9	
10	1,000	1.1	
11	2,625	4.5	
12	1,550	2.3	0.1
13	1,130	1.4	
14	1,150	1.5	
15	1,850	3.1	0.9
16	800	0.6	0.5
17	1,150	1.6	0.6
18	750	0.7	
19	1,500	2.5	
20	1,600	3.2	
21	1,250	2.3	
22	1,320	2.4	
23	1,950	1.7	
24	1,950	2.7	
25	750	0.6	
26	2,100	2.1	
27	4,080	4.2	
28	1,590	3.1	
29	2,500	5.1	
30	1,630	2.1	
31	1,450	2.6	
32	1,400	1.8	
33	1,000	1.4	
34	970	1.0	
Totals	54605	76.6	5.4

EXHIBIT E
GENERAL RELEASE

The undersigned, for and in consideration of the payment of the sum of \$ _____, paid by Harmony Community Development District, (hereinafter referred to as "District"), receipt of which is hereby acknowledged as complete compensation for performance of Contract Number 2009-201, does hereby fully and completely discharge and release the District, its agents, employees, consultants, officers, directors, successors and assigns, the District Manager, and the District Engineer from any and all debts, accounts, promises, damages, liens, encumbrances, causes of action, suits, bonds, liabilities, judgments, claims and demands whatsoever, in law or in equity, which the undersigned ever had, now has or might hereafter have on account of labor performed, material furnished or services rendered, directly or indirectly, for the contract between the parties dated _____ (the Contract). The undersigned here certifies that all material men, suppliers, subcontractors or others furnishing labor, goods, supplies or materials in connection with the Contract have been fully paid and satisfied and hereby agrees to hold harmless and indemnify the District from any such claims, liens, demands, judgments, causes of action, suits or other liabilities which the District/Engineer may incur as a result of any such non-payment or other dispute. The undersigned further agrees that in the event the District is required, in its sole discretion, to enforce this release or the Contract in court proceedings or otherwise, then the District shall be allowed to recover reasonable attorneys fees and costs incurred, whether incurred at trial, on appeal or in alternative dispute resolution.

Witnesses:

STATE OF _____
COUNTY OF _____

Print Name of Contractor

Authorized Signature

The foregoing instrument was acknowledged before me this ___ day of _____, 2009, by _____, who is personally known / produced identification.

Notary Public

Printed Name

Commission #: _____

Expires: _____

HARMONY COMMUNITY DEVELOPMENT DISTRICT

AFFIDAVIT OF NON-COLLUSION

STATE OF _____
COUNTY OF _____

I _____, do hereby certify that I have not, either directly or indirectly, participated in collusion or proposal rigging. Affiant is a _____ in the firm of _____, and authorized to make this affidavit on behalf of the same. I understand that I am swearing or affirming under oath to the truthfulness of the claims made in this affidavit and that the punishment for knowingly making a false statement includes fines and/or imprisonment.

Dated this _____ day of _____, 2009.

Signature by authorized representative of Proposer

State of _____
County of _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2009, by _____, of the _____ who is personally known to me or who has produced _____ as identification and who did (did not) take an oath.

(Seal)

Signature of Notary taking acknowledgment

Printed Name

Commission #: _____

Expires: _____

HARMONY COMMUNITY DEVELOPMENT DISTRICT

**ACKNOWLEDGMENT OF RECEIPT OF DOCUMENTS
AND PROPOSAL SIGNATURE FORM**

This Proposal for aquatic plant maintenance services has been submitted on this ____ day of _____, 2009 by _____ [company] whose business address is _____, telephone number is _____, and fax number is _____.

The undersigned acknowledges, by the below execution of this proposal, that all information provided herein has been provided in full and that such information is truthful and accurate. Proposer agrees through submission of this Proposal to honor all pricing information sixty (60) days from the date of the Proposal opening, and if awarded the contract on the basis of this Proposal to enter into and execute the services contract in substantially the form included in the proposal documents.

Proposer understands that inclusion of false, deceptive or fraudulent statements on this proposal constitutes fraud, and the District considers such action on the part of the Proposer to constitute good cause for denial, suspension or revocation of a proposal for work for the Harmony Community Development District.

Furthermore, the undersigned acknowledges receipt of the following addenda, the provisions of which have been included in this Request for Proposal.

Addendum No. _____ dated _____

Addendum No. _____ dated _____

Addendum No. _____ dated _____

Addendum No. _____ dated _____

Addendum No. _____ dated _____

AUTHORITY TO CONTACT REFERENCES

The undersigned hereby authorize(s) and request(s) any person, firm or corporation to furnish any pertinent information requested by the Harmony CDD, or their authorized agents, deemed necessary to verify the statements made in this proposal or attachments hereto, or regarding the ability, standing and general reputation of the proposer.

Name of Organization

By: _____

This ___ day of _____, 2009

By: _____
Name and Title of Person Signing

(Apply Corporate Seal if filing as a Corporation)

State of Incorporation: _____

State of _____
County of _____

The foregoing instrument was acknowledged before me this ___ day of _____, 2009, by _____, of the _____ who is personally known to me or who has produced _____ as identification and who did (did not) take an oath.

[SEAL]

Signature of Notary taking acknowledgment

5D

Brenda Burgess

From: Mark LeMenager [mark_lemenager@yahoo.com]
Sent: Tuesday, May 05, 2009 7:07 PM
To: Gary Moyer
Cc: Brenda Burgess
Subject: Fw: Use of the pool at Harmony- CDD

Hi Gary,

Who should I forward this request to? David is my neighbor across the alley and his request seems like exactly what we should be doing with our pools. Can't beat have 7 deputy sheriffs looking after our property.

Regards, Mark

----- Forwarded Message -----

From: David Decker <ddec@OSCEOLA.ORG>
To: "mark_lemenager@yahoo.com" <mark_lemenager@yahoo.com>
Sent: Tuesday, May 5, 2009 3:21:13 PM
Subject: Use of the pool at Harmony- CDD

Mark,

I am requesting to know if it would be possible to utilize one of the pools located in harmony for the sheriffs office adventure camp? The Sheriff's Adventure camp host 30 children per week ranging in age from 10-14 years old. We currently utilize the swimming pool at the bible college located on bill beck blvd in Kissimmee. This year we have run into problems with four particular days due to activities on the campus. The dates would be June 22 and June 25 from 0830-1100 hours and June 29 and July 2 from 0830 - 1100 hours. Each day there would be 7 deputies supervising 15 children. The Sheriff's Office holds a certificate of liability insurance for all who attend and I would be able to get a copy for the CDD if needed.

We have 10 acres at lake lizzy preserve where we will be camping. The camp runs for five weeks and we host 30 children from communities in the county including harmony. The children camp for a week in the wilderness and complete a multitude of activities and exercises that encourage staying in school good citizenship and a variety of social skills.

We would not need to block off one of the pools for this date as there will be direct supervision of the children by deputy sheriff's. This would allow the residents of harmony to utilize the amenities as well. If you have any questions or concerns feel free to contact me at 407-709-2476 or just come across the street and ask. Any help you could provide with this would greatly be appreciated.

Sincerely,



HARMONY COMMUNITY DEVELOPMENT DISTRICT PARKS AND RECREATION FACILITY USAGE APPLICATION

ORGANIZATION/ COMPANY APPLICATION

IMPORTANT: Please type or print legibly. All sections must be completed. Some applications may require additional review and approval from the District. Usage will only be confirmed if all appropriate information has been supplied.

REQUIRED INFORMATION:

Name of Entity/ Organization/ Company: OSCEOLA County Sheriff's Office Adventure Camp

Address: Pool E, IRLC Bronson Memorial Hwy, Kissimmee, FL 34744

Type of Organization: Non Profit Commercial Government Private

If Non Profit, does your organization hold a current 501(c)(3) Certificate?: Yes No

Contact Person: St. David Decker E-mail: DDCC@OSCEOLA-ORF

Home Phone: 407-348-1169 Cell Phone: 407-709-2174

EVENT INFORMATION:

Type of event: Swimming w/ the Camp participants

Requested location: Pool in Harmony

Event date(s): 6/23, 6/24, 6/29, 7/2 Times From: 8:30 (a.m./ p.m.) To: 11:30 (a.m./ p.m.)

Anticipated # of attendees: 15 per day What age group? 10-14 7-8 adults

DAMAGE DEPOSIT

For each event with 10 or more attendees the District shall collect from the event organizer a **damage deposit** in the amount \$250 at least 5 calendar days prior to the event.

At the conclusion of the event and upon inspection, the District shall either 1) return the Damage Deposit to the event organizer if there is no damage to District property or 2) charge the event organizer for any damage to the District property and apply the Damage Deposit to the charge.

If the damage to the District property is less than the Damage Deposit, the excess amount from the deposit shall be returned to the event organizer. If the damage to the District property exceeds the Damage Deposit, the event organizer shall be charged for the property damages. All damage charges must be paid to the District no later than 15 days after invoice date.

VENDORS/ MERCHANDISE:

Any vendor who will sell or giveaway merchandise must have a vendor agreement, copy of their business license and insurance on file with the Osceola County Parks and Recreation Department.

How many vendor/merchandise locations will your event require? NONE

Please describe vendors/ type that will occur on day of event: N/A

A complete detailed listing of names must be provided of all vendors. Please attach a list with the names, addresses, phone numbers and type of service of any person(s) that you have an agreement/ contract for any service they will provide for you.

Attached: Yes No N/A

CATERING:

Will your event require catering? Yes No N/A

Name of Company: N/A Contact Person: N/A

Address: _____

City: _____ State: _____ Zip Code: _____

Work Phone: _____ Fax: _____ Cell/ Pager: _____

CONTACT INFORMATION:

To obtain a county permit or additional waste management services, as required in the Harmony Community Development District Parks and Recreation Facilities Policy, the contact information is:

Osceola County Zoning & Code Enforcement, 1 Courthouse Square, Suite 1200, Kissimmee, FL 34741. Phone (407) 343-3400.

Osceola County Parks and Recreation Department, 1 Courthouse Square, Suite 1200, Kissimmee, FL 34741. Phone (407) 343-2380.

County Waste Management, (407) 847-7370.

INDEMNIFICATION AND HOLD HARMLESS:

The EVENT ORGANIZER agrees that this application applies to the entity, corporation or organization and all of its agents, officers, directors, employees, consultants or similar persons.

UPON SIGNATURE of this application, THE EVENT ORGANIZER AGREES TO BE LIABLE for any and all damages, losses and expenses incurred by the District, caused by the acts and/or omissions of the organizer, or any of its agents, officers, directors, employees, consultants or similar persons.

THE EVENT ORGANIZER AGREES TO INDEMNIFY, DEFEND, AND HOLD THE DISTRICT HARMLESS for any and all claims, suits, judgments, damages, losses and expenses, including but not limited to, court costs, expert witnesses, consultation services and attorneys fees, arising from any and all acts and/or omissions of the organizer, or any of his or her agents, officers, directors, employees, consultants or similar persons.

The state, agency or subdivision of the state shall not be subject to this indemnification clause in accordance with s. 768.28(19), Florida Statutes.

None of the indemnification or insurance requirements referenced in the Harmony Community Development District Parks and Recreation Facilities Policy or in this Application constitute a waiver of sovereign immunity pursuant to s. 768.28, Fla. Stat.

SIGNATURE:

I understand that this is an application only and does not obligate the Harmony Community Development District in any fashion to reserve any facility and/or approve any event.

I have read, understand and agree to abide by the policies set forth by Harmony Community Development District for Parks and Recreation

Signature: [Handwritten Signature] Date: 5/11/09

Approved
Signature [Handwritten Signature] Date 5.11.09

SEVENTH ORDER OF BUSINESS

Harmony Neighborhood Alleyway Pavement Condition Assessment

May 18, 2009

Per the request of the Harmony Community Development District, Woolpert Inc. performed a condition assessment of the asphalt pavement of alleyways within the Harmony Community. The purpose of this assessment is to identify problem areas and provide a plan to obtain repairs and budgetary cost estimates.

Detailed reports were prepared for Neighborhoods A, B, C, D-1, and G and are attached as follows. Each of the reports has included the following:

- Summary of Findings: Tables showing the neighborhood, location of damage, and a priority level based on severity. Priority levels range from Low to Severe and are classified using the following basis. **1) Severe** – seek immediate estimate and repair as soon as possible. There is a potential for more damage if not repaired in a timely manner. **2) Moderate** – seek budgetary estimate for next years repair. **3) Low** – continue to monitor on yearly basis.
- Report of Findings: Report containing pictures, area of damage with locator map, associated damage or condition, priority level of damage, and the description of cause of damage with corrective action proposed.
- Cost By Priority: A cost matrix sorted by priority level for budgetary estimates.

Our evaluation reveals that there are areas within Neighborhoods B & C with severe damage that should be repaired as soon as possible to minimize potential for further damage. The estimated costs of the severe areas is \$8,750. Additionally there are areas throughout Harmony with a moderate level of damage. The estimated cost of repair for these area is \$28,400. Please refer to the following reports for more detailed information.

**Cost By Priority
Summary**

Neighborhood	Estimated Cost of Repair (Moderate)	Estimated Cost of Repair (Severe)
A	\$5,700.00	\$0.00
B	\$9,250.00	\$3,900.00
C	\$9,150.00	\$1,850.00
D-1	\$4,300.00	\$0.00
G	\$0.00	\$0.00
Mobilization	\$3,000.00	\$3,000.00
Grand Total	\$28,400.00	\$8,750.00

**Cost By Priority
Neighborhood A**

Area	Priority	Estimated Cost of Repair
002	Moderate	\$500.00
006	Moderate	\$1,100.00
008	Moderate	\$1,500.00
009	Moderate	\$1,100.00
010	Moderate	\$1,500.00
001	Low	
003	Low	
004	Low	
005	Low	
007	Low	
013	Low	
014	Low	
015	Low	
011	Completed	
012	Completed	
Total Estimated Costs for Moderate Repairs		\$5,700.00

**Cost By Priority
Neighborhood B**

Area	Priority	Estimated Cost of Repair
006	Severe	\$1,800.00
019	Severe	\$2,100.00
008	Moderate	\$1,000.00
012	Moderate	\$950.00
014	Moderate	\$1,250.00
015	Moderate	\$1,300.00
016	Moderate	\$2,000.00
020	Moderate	\$1,800.00
021	Moderate	\$650.00
023	Moderate	\$300.00
001	Low	
002	Low	
003	Low	
004	Low	
005	Low	
007	Low	
009	Low	
010	Low	
011	Low	
013	Low	
017	Low	
018	Low	
022	Low	
024	Low	
Total Estimated Costs for Severe Repairs		\$3,900.00
Total Estimated Costs for Moderate Repairs		\$9,250.00

**Cost By Priority
Neighborhood C**

Area	Priority	Estimated Cost of Repair
048	Severe	\$1,850.00
004	Moderate	\$400.00
005	Moderate	\$650.00
006	Moderate	\$900.00
018	Moderate	\$400.00
021	Moderate	\$1,050.00
023	Moderate	\$1,750.00
043	Moderate	\$1,800.00
046	Moderate	\$850.00
049	Moderate	\$1,000.00
051	Moderate	\$350.00
001	Low	
002	Low	
003	Low	
007	Low	
008	Low	
009	Low	
010	Low	
011	Low	
012	Low	
013	Low	
014	Low	
015	Low	
016	Low	
017	Low	
019	Low	
020	Low	
022	Low	
024	Low	
025	Low	
026	Low	
027	Low	
028	Low	
029	Low	
030	Low	
031	Low	
032	Low	
033	Low	
034	Low	
035	Low	
036	Low	
037	Low	
038	Low	
039	Low	
040	Low	
041	Low	
042	Low	
044	Low	
045	Low	
047	Low	
050	Low	
052	Low	
Total Estimated Costs for Severe Repairs		\$1,850.00
Total Estimated Costs for Moderate Repairs		\$9,150.00

**Cost By Priority
Neighborhood D-1**

Area	Priority	Estimated Cost of Repair
004	Moderate	\$1,350.00
005	Moderate	\$950.00
006	Moderate	\$2,000.00
001	Low	
002	Low	
003	Low	
Total Estimated Costs for Moderate Repairs		\$4,300.00

**Cost By Priority
Neighborhood G**

Area	Priority	Estimated Cost of Repair
001	Low	
002	Low	
Total Estimated Costs		\$0.00

Summary of Findings
Neighborhoods A, B, C, D1, and G

Neighborhood	Area	Priority
Neighborhood A	001	Low
	002	Moderate
	003	Low
	004	Low
	005	Low
	006	Moderate
	007	Low
	008	Moderate
	009	Moderate
	010	Moderate
	011	Completed
	012	Completed
	013	Low
	014	Low
	015	Low
Neighborhood B	001	Low
	002	Low
	003	Low
	004	Low
	005	Low
	006	Severe
	007	Low
	008	Moderate
	009	Low
	010	Low
	011	Low
	012	Moderate
	013	Low
	014	Moderate
	015	Moderate
	016	Low
	017	Low
	018	Low
	019	Severe
	020	Moderate
	021	Moderate
	022	Low
	023	Moderate
	024	Low
Neighborhood C	001	Low
	002	Low
	003	Low
	004	Moderate
	005	Moderate
	006	Moderate
	007	Low
	008	Low
	009	Low
	010	Low
	011	Low

**Summary of Findings
Neighborhoods A, B, C, D1, and G**

Neighborhood	Area	Priority
Neighborhood C (Continued)	012	Low
	013	Low
	014	Low
	015	Low
	016	Low
	017	Low
	018	Moderate
	019	Low
	020	Low
	021	Moderate
	022	Low
	023	Moderate
	024	Low
	025	Low
	026	Low
	027	Low
	028	Low
	029	Low
	030	Low
	031	Low
	032	Low
	033	Low
	034	Low
	035	Low
	036	Low
	037	Low
	038	Low
	039	Low
	040	Low
	041	Low
	042	Low
	043	Moderate
	044	Low
045	Low	
046	Moderate	
047	Low	
048	Severe	
049	Moderate	
050	Low	
051	Moderate	
052	Low	
Neighborhood D-1	001	Low
	002	Low
	003	Low
	004	Moderate
	005	Moderate
	006	Moderate
Neighborhood G	001	Low
	002	Low

NINTH ORDER OF BUSINESS

**Harmony CDD
Buck Lake Boat Use
Apr 7-May 10, 2009**

Passengers

Days of the Week	Total Passenger	20' Pontoon	16' Pontoon	Small Fishing Boat	18' Fishing Boat	Sail Boat	Canoes	Kayaks	Solar Boat
Mon, Thurs *	22	12	6		3		1		
Fri, Sat, Sun	90	58	19		6		4	3	
Totals	112	70	25	0	9	0	5	3	0
Comments	Solar Boat is out for repair								

Trips

Days of the Week	Total Trips	20' Pontoon	16' Pontoon	Small Fishing Boat	18' Fishing Boat	Sail Boat	Canoes	Kayaks	Solar Boat
Mon, Thurs *	6	2	2		1		1		
Fri, Sat, Sun	25	10	8		3		2	2	
Totals	31	12	10	0	4	0	3	2	0
Comments	* Buck Lake is closed on Tuesday & Wednesday								

Last Month

Passengers	49	32	2	0	15	0	0	0	0
Trips	15	7	1	0	7	0	0	0	0