

MINUTES OF MEETING

HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, May 28, 2015, at 6:00 p.m. at Harmony Community School, 3365 Schoolhouse Road, St. Cloud, Florida.

Present and constituting a quorum were:

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| Steve Berube | Chairman |
| Ray Walls | Vice Chairman |
| David Farnsworth | Assistant Secretary |
| Kerul Kassel | Assistant Secretary |
| Mark LeMenager | Assistant Secretary |

Also present were:

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| Gary Moyer | Manager: Moyer Management Group |
| Tim Qualls | Attorney: Young, vanAssenderp, P.A. |
| Bob Glantz | Starwood Land Ventures |
| Kent Foreman | Starwood Land Ventures |
| Bill Kouwenhoven | Harmony Development Company |
| Garth Rinard | Davey Tree |
| Gerhard van der Snel | District Staff |
| Residents and Members of the Public | |

FIRST ORDER OF BUSINESS

Roll Call

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

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

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Frank Butcofski stated I am the Harmony soccer commissioner. We have had a wonderful season and amazing turnout. We went from zero to 55 soccer players. There is a lot of enthusiasm. I am hoping that enrollment goes to 75 players. The Board had discussed the possibility of increasing the fees to \$15 per hour for a field rental. I just wanted to bring to your attention that the Harmony Soccer Club is with the St. Cloud Soccer Club, which is a non-profit organization. I have documentation for our 501(c)(3). I know this may not apply to us, but \$15 an hour would crush our program and make it unaffordable for our children. We are at the stage now where we can offer scholarships for needy people to come and enjoy our beautiful facilities. Later on we are on the agenda for the possibility of a new field being added. I have some information for you on that. I want to hear the rationale. I am fine with what we are paying now. We paid the fee

already this year, the \$250 with the \$250 deposit. There have been no damages. That \$250 should suffice for the year for both seasons. Moving into next year, we have a copy of a lease that the St. Cloud Soccer Club has with the City of St. Cloud. I do not know why we are being compared to Orange County when St. Cloud is right next to us. We pay \$5 per child per session, \$10 maximum, which is something that I can tell the parent. If anyone follows Facebook, parents are all up in arms why they have to pay a CDD fee and why they are paying such high rates and fees. You have me handcuffed because I cannot tell a mom and a dad what the fees are. Would you like to have a copy of the lease?

Mr. Berube responded to address your concern about the fees, we will be discussing that later in the meeting. The fee schedule is not likely to get set immediately. There is still more discussion to take place. I think we set a precedent earlier this year with the \$250 usage fee. I found that to be reasonably acceptable, and I think you did, too. If I am going to make a recommendation, I am going to say for the second season, we should carry that forward. There is more discussion to take place before that decision is made. Setting these fees is a complex matter, and you have to consider fairness to everybody. The \$15 per hour is something that has been suggested because we had access to all of that documentation, but whether or not that takes place here, I do not know. I can promise you that this Board will work with you to accommodate you the best way that we can to treat everyone fairly.

Mr. Butcofski stated registration started yesterday. Now parents are trying to budget their own finances. I cannot tell them how much it is. I cannot tell them if it x or y or x+\$15, and that is a big factor in today's economy.

Mr. Berube asked when does the usage start?

Mr. Butcofski stated June 17 is our first practice.

Mr. LeMenager asked are you operating under the assumption that it is \$15 per person?

Mr. Butcofski responded I do not know. I just told my parents to be very careful about their finances.

Mr. LeMenager stated that is not the idea at all. It is \$15 per hour to use the field. If you divide that by 75 kids, that comes out to a few pennies.

Mr. Butcofski stated we have done the math, and we are well above \$15 to \$20 per kid. We practice two times a week for an hour and a half.

Mr. Berube stated there are a lot of hours involved in their next usage.

Mr. LeMenager stated I know. I live across the street. I enjoy watching them.

A Resident stated they use the field for 10 hours for practice and games.

Mr. LeMenager stated that would be \$150 per week. It seems a bit much.

The Resident stated plus the \$250 for the season.

Mr. Berube stated this is audience comments. We have heard you. We are going to be discussing the fees and the rates later on. I do not know if we are going to settle this tonight. We will come to some decision very soon.

Mr. Butcofski stated I have parents out there, and we have all of our soccer people ready to go. We thought about this and have been on hold. I apologize for my abruptness, but people need to be registered.

Mr. Berube asked what does the Board think? We set a precedent earlier this year with the \$250 fee.

Mr. LeMenager asked do we have an application in front of us?

Ms. Kassel responded no.

Mr. Butcofski stated the application was taken care of through the CDD.

Mr. LeMenager asked do we have an application, Mr. Moyer?

Mr. Moyer responded not that I have seen.

Mr. Butcofski stated we submitted it several weeks ago.

Mr. Berube stated I think I saw an email chain that said they sent it in.

Mr. Moyer stated okay.

Mr. Walls stated here is what I propose. We are not going to adopt the fee schedule tonight since we cannot legally do that. I suggest that we continue with what we did last time. I think \$250 per season is fair. Then we will work out the actual fee later on.

Mr. LeMenager stated I agree.

Mr. Berube stated your fee is \$250 for the upcoming season.

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| <p>On MOTION by Mr. Walls, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to charge the Harmony community soccer club \$250 for use of the soccer field.</p> |
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Mr. Butcofski stated thank you. I appreciate it.

Mr. Justin Kramer stated I just want to reiterate what I said last time about Amendment 4. It seems that the Board two meetings ago voted to remove Amendment 4. I think there is content in Amendment 4 that carries over to future Boards about protecting the environment and actions taken by the Board. It is not just a meeting with the HROA. I worked to create a draft amendment, which Ms. Kassel and Mr. LeMenager proposed at the last meeting, to create a community board that would help advise but not make any decisions. It would also preserve the language regarding environmental considerations by the Board moving forward. I spoke to Mr. Farnsworth, as well, about some other language as far as Chapter 1 is concerned, but Amendment 4 unfortunately affects the entire Chapter 1 decision-making matrix. There are a lot of items that cannot be plugged into Chapter 1 without reiterating language several times. I think four times you have to reiterate the same language. As far as being concise with the rules, Amendment 4 is actually more concise than if we try to fit it into Chapter 4. It is very important to me personally, being an environmental community, that we preserve the environment moving forward and that we maintain the rules to show our commitment. I want it to be a rule because it is a commitment issue as far as our environment, and we should show it the same kind of treatment. I heard a lot of people talk about policy possibilities. I am really concerned about that because that can be eliminated very quickly. The rules process is a process for a reason. The environment deserves that type of legitimacy in our rules. If you have any questions, feel free to contact me offline.

Ms. Jannia Méndez stated thank you, Mr. Berube, for clarifying that we are not only neighbors but we are friends. I appreciate the job that all of you do. I stand here in solidarity with the changes that Ms. Kassel and the rest of the community want for Amendment 4, not to eliminate it, but to enhance it. It is part of our values. We all came here, not only for the schools and the aesthetics but the value we spent. I feel that something needs to be said about values. I stand before you in the hope that nothing has changed, or if anything changes, it is enhanced.

Ms. Joan Beckman stated I happened to be driving by the golf course a few days ago and noticed some people having a picnic on the golf course and one person fishing. I took a photo.

Mr. LeMenager stated that has nothing to do with us.

Ms. Kassel stated the golf course is private property. It belongs to the developer. They would be the ones to contact. It is not CDD property.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the April 30, 2015 Meeting

Mr. Berube reviewed the minutes of the April 30, 2015, meeting and requested any additions, corrections, notations, or deletions.

Ms. Kassel stated page 5, first paragraph "criminal" should be "environmental." On page 22, paragraph 7, I think it was Mr. Farnsworth who was speaking, not Mr. LeMenager. Did Mr. Farnsworth submit a revised Chapter 1 and not Mr. LeMenager? This is why we should not have consent minutes because I need to ask questions.

Mr. LeMenager stated yes, I said that.

Mr. Moyer stated please send me your corrections, if you have them before the meeting, and we will make those changes.

Ms. Kassel stated yes, but in a situation like this, I do not know for sure whether it was Mr. LeMenager or Mr. Farnsworth. That is why I am asking now.

Mr. Moyer stated I understand.

Mr. LeMenager responded I did submit it on behalf of Mr. Kramer.

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| On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the minutes of the April 30, 2015, meeting, as amended. |
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FOURTH ORDER OF BUSINESS

Expansion of Soccer Field Area (*Resident Sally Newcomer*)

Mr. Butcofski stated I am speaking on behalf of Ms. Newcomer. I thought that it would be prudent to start a dialogue. Our fields are getting filled. Our dedicated committee and I have a lot of people playing soccer. It is only going to increase and expand. As a new multi-purpose field in our facility, there are children in other areas who would benefit. Obviously I am a soccer guy, and I put product out there that our team has done a wonderful job in and everyone has really taking hold. I am where I need to be now. The school volunteered its fields so we will be using those fields also in the fall to give everyone room to stretch and do their drills. I looked into what it would cost to put a new field adjacent to our field. I just happen to know a site developer and it will cost about \$20,000, depending on the nuances and all the features you wanted, if you are adding a half a foot of soil or a foot of soil. You have engineers who would be able to

give you a better idea. Obviously, we have some aesthetics to work into because we have a beautiful lakefront. Somewhere in the acreage, we should be able to get a complex. That is just for the Board to consider.

Mr. Berube stated I am not generally against it, but I am not necessarily for it either because I think space would be tight. I think the most we could fit in would be half a field.

Mr. Butcofski stated we were looking at 30 feet by 60 feet. That is a nice size. We can turn the other field sideways. Right now, we have four-year-old kids to 12-year-old kids having a wonderful time. They are organized and all smiles on the field. Parents are volunteering.

Ms. Kassel asked is the school letting you use its soccer field?

Mr. Butcofski responded yes, after their activities are done at the end of the day. They are usually done with all of their sports by 6:00 p.m. They are public fields. It is a beautiful green space. They are bumpy. We are not playing games, but we could run our drills and educate children. We all know organized sports are a direct correlation to increased test scores. We are the last of the A-rated schools in Osceola County. I want to keep Harmony strong.

Mr. Berube stated other groups use the field. When people are using it, there are big crowds and it looks tremendously crowded with different age groups. I am in favor of giving more space, but the downside is, the vast majority of time, all of that square footage is empty and sitting in the sun. We have to take these things into consideration.

Mr. Butcofski stated I agree.

Mr. Berube stated the cost will be the determining factor.

Mr. Butcofski stated sure.

Mr. LeMenager asked what did you say the cost was?

Mr. Butcofski responded I have a couple of quick estimates. Our president of St. Cloud is a site developer and provides free bids. I asked him to put something together so I could give the Board an informed opinion.

Ms. Kassel stated \$23,000 to \$27,000.

Mr. Butcofski stated this can be trimmed. He told me that if you source your own sod, that saves you \$1,000. If you do not need a foot of soil, that saves you x amount.

You may just want to throw in half a foot of sod and grade it. If we seed Bahia, that drops the cost by \$5,000.

Mr. Berube stated the way that the process would work is, we would have the District engineer take a look at what our desires are and make a determination on how much lift there needs to be, irrigation needs, and so forth. Your numbers are probably good, but by the time it goes through the governmental process, it will probably increase.

Mr. Butcofski stated I have other areas lined up in Harmony. The builder owns some significant property and some people are going to be losing tenants up front. That is a lease, and I do not know how long they are going to be around.

Mr. Berube stated we have your proposal and will consider it during our budget deliberations.

Mr. Butcofski stated the proposal is probably within plus or minus 10%.

FIFTH ORDER OF BUSINESS

Subcontractor Reports

A. Aquatic Weed Control - Bio-Tech Consulting Monthly Highlight Report

Mr. Berube stated we have no one here from Bio-Tech tonight. A couple of months ago, we had alligatorweed and potentially treating it.

Ms. Kassel stated I am waiting to hear from the County Extension Service. The person who is the expert has been out of the office because her partner passed away suddenly recently. I have been in touch with someone else at the County Extension Service who is pushing her to contact me. We do not have an update on that yet, but it is in the works.

Mr. Berube asked besides the alligatorweed, would you generally be in favor in changing pond treatments on a larger scale, based on what you researched so far?

Ms. Kassel responded I would not venture to have an opinion until we have more expert knowledge come to look at the situation, make suggestions, and evaluate that against our current contract.

Mr. Berube stated the only reason why I am bringing that up to the forefront is because the Bio-Tech contract renews on October 1. We need to make a decision which way we are heading.

Ms. Kassel stated hopefully by June, they will have someone out here.

B. Landscaping - Davey Tree Monthly Highlight Report

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

Mr. Rinard stated with the conditions that we have been dealing with for a number of weeks, the property is probably in as good a condition as we can expect with the lack of rainfall and above-average temperatures. That is not without a lot of effort from Mr. van der Snel and his staff. If he does not stay on top and meet the challenges of what he has to do on the irrigation side, we certainly do not look good on our side. I would like to thank Mr. van der Snel and his staff for all of their efforts. Hopefully soon, we will see the summer rains, which will ease Mr. van der Snel's job, and we can proceed and improve things further. Right now, we are holding off on any fertilization. Overall, the color looks good throughout the property. We have some unevenness and some fading. If I put fertilizer on the ground right now, I actually make Mr. van der Snel's job more difficult and potentially put the large turf areas under further stress. Once the rain comes, which hopefully is this weekend, we can throw some fertilizer on the property. It is just a matter of when.

Mr. Berube stated we have not forgotten the need to further your contract proposal, and we will get into that with the upcoming budget season. Do you have any changes to make to the contract?

Mr. Rinard responded we are still working on it.

Ms. Kassel stated we still have some funds in our budget for refurbishing areas. Let us be in contact about getting that done.

Mr. Rinard stated will do.

Mr. Berube asked is our budget reflective of real numbers?

Mr. Rinard responded yes.

Mr. Berube asked do we have any outstanding bills or anything open?

Mr. Rinard responded no. Everything is up to date.

Mr. Berube asked are you happy with the outcome on Cat Brier?

Ms. Kassel responded yes. I thought that where the refurbishments would start would be farther north in the park. The first 500 to 750 feet have no refurbishment, and then all of the refurbishments happen south of that.

Mr. Rinard asked what about the roundabout at Five Oaks?

Ms. Kassel responded yes. It should start at the beginning of Long Park, which is at the corner of Indiangrass and Cat Brier at the pavilion just south of the house on Indiangrass. We have done a lot on Cat Brier. I do not want to spend the entire budget

on Cat Brier when many other areas in the community need attention. I need to drive around and determine which areas are most in need of refurbishment right now. I hoped to do that before the meeting, but it was too crazy.

Mr. Berube stated I think Mr. Rinard and Mr. van der Snel have been able to economize fairly well. If Cat Brier needs more attention to finish it, get it done.

Ms. Kassel stated I will do a drive through. Mr. van der Snel probably has some ideas as to what areas could use it. We will come up with a plan.

Mr. Rinard asked Ms. Kassel, do you want to try to make arrangements next week to get together?

Ms. Kassel responded sure.

Mr. Berube stated thank you for keeping the labor force at a high number.

SIXTH ORDER OF BUSINESS

Developer's Report

Mr. Glantz stated I am coming quarterly, unless you request that I come more often. Just to give everyone an update, regarding Rosewood, which is Parcel H-1, we have sold 13 or 14 homes, and Lennar is working diligently on construction and Richmond American, as well. Two models should be opening toward the end of next month in that community. We are looking at supplementing the landscaping on U.S. Hwy 192, perhaps along the berm. We will make some determinations and get with Mr. van der Snel and the rest of the team before we install anything along there. In Cherry Hill, which is directly across the street, paving will go down next week followed by landscaping. We are selling our first homes in there at the end of June, once we receive a certificate of completion. As Mr. Rinard mentioned, it is dry and dusty. June 15 is when the official rainy season begins, and we are looking forward to getting some rain. Hawthorne is about two weeks behind Cherry Hill. Hawthorne is the first community when you enter on the right-hand side or as you exit on the left-hand side. Curb will be installed tomorrow and Monday, and paving will occur two weeks thereafter. The white fence and irrigation have been installed, and landscaping will be installed thereafter. Our team is working with Insight Irrigation, the preferred consultant of the CDD, and with Mr. van der Snel. It is all being coordinated. Parcels I, J, K, and L are going to be the 55+ community in the 2015 CDD area. It is going to be called the Lakes of Harmony. A monument sign is going to be by the green of the 12th hole. It will say "The Lakes of Harmony" and be landscaped. A new lake will be installed that wraps around the green.

Mr. Berube asked all four parcels will be called the same name?

Mr. Glantz stated the first community is South Lake. The second one on the right side is East Lake, across will be West Lake, and then North Lake. Someone living in there will be living in the Lakes of Harmony, it will have the Lakes of Harmony HOA, and it will be four distinct neighborhoods, each with its own name. We had a similar community named the Hamptons, and it had West Hampton, North Hampton, South Hampton, and East Hampton. It works very well and flows well. I met with the Ryland Homes people two weeks ago, and they intend to start marketing about a month before their model is open. I wish they were doing it earlier, but that is their plan. They are going to start a model in and around December and will start marketing at the end of January, and a model will be opened at the end of February. We will start development on that property at the end of next month. Parcel I is also known as South Lake. We are going to have an HROA meeting on June 11, 2015. This will be an informational meeting, and a more formal organizational meeting will be held sometime in July, which will be a full membership meeting for voting. We are going to start in a week on the vehicle storage facility. We just did some survey work. Over time, we had to research where everything was. Some of the stakes for the setback are in the garden and the Davey Tree area. We are going to have the new facility outside of the setback.

Ms. Kassel stated the development order calls for xeriscaping principles. I would like to know if the developer is planning on using xeriscape types of plants in all of the new neighborhoods so there is less water usage overall. In a situation like this where we have drought conditions, it is hard to keep plants alive. Xeriscape plants will look better and be more durable under drought conditions.

Mr. Glantz stated I am aware of the linear landscaping that we are going to be doing along Five Oaks as we head to the north. We are first going to take scalplings where there is grass and we will create a berm. That would allow us to plant lower plants rather than plants that grow tall to act as a buffer. As far as the specificity of the plants, that is not my area of expertise. We have someone on our staff who does that.

Ms. Kassel stated since the CDD will be taking over a lot of the landscaping that you will be installing, whether it is in Cherry Hill or Rosewood or any of the neighborhoods, the CDD would appreciate following the development plan that refers to xeriscape

materials because we are going to be taking over those parks and landscaped areas. I am requesting that you follow the development plan.

Mr. Berube stated when we looked at the initial plans for the new neighborhoods, especially this one with the long linear buffer zone, Mr. Kent Foreman specifically mentioned low-maintenance, low-water plants. I do not remember what he said about the rest of the neighborhoods, but if that is part of his plan here, it must be included in the rest. That is what I remember. I do not recall if it was all xeriscape, but I know that it was part of the presentation that he gave, at least to me, when we discussed that.

Ms. Kassel stated the CDD would like to see the plans for the landscaping that you are putting in prior to the installation because we are going to be taking it over.

Mr. Glantz stated for the neighborhoods that I just mentioned, landscaping is going in Cherry Hill and Hawthorne over the next 30 days. All of that landscaping has been presented to each one of the Board members individually, and a copy was provided to Mr. van der Snel. All of that material is on the plan submitted to the County and must be installed per plan by the County. I do not know how to answer the question of whether or not there will be xeriscape plants. The gentleman who is experienced just left. Whatever is on the plan, we are installing. As far as future plans, we will submit them and have the team review them beforehand. Mr. Foreman does all of the design work.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Engineer

Mr. Berube stated the District engineer asked me if he needed to come, and I did not see a need.

B. Attorney

i. Memorandum Regarding Usage Fees

Mr. Qualls stated I submitted a memorandum on the question of usage fees, which speaks for itself.

Mr. LeMenager asked was the initial workshop on rules sufficient to satisfy the workshop requirement because fees were mentioned?

Mr. Qualls responded the law does not require a workshop. The law requires a public hearing so that all those who would be affected by usage fees would be there. The reason why we advise a workshop is, that is the time to come together and share ideas and set the usage fees. In my opinion, the public hearing is not designed to debate that. The public hearing is designed to say these are the usage fees we propose, and now everyone

who is affected can speak to them. I advise that the Board have a separate workshop to discuss the issue of usage fees, but it is not a technical requirement of the law.

Ms. Kassel stated it seemed to me that your memorandum made it clear that any fees we include in our rules would require the full rules process. It might behoove us, as a Board, to have a separate fee schedule that the rules refer to but is not included in the rules.

Mr. Qualls stated I see what you are saying. That was not the intent of the memorandum. Any time that you are going to change usage fees, you are going to be required to have a public hearing.

Mr. Berube asked what if usage fees are a policy?

Mr. Qualls responded it does not matter. The law says when you are setting usage fees, there has to be a public hearing to set those fees.

Ms. Kassel stated but we do not have to go through the entire rules of procedure, just a public hearing.

Mr. Qualls stated you could just specifically have a hearing on the usage fees. You could have your rules refer to a separate fee schedule and from time-to-time you could have a public hearing if you wanted to change that. There are also good reasons for including it as part of your rules. Number one, you started that process and you are already going to have a hearing on the rules as well, so it is a way to have everything done at once. You could just look at usage fees at a separate time.

Mr. Berube stated so the process we are in now, we already had the workshop and discussed most of this over three months. The fees have been part of those discussions. If we were going to have a public hearing in the near future, presuming that the fees get settled tonight, we could do one public hearing to include all of the rules, changes, and the fees.

Mr. Qualls stated yes, as long as at some point, you show the public the proposed usage fees. I have not seen that, although I heard it discussed. At some point, you have to show the public the usage fees, and then you would schedule a public hearing.

Mr. Berube stated if we set a usage fee schedule tonight, which becomes part of this meeting's minutes, that is public information. Does that cover the requirements?

Mr. Qualls responded you are still going to have to advertise a notice of intent to adopt the rules, which would include usage fees.

Mr. LeMenager stated given how the meeting began, it is rather obvious that the information on usage fees is definitely out there.

Mr. Berube stated yes.

Ms. Kassel stated it is clear that for this current round, we are going to be setting a fee schedule, but that does not necessarily mean that the fee schedule is going to be part of the rules. It could be referred to in the rules. We can do that at the same public hearing. That does not mean in the future we cannot just hold a public hearing on the fee schedule.

Mr. Berube stated I am just concerned with the current stage that we are at. Just keep us online to have everything disclosed in a single public hearing. If we start to stray from that, let us know. It would nice to have one advertisement that includes both factors and one public hearing.

ii. OUC Street Light Contracts

Mr. Qualls stated we were tasked in reaching out to OUC to begin negotiating the buy-out of the second-earliest lease agreement that was signed in 2003. I have had several discussions with OUC at this point, and they are interested and will entertain the idea to allow the District to buy-out a lease. That is as close as I have gotten to negotiating the deal. It is probably going to be two weeks when I will get back in touch. Mr. Alandus Sims at OUC is going to send me some information. He has already gone to the vice president of the finance department at OUC to discuss this concept in theory, but it will be two weeks, probably around June 14 or 15, before we can actually have the discussions to take this rough concept and boil it down. That is because he is going to be out of the office for the first couple of weeks of June. We are in good shape, but I cannot tell you that we have begun those negotiations in earnest. I can tell you that OUC is willing to entertain this idea and thinks that there can be some mutual benefit.

Mr. Berube stated for those in the audience who do not know what is going on, we have \$3 million in open obligations for leases on the street lights, and we have money sitting in the bank to start buying out these very expensive contracts at 10.5% interest. What counsel is referring to, is we want to write a check for about \$450,000 and hand it to OUC to buy-out a lease. This has been going on for six months.

Mr. LeMenager stated the bottom line is, this is one of the biggest rip-offs in the State of Florida. This is a gigantic scam on the part of the electric utilities. We are not the only CDD that this game has been played on. People sat back quietly. Before residents got involved, previous Boards agreed to all these deals of a 20-year mortgage at 10.5%.

Ms. Kassel stated just to be clear, it is not really a mortgage. It is a lease.

Mr. LeMenager stated it is off balance sheet financing. It is scandalous.

Mr. Berube stated we looked at it, absorbed it, financially structured the budgets, and got everything done. We are ready to go. We have money sitting here ready to get rid of this huge obligation, and we cannot get it done.

Ms. Kassel stated just to be fair, we just did the refinancing one or two months ago. It is only in the last few weeks that sufficient money is sitting in the account to pay off this particular contract, which would give us, in real dollars, the biggest benefit for using that money.

Mr. Berube stated she is right. We only had that money for several weeks since the refinancing, but we have known what is coming and were planning for it and trying to get OUC lined up. You might as well be banging your head against a block wall. Nothing happens quickly. It is very frustrating.

iii. Allstate Paving Contract

Mr. Qualls stated I want to make a general statement, which is that there is a discrepancy in the Allstate Paving contract as to whether or not Allstate fulfilled its obligations under the contract. The position of the District is that Allstate has not done that. There was a change order for \$7,000, and the position of the District is, that change order was never approved by this Board in writing. Allstate has retained a law firm. That law firm has sent communications to us. We have responded and have begun discussions with that law firm. Before the Board members make any comments, everything that we talk about is going to be reflected in the minutes and open to the public. I would not want anything to be said this evening that would hurt your position in this matter. There is a provision where if we are going to be discussing what could turn into litigation, the minutes would still be taken, but there would be a period of 60 days before those minutes would be made available to the public so as not to hurt your position in these ongoing negotiations. Rather than getting into the specifics, what I would advise is another course of action, which would be to give us the authority to continue to look into this matter and work with Mr. Moyer, Mr. van der Snel, Mr. Steve Boyd, and Mr. Berube or one member of the Board to keep that member informed as we continue the process of trying to bring this matter to resolution. I feel optimistic. When you look at the difference of \$16,000, I do not think that either party is going to want to litigate this because each side would blow through the \$8,000 difference before you even reached the

hearing. I think that there is a way to work out a resolution that benefits everyone. I want to make sure that the Board is aware of that and that we have the full authority to try to work that out before we proceed. Do you have anything to add, Mr. Moyer?

Mr. Moyer responded no, I think that is fine.

Mr. Berube stated I had some comments, but I will defer to District counsel's opinion that we remain quiet. I want the Board to know that all of my negotiations back and forth with Allstate were done with Mr. Qualls and Mr. Moyer involved in the exchange. It has gotten to this point, and it is what it is.

Mr. Qualls stated you have done everything according to the terms of the contract. The contract says that Allstate will not be paid until the work is completed, in accordance with the specifications. The law is clear that a change order has to be approved in writing. I think some things still have to be done to get that job done, and I think that we can bring this to conclusion in a way that makes sense. Mr. Berube has been involved, but it is not for me to say who the Board should appoint to work this out as a liaison. I do not care who it is, as much as that we have the ability to work with one person on the Board so as not to create any Sunshine issues, to try to bring this in for resolution before the June meeting. I would like to have that authority.

Ms. Kassel asked have you had that authority to date?

Mr. Qualls responded I believe so, but I always like to keep the Board informed on every step throughout the process, and I would rather have that authority all throughout the minutes than having one chance of doing something that the Board does not want me to do.

Ms. Kassel asked are you hoping to get a motion?

Mr. Qualls responded yes, authorizing us to move forward to try to find a resolution that benefits both parties and to have someone on the Board, maybe Mr. Berube since he has the background knowledge, to serve as liaison to help us conclude this matter with Allstate.

Mr. LeMenager stated what they are saying is that there was a change order and they completed the work per that change order. We are saying that there was no change order and they did not complete the work according to how the original contract was written.

Mr. Qualls stated yes. We are saying that the scope of the work under the initial contract was not done according to contract specifications, and the amount of the change

order and the change order itself were never approved in writing by this Board. We have case law that shows very clearly that change orders of this nature must be approved in writing by the Board.

Mr. Berube stated there are three separate line items in that contract that say any changes to the contract must be approved in writing by the Board. It was said three times and never happened.

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| On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to authorize the District's legal counsel to work with Mr. Moyer, Mr. van der Snel, Mr. Boyd, and Mr. Berube to bring the Allstate matter to resolution. |
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iv. Attorney Fees

Mr. Berube stated last month, there was some conversation with you regarding the change in your billing fees.

Mr. Qualls stated we provided the credit to you in the bill that was sent recently for the April bill.

Mr. Berube asked are you aware that the bill in this month's package was billed at the same wrong rate?

Mr. Qualls responded yes, the one in this agenda package is from March. The bills are always about two months behind. We fixed this in the credit that we provided. We were aware of the March bill at the April meeting. The invoice in your agenda package is the March bill. We were aware that it was billed at \$200, and we applied a credit to make it \$175.

Mr. Berube stated you may be worth \$200, but that is not our deal.

Mr. Qualls stated I will honor our deal.

Mr. Berube stated thank you.

C. Field Manager

i. Dock and Maintenance Activities Report

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

Mr. van der Snel stated I have some changes to make to my report. I said that we would add river pebble stones at the bench area in the large dog park, but that has not occurred yet for safety issues for the dogs.

Mr. Berube asked are you backing out of that?

Mr. van der Snel responded no. It is on the back burner. Ms. Kassel and I are going to figure out a way to resolve this.

Ms. Kassel stated we have been trying to figure out how to address this dirt area that the dogs are digging as you enter the dog park. It is very messy. We were thinking of paving stones, but the roots of the trees are too high so we cannot use paving stones. We then thought about decomposed concrete, but that was expensive. Then we thought about stones, which is what is there now, but what happens is people throw them and destroy things. Mr. van der Snel thought about smaller stones, but dogs can ingest them, especially young dogs that do not know better.

Mr. Berube asked what do you mean by decomposed concrete?

Ms. Kassel responded it is pulverized concrete. It is not leftover concrete. It is supposed to form a relatively compact base, but I do not know if it is going to do the job that it needs to in this area because that area has so much traffic.

Mr. Berube asked do you remember when Mr. Walls donated concrete? We placed some of that concrete at the back side of the west bridge.

Ms. Kassel stated I looked for it and could not find it.

Mr. Berube stated on the back side of the bridge where the bridge ends and the grass goes around it, at the bottom is the material that was put in there. I do not think that it was decomposed concrete, but it is concrete with small rocks.

Ms. Kassel stated it could be decomposed granite.

Mr. Berube stated it is like shredded concrete.

Mr. Walls stated it is relatively inexpensive and you tamp it down.

Mr. Berube stated it turns firm. I think it would probably be safe for dogs. If you get a chance, look at it.

Ms. Kassel stated after the meeting, you can give me more specific directions where it is.

Mr. van der Snel stated the yearly backflow prevention has been completed on the CDD, but Harmony Development Company has not completed their side. Toho Water Authority gave us a deadline of May 31, 2015, or they would shut off all the water.

Mr. Berube asked why is the developer affecting us?

Mr. van der Snel responded in the past, Mr. Todd Haskett had both backflow preventers on one bill. Now it is separated; the CDD pays its half, and the developer pays their side. I have two separate quotes, one for us and one for the developer. Their part is the biggest part.

Mr. Berube stated I am confused. Where there is a backflow preventer, there is generally a meter.

Mr. van der Snel stated yes.

Mr. Berube stated all of our meters have backflow preventers.

Mr. van der Snel stated we had four locations. I do not know exactly where they were that needed backflow prevention. The rest of them, like behind the restaurant which is the issue now and all of Harmony Development property, most of all the backflow preventions needed to be done.

Mr. Berube stated to be clear, the backflow preventions in question are protecting Harmony Development Company's meters.

Mr. van der Snel stated and also our meters. We have four meters.

Mr. Berube stated the key is that the ones on meters that we pay for were done.

Mr. van der Snel stated yes.

Mr. Berube stated if Toho Water Authority was going to shut off the water, they would shut off the developer's water and not ours.

Mr. van der Snel stated correct. The reroofing project was completed.

Ms. Kassel asked at the boathouse?

Mr. van der Snel responded yes. It has the same roof as before. Footers were installed at the shade structure at Ashley Park. I am waiting for the concrete to harden so we can complete it.

Mr. Berube stated the work was completed by resident Mr. Justin Farrell. Are you happy with the work?

Mr. van der Snel responded yes. He did a good job. There was an issue this Memorial Day. Three juveniles tried to steal the boats. They went around the fence at Buck Lake and got access to the steel gate. If residents are at the lake, the dock gate has to remain open per the fire marshal. That was open, and they tried to steal the 25-foot pontoon, but there was no key. They tried to steal the rescue boat, but it would not start because there was a kill switch on it.

Mr. Berube stated which just got replaced.

Mr. van der Snel stated then they were in the bass boat ready to go, and Mr. Sean Keating, the dock master, caught them. They said they were just going to take a boat out. They were not residents and are ages 18, 16, and 14. He called me and I contacted the sheriff. After consulting with Mr. Berube, we pressed charges against them because it was attempted grand theft.

Ms. Kassel stated and because they were trespassing.

Mr. Berube stated to be clear, the gate was opened because people were on the dock and that is normal procedure.

Mr. van der Snel stated no. The front gate where you use the access card was closed. They went around it and through the lake, but the second gate to the boats has to remain open if people are out because they have to be able to come back in. I pressed charges in the name of the CDD and touched base with Mr. Berube before I did that. At the pools, we had some problems with residents letting people in, especially during the weekend. After consulting with Mr. Berube, we have a staff member monitoring the pool on Friday, Saturday, and Sunday from 11:00 a.m. until 8:00 p.m. It works great.

Mr. Berube stated my complaints on weekends about the pools have gone to zero, where we used to average four to five a day.

Mr. van der Snel stated every staff member takes one day so it is all equally divided.

Ms. Kassel asked so they spend their entire day at the pool?

Mr. van der Snel responded no. Every 20 minutes, they do a pool check. I tell them to remember faces so people are not checked every 20 minutes. I ordered a *No Parking* sign for the Swim Club area because restaurant staff people are parking there. A sign will be on the exit button stating that if a resident lets someone in, it may result in them having their access card deactivated. It is a big warning sign. When you come in there will be a sign saying *For Access ID Cardholders Only*. So there is enough communication to warn all residents that this is a serious matter.

Mr. Berube stated people hang outside of the gates waiting for someone to open them, and then they grab the gates and go in. People are happy to point that out to staff members. The other thing that happens is, people walk up to the gate and have a deactivated card and they yell for someone to let them in. The new sign that he ordered will say not to open the gate for anyone, even if they have an access card. If it is inactive,

there is a reason for it. Those are the two big issues of how people get in. The rest of it is fairly secure. They do not go over the gates and fences anymore.

Mr. van der Snel stated there is an easy way to find out who opened the gates. I can open the camera log and find out who it was. We hope that will work. I think it will work.

Mr. Berube stated we checked with the fire marshal on the possibility of eliminating the button and having a swipe card to get out, and we were denied. They are worried about people getting trapped in a fire at the pool. They have to be able to get out. The button is the way it has to be, but it is working pretty well. People are not complaining. Memorial Day weekend was a great test with zero complaints.

Mr. van der Snel stated I also want to give credit to Mr. Jon Rukkila from Davey Tree. Mr. Rinard thanked me, but it was good teamwork with Mr. Rukkila and all of the Davey Tree guys. I have to give them credit, too.

Mr. Walls stated we appreciate your work.

Mr. van der Snel stated thank you. It has been a tough couple of weeks. We are doing well compared to other areas where the turf looks really bad. We are spending a little more money on water, but it is definitely worth it.

Mr. Berube stated we were on budget until recently.

Ms. Kassel stated if we did not have all of this St. Augustine grass, which is so much of a water hog, then we would not have these issues. If we were using materials that were more drought tolerant for groundcover, then we would be saving precious water resources and money.

Mr. LeMenager stated it would be browner.

Ms. Kassel stated no, because they would be drought tolerant.

Mr. LeMenager stated do not get me wrong; I do not mind brown grass. I am not a big fan of artificial greenness.

Mr. van der Snel stated the zoysia grass in front of the Estates needs watering every day. Bahia grass is what we used at the west entrance and is pretty much being watered every day.

Mr. LeMenager asked are we allowed to water every day?

Ms. Kassel responded no. We are not supposed to.

Mr. LeMenager stated then you should not be watering every day. You do not get to break the rules.

Mr. Berube stated Toho Water Authority is off of our back about it.

Mr. van der Snel stated we are checking the valves every day.

Mr. Walls stated we also put down a lot of new sod recently, and it needs to be watered.

Mr. Berube stated we put chemicals down. We are staying within the boundaries of where Toho Water Authority is not giving us difficulty.

Mr. van der Snel stated we are testing all of the clocks every day, and that generates a lot of water. We have to because the water from Toho Water Authority is polluted with small seeds, which clog up all our rotors. In the last three weeks, we replaced 70 rotors. Those are \$6 each, which is fine; however, the seeds destroy them.

Mr. Berube stated remember Mr. Jeff Borieo is here all day, every day of the week who only runs irrigation.

Mr. LeMenager stated I appreciate that. But if the rest of the State has to follow watering two days a week, what makes us special?

Mr. Berube responded I know that you are a fan of water conservation, but we also have a water company that is running multiple hydrants and has been for 10 years.

Ms. Kassel stated that is not relevant.

Mr. Berube stated they are also wasting drinking water.

Ms. Kassel stated we agree, but that is not relevant to what we practice.

Mr. Berube stated if you want it to go brown, we can do that.

Mr. LeMenager stated the natural color of Florida when it is dry, is brown.

A Resident stated on Facebook, there was a post that there was a syringe in the bathroom. Was there a syringe?

Mr. van der Snel responded yes, a diabetic syringe. We figured it out 10 minutes later, so it was fast. Apparently, someone just left it there. Luckily, they left it on the ground. If it was in the trash, someone could have gotten hurt.

ii. Buck Lake Boat Use Report

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

EIGHTH ORDER OF BUSINESS

Discussion Items

A. Allstate Paving Final Payment

This item having been discussed under the attorney's report, the next item followed.

B. Maintenance of Sidewalks

Mr. Farnsworth stated a question came up from some owners regarding who is responsible for different aspects of the sidewalks, particularly the cleaning of dirty sidewalks. This is apparently an issue that came up when residents received citations for having dirty sidewalks, uneven sidewalks, and replacing broken pieces of a sidewalk. They could be on some of the interior streets. Who is responsible for maintenance of the sidewalks, and are different areas in the community, on the main road versus an interior street, different? Residents do not know what is going on. In fact, when I sent this request to Mr. Moyer, I thought that Mr. Berube might have knowledge and could answer the question without having it in the agenda. The answer could have been posted on the blog.

Mr. Berube responded I answered it for someone. For the benefit of the audience, our policy has been that for sidewalks in front of residents' homes, those residents are responsible for those sidewalks, just like the grass in the easement between the sidewalk and the street, with the exception of the main boulevards. Residents are responsible for cutting and maintaining the grass. However, that varies on the major streets. If a house is there, the home owner is responsible for the sidewalk. Where there is no house, such as Town Square, along Cat Brier on the golf course side, within Lakeshore Park and the dog park, the CDD cleans those sidewalks where no house is fronting those sidewalks. The maintenance of those sidewalks for cracks and grinding is the CDD's responsibility.

Mr. Farnsworth stated so in general, residents are responsible for the cleaning but not the repair of broken sidewalks and grinding.

Mr. Berube stated correct. We did a rough estimate of what it would take to clean all the sidewalks, and it is between 1,600 and 2,000 hours to clean all the sidewalks, which is one guy, all week, all year. That is the reason why it is not being done. Effectively, it is a \$50,000 expense plus we would have to purchase a pressure washer.

Mr. Farnsworth stated I do not have a problem with the answer; I just needed to know the answer.

Mr. van der Snel stated Ashley Park is an exception to that. We do not touch the sidewalks, except for the sidewalk around the pool. Inside that area is ours but not outside the park.

Mr. Berube stated the good news is that all the sidewalks in new neighborhoods are being deeded to the County along with the streets.

Ms. Kassel asked H-1, H-2, and F?

Mr. Berube responded yes.

Ms. Kassel asked for maintaining them?

Mr. Berube responded yes.

Mr. Farnsworth stated so the cleaning is still back on the home owner.

Mr. Berube stated if you recall, we asked Harmony Development Company to lessen our maintenance costs as they design new neighborhoods. That was one they shifted to the County.

Mr. LeMenager asked if a sidewalk panel breaks, the County has to repair it?

Mr. Berube responded yes, if you can get a hold of someone to fix it.

Mr. LeMenager stated that does not sound right. It sounds like a raw deal. I had someone make an offer on one of the Lennar homes, and frankly, I thought that the CDD fees were even more outrageous than what we are paying. They want an outrageous amount of money for a small lot. Eventually, someone there is going to come to one of these meetings in a couple of years and say they are paying more money than we are for this CDD, and are not going to find it equitable that we will fix some sidewalks but not the new areas.

Mr. Berube stated I do not disagree with that, and I am more than willing to work with residents. I am just telling you that the official deeding of the sidewalks and the streets is going to the County, and the developer set it up that way. We certainly have people on staff who can repair the County sidewalks to appease the resident. It costs us \$300 or \$400 to repair a panel. We can work that out. The sidewalks are going to be perfect. They will not need any work for 20 years.

Mr. LeMenager stated I think that we need to be very careful and think through what we do with this new developer. They are businessmen. They are not our friends; they are here to make money. Perhaps earlier developers were our friends, but not these guys. Let us make sure that we truly understand their motivation when they want to do something like this.

Mr. Berube asked do you want to have the sidewalks deeded to us?

Mr. LeMenager responded I think that they should be. It makes no sense whatsoever to have all the other neighborhoods one way, and then you do something different in a new neighborhood.

Mr. Walls stated you pay x amount in your total property tax bill to include the CDD assessment. Everyone in the community, whether their sidewalk is owned by the County or by the CDD, is going to pay that amount. It is all a matter who you call. I called the County for the roadways, and they were here the next day. Their response is probably going to be better than ours because they have more people. I do not know why we would want to take on that responsibility. Overall, what people are paying is the same.

Mr. Moyer stated you would not only be responsible for the cost of the maintenance but also the liability.

Mr. Walls stated exactly. We do not want to fix their sidewalks and mess it up.

Mr. Moyer stated the CDD is responsible for the sidewalks in Celebration. I bet that we get four or five lawsuits a year on trips and falls.

Mr. Berube stated which says we are doing well. If you walk around the community, you will notice that literally hundreds of sidewalks have been grinded.

Mr. LeMenager stated you are absolutely right. This means that we will not touch those sidewalks. We will get on Facebook and say to go see Mr. Glantz, because he is the one who decided to deed them to the County.

Mr. Berube stated change is occurring every day.

Mr. LeMenager stated like I said, they are not our friends. They are our business partner.

Mr. Berube stated I am well aware of that.

NINTH ORDER OF BUSINESS

Presentation of Budget for Fiscal Year 2016

A. Fiscal Year 2016 Budget

Mr. Moyer stated this is basically the same budget that was included in your agenda package, with the exception of two modifications that I made. One is to increase the Davey Tree contract by 2%. That is why there is an increase in the landscape budget. The other change was to allocate the savings in debt service into the street light buy-out account. Let me just briefly outline for the audience what we are doing tonight. This starts the beginning of our budget process. The enabling legislation that establishes CDDs requires management to present a budget to the governing Board on or before June 15, 2015. At that time, the governing Board will determine if the budget is sufficiently detailed and represents the necessary work of the District for the coming fiscal year, which starts on October 1, 2015, and ends on September 30, 2016. If the Board

determines that the budget is sufficiently detailed, then at this meeting what I am asking the Board to do is to approve the budget. I will differentiate between two operative words in the Statute. Approve is what I am asking tonight for the purpose of setting a public hearing. After the public hearing, the Board will consider the adoption of the budget. The approval is nothing more than the start of the process. Historically, this Board has had a workshop on the budget, where the Board will go through every single line item in the budget, discuss it, compare it to what we are currently doing in terms of the work program, and adjust the line items either up or down as appropriate. What we presented to the Board this evening does not anticipate an increase in the non-ad valorem assessments. There will not be any raise in the monies that you are expected to pay to the CDD for our programs. As Mr. Berube mentioned earlier, it does fund an account to be used at certain intervals to buy-out these leases on a going-forward basis. We are starting the budget process. I will provide to you the amended budgets that they sent to you electronically. Those are the two changes that I made in terms of my review of the budget.

Mr. Berube stated from looking at the last few pages of the budget with the methodology, it is a wash, and there is no change other than the numbers within it.

Mr. Moyer stated that is right.

Mr. LeMenager stated not really.

Mr. Berube asked what do you mean?

Mr. LeMenager responded there is another increase proposed in operation and maintenance.

Mr. Berube stated but it is offset.

Mr. LeMenager stated I appreciate that, but that means that those of us who paid off our debt assessment are looking at yet another increase, and I am not sure that I am crazy about that.

Mr. Berube stated we are going to have a workshop, and we can go through the budget.

Mr. LeMenager stated yes.

Mr. Berube stated I will remind you that last year, we went through that, and we ended up raising it higher than the recommended increase, and we are going to do it again, which is fine.

Mr. Walls asked are the proceeds from the bond refinancing going to be placed in a separate capital fund?

Mr. Moyer responded yes.

Mr. Walls stated I do not see that in the budget. I guess they are in there now.

Mr. Moyer stated yes. As part of this budget process when you finally adopt your budget in August, we will make an allocation of that money from wherever it is, probably fund balance, into the budget for capital projects so it is clear that is where that money will be used.

Mr. Berube stated there were two separate \$100,000 line items.

Ms. Kassel stated I thought that there was one \$200,000 capital outlay. The only thing that I wanted to say about the budget is that we spent \$8,439 for engineering in 2014 and \$8,000 in 2015. I do not see why we cannot budget \$8,500 in the 2016 budget.

Mr. Berube stated that will be part of the workshop discussion.

B. Consideration of Resolution 2015-4A Approving the Budget and Setting the Public Hearing

Mr. Moyer read Resolution 2015-4A into the record by title.

Mr. Moyer stated the suggested date for the hearing is August 27, 2015, at 6:00 p.m. at this location.

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| <p>On MOTION by Mr. LeMenager, seconded by Mr. Farnsworth, with all in favor, unanimous approval was given to Resolution 2015-4A approving the budget for fiscal year 2016 and setting a public hearing for August 27, 2015, at 6:00 p.m. at the Harmony Community School.</p> |
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Mr. Berube stated we need to schedule a workshop.

Mr. Moyer stated you can hold it in either June, July, or August. Next month would be fine.

Ms. Kassel stated that is the meeting that I am going to miss.

Mr. Berube asked what is the notice requirement?

Mr. Moyer responded it needs to be advertised seven days prior to the meeting. I need to know what day it is so I can get the advertisement to the newspaper. The reality is, it is more like 10 to 12 days.

Mr. LeMenager asked Ms. Kassel, how long are you going to be away?

Ms. Kassel responded from June 13, 2015, to June 26, 2015.

After a brief discussion regarding the date for the workshop, the Board choose Friday, June 26, 2015, at 6:00 p.m.

Mr. Walls stated I will contact someone at the school to see if it is available.

On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor except Mr. Farnsworth, approval was given to hold a budget workshop on Friday, June 26, 2015, at 6:00 p.m.

TENTH ORDER OF BUSINESS

District Manager's Report

A. April 30, 2015, Financial Statements

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

Mr. Moyer stated we are 94% collected on our non-ad valorem assessments, which is where we were a year ago at 95%. I think that we are in good shape.

Mr. Berube stated my quick review of the budget indicates that everything is generally under budget, with the exception of engineering and legal, which are slightly over.

Mr. Moyer stated correct.

B. Invoice Approval #181, Check Register, and Debit Invoices

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

Ms. Kassel stated you have Aquasol Commercial Chemical, Inc. in the check register summary, but the actual invoice is for Poolsure and does not say Aquasol on it anywhere.

Mr. Berube asked are they two different companies?

Mr. van der Snel responded they are the same.

Mr. Berube asked what is the other pool company that we use?

Mr. van der Snel responded Poolworks.

Mr. Berube stated so Aquasol is the corporate owner of Poolsure.

Mr. van der Snel stated yes.

Mr. Berube asked is the invoice for the same amount as in the check register?

Mr. LeMenager stated Aquasol is \$750.

Ms. Kassel stated Poolsure is also \$750.

Mr. LeMenager stated maybe the check register has the wrong name.

Ms. Kassel stated I suppose so. I just wanted to point out that there was a discrepancy.

Mr. Berube asked are they two different dates?

Ms. Kassel stated no date is on the check run summary.

Mr. LeMenager stated they allude to the first, so means they are the same one. I never would have found that.

Ms. Kassel stated the invoices are listed in alphabetical order, and one is under A and the other is under P.

Mr. Moyer stated we will confirm it.

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| On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, unanimous approval was given to invoice approval #181, check register, and debit invoices, as presented. |
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C. Website Statistics

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

D. Consent Agenda Policy

Mr. Moyer stated we will remove this item from the agenda.

E. Staffing Concerns

Mr. Berube stated I have some concerns, which I included in an email that I sent to Mr. Moyer earlier this week. I want to be clear that my concerns do not reflect on your performance or the people in your office. I am really uptight with how Severn Trent handles issues. I think that the most important thing that they do for us is set assessments, manage those assessments, and make sure that the methodology is followed. A couple years ago, we had a problem that was uncovered, and to their credit, they paid it all back and more or less fixed it. To his credit, a couple of months ago, Mr. LeMenager uncovered the snafu with the way it worked with the developer and bonds, and that is a big problem. Severn Trent did not say anything, and we only found out about it by accident. To this point, I do not think that Severn Trent has stepped up and offered a solution. Beyond that, last month we had the problem with the FedEx and OUC bills. The FedEx error was so obvious. It was out there and we complained about it. There was plenty of time for it not to happen and not get paid, but they paid the bill. I

understand that there is a process, but it was the OUC bill that really concerned me. It was not even our bill. It was a brand new meter, the bill came through, and the same thing happened; they paid it. On top of that, there was an issue with assessments. This month's billing from Mr. Boyd shows line items related to the bond refinancing. There was also the difference in the attorney's billing rates. We are contemplating a consent agenda. I would never at this point want to adopt a consent agenda based on the information coming to us being accurate. I routinely find things wrong. We tend to all do it with managing the finances. Severn Trent is supposed to be managing the finances, and bills should be coming to us for approval. That is the idea of a consent agenda, that it is all approved, has been looked at, and is good to go.

Mr. Moyer stated we are not advocating the consent agenda. I am not quite sure how we even got to the discussion on the consent agenda. We usually put things that are routine on consent agendas. I think we just offered that up to streamline the meetings.

Mr. Berube stated we want to streamline the meetings and so it ends up on the consent agenda. The point is, whether or not you streamline the meeting, our intent was to have invoices come in and be routine to be approved. I look at every single piece of paper that comes in, and some of these issues stand out immediately to me. Severn Trent staff members are professionals and are supposed to be looking at it. I have grand concerns. This is a \$5 million annual budget, and we have gone on record several times. Probably the worst situation is, the auditors missed the last mistake. I will guarantee you that when this year's audit goes through, they will miss that error, as well, which is a huge issue.

Mr. Moyer stated Severn Trent is not responsible for dealing with the auditors.

Mr. Berube stated no, but the auditors are responsible for themselves. They are not going to catch this stuff. When you read the letter that they send us, the reason is they said they rely on what the management company tells them, and if there is an issue, it goes back to them. No one is responsible, but this Board is responsible for these people's money. I do not know what this last go around is. I see a \$56,011 transfer of funds due to a blended methodology in this month's agenda package. Is that the value of the \$56,011?

Mr. Moyer responded yes.

Mr. Berube stated I do not know. My faith is gone. I said the last several times when we found some issues, that the next time that Severn Trent pulls something like this, something has to change. I am not asking them to give us \$56,011 because the money is there. We did not lose any money. It was taken from the wrong people, and there was a detriment to one group and a benefit to the other. We pay Severn Trent \$11,800 per year to do these assessments, and we paid them that amount twice this year because of the regular assessment and then when we did the refinancing. I do not think that we are getting our money's worth. I really do not believe that we are. I am not picking on your group, Mr. Moyer, but I am presenting this to the Board. At the very least, I think that Severn Trent should refund that assessment fee they charged us because the assessment was not right. The money is in our hands. I do not know what the Board thinks about this, but you can tell that I am somewhat concerned. I am fired up. If Severn Trent does not step up, I am going to ask that we consider replacing Severn Trent as the management company because I really do not trust them anymore.

Mr. LeMenager stated I think "trust" is the wrong word. How many organizations does Severn Trent manage?

Mr. Moyer responded 80.

Mr. LeMenager stated they manage 80 organizations. How much time do they spend on one entity? Do we have our own dedicated people at Severn Trent who just work on our District?

Mr. Berube responded of course not.

Mr. LeMenager stated correct. You are talking about fairly low-level accountants. Maybe it is the employee's first or second job. They are probably not making a lot of money.

Mr. Berube stated you are right.

Mr. LeMenager stated it is not that surprising. That is why you have management.

Ms. Kassel stated and a Board.

Mr. LeMenager stated you look at accounts and try to be careful. If we get rid of them and bring in another management company, I do not think they would be any better.

Mr. Berube stated maybe or maybe not. The thing with Severn Trent is, they have a constant turnover of people if you look at the names of people who handle the emails going back and forth.

Mr. LeMenager asked yes, what makes you think that any other manager does not have that exact issue? We were just talking with Mr. Rinard about him hoping that he can keep employees. Let us face it; they do not pay a lot of money. It is an entry-level job. It is someone's first job out of college. They go there and get some experience, build their résumé, and then get a real job.

Mr. Berube stated I understand your reluctance to change management companies. Severn Trent is integrated here and has been here from the beginning. I realize that it would be a huge undertaking to change it. My concern is, this was a \$56,011 mistake.

Mr. LeMenager asked what \$56,011 are you talking about?

Mr. Berube responded the \$56,011 that they moved from one budget line item to another to make it all balance out, and they called it balance methodology, which is fine. We did not take a hit for \$56,011, but where do you draw the line? How many times did they do it? What if it was \$560,000 that we did not get? We would have noticed that upfront. We are the stewards of the public's money.

Mr. Moyer stated I have a couple of comments. I think that the Board can certainly do whatever you choose. I have great respect for all of you, by the way. You are a wonderful Board. You do take it very seriously, and I am glad you are looking at these invoices. You are the people who know the community and know the invoices. In general as it relates to the accounting process, we pass audits every single year for a very good reason. We have established a series of checks and balances that, for the most part, works very well. They do not pay an invoice if Mr. van der Snel does not approve the invoice for the things that happen, with the notable exception of routine invoices like electricity, utility bills, FedEx, and things that generally we would not look at or know if it was appropriate. If I had seen the FedEx bill, I would not have thought that anything was wrong because I would not know if it was a part that was sent FedEx that actually cost \$69. I think that your point is well taken. To the degree that you want to take those off an automatic payment process and put into your agenda package to look at, we can do that, but then if we do not process them quickly enough, then we are subject to having the utilities turned off, the power turned off, and everything else. That is why we do that. As good as all of you are in looking at the invoices, if there is a problem, please bring it to our attention and we will correct it. We will make it right. I think Severn Trent will probably return the \$12,000 back on that issue. They did something that they should not

have done. I am familiar with every CDD management provider in the State of Florida, and Severn Trent is the only one I am aware of that will step to the plate and write checks for its mistakes. A lot of these management providers came through my organization. That is why I know everyone who is doing that. It is unusual for people to take responsibility to pay for their mistakes. I am not trying to dismiss your concerns that the job might be sloppy, but they will stand behind those mistakes.

Mr. LeMenager stated with respect to this \$56,011 issue, all they did was transfer funds from one line item to another. They just corrected the mistake I caught.

Mr. Walls stated they moved the money to where it should be, but people still paid the wrong amounts, which is another issue. I understand Mr. Berube's concerns. I am with him to an extent. Mistakes with invoices happen, unless this person is working for us exclusively and knows exactly what is going on. It is annoying for us to have to sit here and provide oversight and follow-up on that oversight. I understand that. The issue that bothers me is the assessment piece. If they are going to do the assessments and we are going to pay for it, then that needs to be checked, double checked, and triple checked before it is sent out to the tax collector. That needs to be right because we are talking about what residents are paying in their tax bills. That point needs to be stressed to whomever is handling the assessments at Severn Trent. Going forward, I am going to expect 100% accuracy on that because that is something that has to be right. Regarding this transfer they did, they took money that was an excess in one funds and moved it to the other fund where it should be, which is fine, but some people paid more than they should have and other people paid less. That did not fix that problem.

Mr. LeMenager asked who paid more?

Mr. Berube responded every home owner.

Mr. LeMenager stated no, they did not.

Mr. Berube stated sure they did.

Mr. LeMenager asked how?

Mr. Walls stated you collected enough money, but if the assessments were divided properly, then one group paid too much and other group did not pay enough.

Mr. Moyer stated that is right.

Ms. Kassel stated the home owners were assessed for the 2014 bonds.

Mr. Berube stated that was due to a blended methodology.

Mr. Walls stated I think Severn Trent needs to refund the assessment fee due to their mistakes and provide us with a proposal on how we are going to make it right for everyone who paid too much and the ones who paid too little. We need to go back and fix that in some way. I do not think that it is appropriate just to say it is too bad they got billed wrong. I do not know what that number comes out to for every home owner, and I would like to see what that is.

Mr. LeMenager stated I was wondering why there is a decrease in the 2014 bond issue in your proposed budget.

Mr. Moyer stated that is why.

Mr. LeMenager stated so Severn Trent did charge everybody too much money last year.

Mr. Berube stated yes.

Mr. Moyer stated what they did is, they added the debt services together. If they did it this year, it probably would not make a lot of difference because the interest rates on the bonds are so close. That has been the case historically for the interest rates on the 2001 and 2004 bonds.

Mr. LeMenager stated so basically Severn Trent was doing this all along. They always just added the assessments up and divided it.

Mr. Moyer stated that is correct.

Mr. LeMenager stated at a certain level, they have never been correct. At some point, someone decided to charge us a lot of money to do this but just did it the nice and easy way. That is what it sounds like to me.

Mr. Moyer stated I have not had the time to go back and research minutes from the 2001 and 2004 timeframe, but I suspect that Severn Trent was directed to do that.

Mr. Berube asked by whom?

Mr. Moyer responded the Board of Supervisors.

Mr. Berube stated it would have been a long time ago.

Ms. Kassel stated the Board was controlled by the developer at that time.

Mr. Berube stated Severn Trent has a printed methodology guidebook that is supposed to be used, and we reaffirmed that with legal help if I remember right.

Mr. Qualls stated we did an assessment policy, which Severn Trent drafted. It may have been in 2007.

Mr. Moyer stated I think that as part of our budget process, we went through a review of that assessment methodology. Those are the types of things that I need to review, and I will do that in this budget process.

Ms. Kassel stated just for the benefit of the audience, the home owners have been assessed for the 2004 bond interest, when it was the responsibility of the developer.

Mr. LeMenager stated for your typical home owner, it is a wash because we balanced the budget so that there was no change.

Mr. Berube stated no, we balanced the budget because there was a resolution at the end of the year where we removed approximately \$50,000 from fund balance to balance last year's budget.

Mr. Walls stated it does not matter. The assessment is what it is. It is a matter of where that money and the assessment came from. Is it coming from one group of home owners or the developer, or a combination of both?

Mr. Berube responded the good news is that we are aware of it.

Mr. Walls stated if those assessments were done properly, I would like to see what each home owner would have paid and what the developer would have paid.

Mr. LeMenager stated you can see that. In next year's budget, look at the difference. When I received the budget today, I was looking at that and questioned it. You can see the amount of excess funds. I hate to say that people paid because they all paid as they were paying before. They would have paid the same; it just have come to operation and maintenance instead of going into capital. You are starting to win me over, Mr. Berube. Severn Trent is charging us \$11,000 to do this calculation, and all they did was add them all up and divide. What a sweetheart deal that is for Severn Trent.

Mr. Berube stated yes, it is. We can discuss this all night. Our request to Severn Trent is if they will refund the \$11,800 for that first assessment. That sort of makes everyone happy.

Mr. LeMenager stated Severn Trent charged us that amount twice.

Mr. Berube stated yes.

Mr. LeMenager stated that is ridiculous.

Mr. Berube stated they had to do it for the refinancing. Every time you do the assessment roll, you pay that fee. It is a fixed cost.

Mr. Moyer stated that is correct.

Mr. LeMenager asked do we have to approve those items when it comes to the check register?

Mr. Berube responded yes.

Mr. Walls stated it may have been paid directly.

Mr. LeMenager stated maybe we should not approve that one.

Mr. Berube stated it is too late.

Mr. Moyer stated it was part of the bond costs.

Mr. Berube stated the second one was part of the bond costs. The first one is part of the tax roll assessment service that is budgeted every year. That is our request. You heard the concerns. I think that is fair.

Mr. LeMenager stated agreed.

Mr. Moyer stated I will present that to Severn Trent.

Mr. Berube stated again, your staff does fine.

F. Sale of Sailboat

Mr. Moyer stated I have one item that I want to bring to the Board's attention in a public forum. We advertised to take bids on the sale of the sailboat and received one bid. I have not opened it because it was sent in the mail and was received past the deadline. This is from Mr. Bill Fife for \$50.

Ms. Kassel stated someone told me that a marine place in Orlando said this is a popular sailboat, and we could possibly get more money for the boat through them. It might be worth looking into having them evaluate the sailboat.

Mr. LeMenager asked what were the rules of the bids?

Mr. Berube asked are we obligated to take this bid from Mr. Fife?

Mr. Moyer responded no, you always have discretion to award or reject bids.

Mr. LeMenager stated I recommend selling the sailboat to Mr. Fife and put this matter behind us.

Mr. Berube stated my guess is there is going to be a fee for someone to come out here and evaluate at the sailboat, probably \$200.

Ms. Kassel stated it is only a phone call.

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| <p>On MOTION by Mr. LeMenager, seconded by Mr. Walls, with all in favor except Ms. Kassel and Mr. Farnsworth, approval was given to accept the bid from Mr. Bill Fife to purchase the sailboat for \$50.</p> |
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Mr. Berube stated Mr. Fife will have to coordinate with Mr. van der Snel within the next three days to pick up the sailboat.

ELEVENTH ORDER OF BUSINESS

Discussion of the Rules of Procedure

A. Marked-Up Rules

Mr. Berube stated when we brought up the initial rules package for discussion, we wanted to clean up and clarify some items, and we certainly have done that, yet we still find ourselves four months into this and still discussing it. I guess that is fine. It shows that we go over everything in great detail. I would like to finalize this tonight so we can move it forward, end all of the discussion, and start on our budget process. Time is of the essence. I printed everything and ask that the Board members go by the agenda page numbers. I am starting on page 150, which is the sanctioned facility access clearance process flow diagram for Chapter 4, Section 3. It looks well done and I am not sure that we need to codify it. I think that the process that is already in place works. Do we want to add to this rules process and include page 150? Do we just want to ask staff to use this as a guideline? I am not in favor of codifying it and making it part of the rules.

Mr. Farnsworth stated the purpose of the flow diagram is to show everybody what the process was and see if we had any disagreement with it.

Mr. Berube stated so you do not want this as part of the rules package.

Mr. Farnsworth stated it does not have to be.

Mr. Berube stated it is just a guideline.

Mr. Farnsworth stated yes.

Ms. Kassel stated you can ask if everyone understands and agrees with it.

Mr. Berube asked does everyone understand and agree with it?

Mr. LeMenager responded it looks good. Does it follow what the written rules say?

Mr. Farnsworth if the rules are what was presented to us, they follow the flow diagram.

Mr. Berube stated it was included as a page, so I did not know if you asked for it to be part of the rules. Page 151 is the index page. Page 152 is the title page. We discussed pages 153 through 157 *ad infinitum*. Does anyone want to change anything in that section?

Ms. Kassel responded no.

Mr. Berube asked are there any changes to pages 158 through 162?

Ms. Kassel responded no.

Mr. LeMenager responded no.

Mr. Berube asked are there any changes to pages 163 through 165?

Mr. Walls responded page 165, Section 1.6.3 was added for activity coordination. I do not know why that is there or what it is.

Mr. Farnsworth stated before we discuss that, I would like to go back to Section 1.4.5.3 on page 160. The speaking request form is referenced, and it is my opinion that any time you reference something, it should be included as part of your document. The final version has that available. I think it should be an addendum, not as a reference that someone has to search for. Not only should it be in the document, but there should be an active, true, accurate link that goes to the website where you can pull up the form, not some generic link that goes to the CDD website. That is wrong. Put the right one in there. It belongs in that section.

Mr. Berube asked do you want the speaking request form to be inserted immediately after this page?

Mr. Farnsworth responded no, at the end of Chapter 1. That is where I would put it. If you make a composite document, you can put them all at the very end.

Mr. Berube stated we have several forms that we are going to reference. I suggest that we place all of the forms that are incorporated by reference at the very end of the rules package.

Mr. Farnsworth stated that is fine, as long as you have one rules package that has everything, which is not what we have currently.

Mr. Walls stated just call it the appendix.

Mr. Berube stated the appendix will have all of the forms.

Mr. Farnsworth stated that is fine, as long as it is something directly associated with the rules package.

Mr. Berube stated I understand.

Mr. Farnsworth stated the other issue is to have accurate website links.

Ms. Kassel stated I do not know if it would be possible to get a speaking request form on the meeting page where we have the agenda and the invoices. That way people can print it out at home and fill it out, rather than coming here, forgetting their pen, and so forth. It is just an idea.

Mr. Berube asked do you mean when the agenda is published on the website?

Ms. Kassel responded yes.

Mr. Berube stated we left off on page 165, Section 1.6.3.

Ms. Kassel stated this was Mr. Farnsworth's attempt to go around Amendment 4.

Mr. Farnsworth stated I refuse to say "go around," but I want to accommodate the desires of the people who want Amendment 4. This is my attempt to accommodate them. It may not be successful, but that was my attempt and my intention. I request that you consider changing the numbering for Chapter 1, Amendments 1 through 3. They all have the number 1 in front of the amendments. Why? It makes no sense.

Mr. LeMenager stated let us go through this page by page; otherwise we are going to jump around.

Mr. Berube asked where is the extra 1 that you are talking about?

Mr. Farnsworth responded starting at Section 1.6. There is no 2. anything.

Ms. Kassel stated that is because it is all Chapter 1.

Mr. Farnsworth stated when you go to Chapter 3, the same thing is happening. The number 1 is placed in front of every one of those numbers. Why? It does not belong there. If you look at Chapter 4, the number 1 is not there, and there is no 4, either. All that does is make the sections five or six numbers deep.

Mr. Berube stated I understand. I am noting for Ms. Brenda Burgess that the first prefix number on each line should jive with the chapter number. There is no Chapter 2 because we deleted that. It had to do with the water services. You are right, Mr. Farnsworth; everything has the number 1 in front of it.

Mr. Farnsworth stated the same thing is true in Amendment 1 and in Chapter 3.

Mr. Berube stated on a global basis, the prefix numbers have to match with the chapter numbers.

Mr. Farnsworth stated Chapter 4 is already that way.

Mr. Berube stated I understand what you are saying about Section 1.6.3. I think it does appease the residents.

Mr. Farnsworth stated that is my intent.

Ms. Kassel stated it does not. There are two Board members who feel Amendment 4 should not be jettisoned. It should be revised.

Mr. Walls stated I understand. I think that Section 1.6.3 is not the right place for that. It creates issues where you are saying Board members, but what and who? What are you intending?

Mr. Farnsworth responded it was intended to make a Board member available.

Mr. Walls stated we are all available.

Mr. Farnsworth stated as I said, this was my attempt. If no one wants it, that is fine with me.

Ms. Kassel stated I would delete it.

Mr. LeMenager stated I agree.

Mr. Berube stated I thought that it was reasonable, but that is fine.

Ms. Kassel stated you crossed it out.

Mr. Berube stated I understand that, but when I heard Mr. Farnsworth's reasoning behind it, I changed my opinion, which I do not do very often.

Mr. Farnsworth stated I am not saying I have the right words.

Mr. Berube stated I understand, but we deleted it. Are there any changes to pages 166 through 169?

Ms. Kassel responded no.

Mr. LeMenager responded no.

Mr. Berube asked are there any changes to pages 170 through 188?

Mr. Farnsworth responded yes. Page 182, Section 1.15 was not used in Chapter 4. On the bottom of every page, it says "Adopted on." Unless you have a situation where the effective date and the adopted date are drastically different, there is absolutely no reason for it to be there.

Mr. Berube stated I think there is a precursor to that.

Mr. Farnsworth stated no, there is not.

Mr. Berube stated there is language about the election of Supervisors. I agree with you that it is included.

Mr. LeMenager asked Mr. Qualls, do we need that?

Mr. Qualls responded what typically happens with Statutes is, the Legislature will pass a law, which the Governor signs that will have an effective date that is after the law has been executed. The bottom line is, it is a policy choice. Do what you think is best,

but be consistent. What I would say is that scrivener's and numbering issues can be dealt with. I would encourage the Board not to spend too much time on those issues.

Mr. Farnsworth stated I did not want to spend time. I wanted to point out a problem. In this situation, the effective date occurs several times. It was never done to my knowledge in Chapter 4, so the issue does not exist there, but the situation does exist earlier in the rules. If you have a situation like a delayed signature and you need to have an effective date that is different from the adoption date, then there is a reason for an effective date. That is not the situation with what we are doing.

Mr. Berube stated we have a paragraph that has an effective date that is scratched out so we can put in a new effective date. Yet on the same page, because of our questions in previous months as to whether things were adopted or not, we now have "Adopted on" notation on every single page, so we know that it was adopted. To your point, we will have an adopted date and we can eliminate this paragraph.

Mr. Qualls stated sure.

Mr. Walls stated I think that is a global change.

Mr. Berube asked do you agree that all pages have "Adopted on" shown on them?

Mr. LeMenager responded be wary of unintended consequences. Suppose you have fees or registration or things like that and we want to change something that requires that we be ready for the change. It is nice to vote on it now and say it is for immediate effect, but then can our staff make the change effective immediately?

Mr. Walls stated if we make a rule tonight that we cannot implement until August, in that paragraph in that rule, it should say the rule will be effective on August 1, but it confuses things. I agree with Mr. Farnsworth that every chapter has an effective date, when these are all of the rules in a combined document.

Mr. Qualls stated most rules are not going to have an effective date. I do not see that very often, quite frankly.

Mr. Berube stated in this case, there is nothing related to Section 1.15 other than it is noting an effective date. The bottom line is that we are removing all of Section 1.15. We are now on page 188.

Ms. Kassel stated Sections 1.1.008 through 1.1.014 have been stricken. I know that we have a new section on page 185, which discusses the District being subject to a number of Florida Statutes that are available. I like the fact that those are listed. Even

though the residents may not be interested, these rules are intended for the Board to follow. I like that they are here and spelled out. It is unlikely that any of us are going to go to the Florida Statutes and look. The fact that they are spelled out means that when we review them, we are reminded of our obligations.

Mr. Qualls stated on these disclosures of public financing, the Statute says that the District shall take affirmative steps to provide for the full disclosure of certain information. I think having this in the rules shows the District taking some affirmative steps.

Mr. Berube stated as in the way that we left it on page 187, Section 1-1.007 says "Availability of District Public Financing." All the previous pages are about public financing. We made the affirmative action.

Mr. Qualls stated that is the idea.

Mr. Berube asked are we covered by the disclosure of public financing with what we left in? I think so because we had this discussion before.

Mr. LeMenager stated yes, we did.

Mr. Berube stated I think by the vote of this Board, pages 188 and 189 were left out.

Ms. Kassel stated we did not vote. We just made our opinions known.

Mr. Berube stated they are gone.

Ms. Kassel stated they are crossed out, but they are still part of the package.

Mr. Berube asked what do you want to do?

Mr. Walls responded I am fine with leaving them out.

Mr. Farnsworth stated leave them out.

Mr. LeMenager stated I am fine with leaving them out.

Mr. Berube stated without a formal vote, that is four to one in leaving the language out.

Mr. LeMenager stated as I mentioned earlier, I entered into a contract with Lennar and the three-day right of rescission was in there. I could not believe it.

Mr. Berube asked have you seen it before?

Mr. LeMenager responded I never saw it before. It is in Lennar's standard contract.

Mr. Farnsworth stated if that is an imposition of the developer, they are free to do that.

Mr. Berube stated you need to remember: the developer and this Board were once one and the same for a long time.

Mr. LeMenager stated none of us could ever remember seeing it. As I was reading through the contract, I could not believe it.

Mr. Farnsworth stated in this section, 1.9 is being eliminated as part of the global removal of effective dates.

Mr. Berube stated yes. Are there any changes to pages 190 through 193? Page 194 is the three-day right of rescission.

Mr. Walls stated that should be deleted.

Ms. Kassel stated I agree. I am not sure why it is included.

Mr. Berube stated there were two page of it. They took the first page out and left this one in. Page 194 for the “Acknowledgment and Hold Harmless Regarding Three-Day Right of Rescission” is removed.

Mr. LeMenager stated I agree.

Mr. Berube stated page 195 is Chapter 1, Amendment 4.

Mr. Farnsworth on page 191, the Vendor Purchase Policy, you have the same problem. There is an effective date line.

Mr. LeMenager stated we agreed to remove all of those.

Mr. Berube stated the pages will all look the same with “Adopted on” being shown in the footer, and the effective date sections in all chapters will be removed.

Ms. Kassel stated regarding Amendment 4, there were some revisions that did not make it in, specifically on page 199. Instead of “Annually, the Board will appoint a resident panel,” it should say “Annually, the Board will review recommendations from an ad hoc resident panel.” The next sentence should begin with “The ad hoc panel will develop these guidelines.” The bottom of the page should say, “The panel will be comprised of concerned citizens,” not “a member of the Board of Supervisors and four others.” That gets around the requirement for a publically noticed meeting and the potential for Sunshine Law violations.

Mr. Moyer stated correct.

Mr. Walls asked why would we officially have a panel of concerned citizens in our rules?

Ms. Kassel responded it should say “Annually, the Board will review recommendations from an ad hoc resident panel made up of concerned citizens.”

Mr. Walls stated but that could be anybody.

Ms. Kassel stated yes.

Mr. Walls stated anyone who wants to can come up here and make recommendations.

Ms. Kassel stated yes. What is wrong with that?

Mr. Walls asked why are we formalizing it?

Mr. Moyer responded I suggest that maybe as part of this, the Board could express its encouragement to have a group of individuals that meets and has a unified position that they bring before the Board, rather than having 25 people stand up. They could do that and we would encourage that type of activity, but that would not be a formal committee of this Board that would be subject to the Sunshine Law.

Mr. Berube stated I appreciate that somebody went through a lot of work and a lot of details, but I am very concerned that we are removing a two-page amendment.

Ms. Kassel stated it was more than two pages.

Mr. LeMenager stated it was an extremely long document. This is smaller now.

Mr. Berube stated it is 16 pages now. Here is the bottom line. Two months ago, this Board voted 3-2 to eliminate Chapter 1, Amendment 4.

Ms. Kassel stated we did not vote.

Mr. Berube stated yes, we voted on it. That was the vote. It was 3-2 to eliminate Chapter 1, Amendment 4. No matter how you rewrite it, it is still Chapter 1, Amendment 4. I like the concepts, but I do not want to tie our hands. We had this amendment in a different form for a decade, and we never did anything with it.

Ms. Kassel stated because we never knew about it.

Mr. Berube stated we knew about it.

Ms. Kassel stated not even our own attorney knew about it. He did not even know if it was approved, and it was approved in 2003.

Mr. Walls stated the original Chapter 1, Amendment 4 had a lot of statements in it, but one rule.

Mr. Berube stated right.

Mr. Walls stated the one rule was that the Board coordinate with the HOA and have a meeting. That is it. This now has many, many rules in it.

Ms. Kassel stated no. It has the exact same thing, except now there is an exhibit that helps to guide decision making. That is all.

Mr. Berube stated I do not think we need help guiding decision making.

Ms. Kassel stated I think we do, and I think all residents approved it. That is why when people stood up and spoke about it, everyone in the audience applauded those people because they agreed with them.

Mr. Berube stated we have 963 registered voters in this community. If 50 people were here last time, that leaves 913 other people out here that we represent who either think the other way or do not care.

Ms. Kassel stated that is not necessarily true.

Mr. Berube stated we had the same discussion with fishing. The same tactics were used. A concerned small group of people came out and argued about fishing. We went on about it for about six months, and ultimately we removed the fishing prohibition. Since then, life has been better.

Ms. Kassel stated no, life is not better.

Mr. Berube stated there are fewer complaints about fishing.

Ms. Kassel stated that is not true. I hear complaints about fishing all the time.

Mr. Berube asked have they come to the Board?

Ms. Kassel responded no. They come to me because they know that the Board is deaf right now to their complaints.

Mr. Berube stated the Board is still deaf. We voted two months ago, 3-2 to remove this amendment, and I am going to ask the three people who voted for it, who is Mr. Farnsworth, Mr. Walls and I if you want to put that amendment back in.

Mr. Farnsworth stated I have read and reread the amendment, trying to justify it. I cannot, in good conscience, support any variation of that Amendment 4.

Mr. Walls stated I agree.

Mr. Berube stated I agree. The will of the Board, by a 3-2 vote, was to remove this amendment. Ms. Kassel and her husband chastised me twice in public meetings for going against the will of the Board as to how I changed a kayak purchase. I am sticking with the will of the Board. If we want to bring this to a vote again tonight, we will. It does not matter to me. Does anyone want to make a motion to not include this amendment?

On MOTION by Mr. Farnsworth, seconded by Mr. Walls, with all in favor and except Mr. LeMenager and Ms. Kassel, approval was given to exclude Chapter 1, Amendment 4 from the rules of procedure.

Ms. Kassel stated we were chastising you for not listening to the people who voted you into your position.

Mr. Berube stated I said after the fishing argument that if people want to vote me out when the next election comes up, that is fine. I am thinking about the people who are not here. If someone wants to make this a policy, I have no problem with that. We are trying to clarify rules, keep them clean, and update them. All we have done is made them more difficult. I know that I am not going to please everybody; that is part of this position. Bluntly, I am going to offend some people and maybe I have. I am sorry. I am doing what I think is right. I am looking at everyone who lives here who is not here.

A Resident asked have you ever heard of anybody who disliked this Board?

Mr. Berube responded yes. My private messages, texts, and emails tell me that I am going down the right path. I get a lot of contacts. As a matter of fact, you posted on Facebook as well as Ms. Kassel. People on Facebook do not join in the conversation.

Ms. Kassel stated there were 60 people here at the last meeting.

Mr. Berube stated I understand that.

Ms. Kassel stated that is people joining in the conversation.

Mr. Walls stated I will say my piece and then I will be done. I think the problem is, most people do not understand what was in Chapter 1, Amendment 4, and I think that is the biggest problem. To sit up here and say that this Board is going to do things to destroy the environment or harm the environment we live in, is ridiculous. They were not rules; they were just statements.

Ms. Kassel stated nobody said that.

Mr. Walls stated no matter who is sitting up here, I think it is a ridiculous assertion to say that. We may all disagree from time to time on how we go about doing things, but I can guarantee you, and I think I speak for everybody up here, that we are all doing what we think is right.

Mr. Farnsworth stated we are certainly not going to do anything deliberate.

Mr. Walls stated that is exactly right. For anybody to assert that we are being cavalier or whatever they might say, is completely wrong.

Mr. Berube stated this is not Washington, D.C. It is not big government. It should not be. It is local government. We do not need a rules package this thick. For those who do not agree, I am sorry, but I made my decisions and I tend to stick with them. As you can see, we are definitely a part of the community.

Mr. Berube asked are there any changes to pages 211 through 214? We have global changes here to remind Ms. Burgess that the numbers need to start with 3.

Ms. Kassel stated on page 214, I propose that we remove Sections 1.4.2.1 through 1.4.2.5 and make them a schedule that is not part of the rules. So the next time we want to change them, we do not have to go through the entire rulemaking procedure as we discussed earlier at this meeting.

Mr. Farnsworth stated I am uncomfortable with removing them. I want them in there, so if someone pulls up the rules, they have the rates right there. If that makes it tough on us and we have to revise them, so be it. That means that you never lose track of what the rates are and they are not hidden some place where they cannot find them. If they can find the rules, then they can find the rates.

Mr. Berube stated those are all good points, Mr. Farnsworth; however, we are here because every so often we need to change things and update them. This rulemaking process, as you have seen, consumes a lot of time and money.

Mr. Farnsworth stated if the only thing we need to address is the rates, then we have a hearing on just the rates.

Mr. Berube stated we are going to have an appendix for the various forms that need to be included in the rules package. They are not necessarily a part of the rules package, so when people read the rules, they know where to find the forms. Can the schedule of fees be removed as Ms. Kassel suggested and be included into that appendix so they can be reasonably, easily changed?

Mr. Qualls responded yes. The only legal requirement is that the schedule of fees be available at the District office.

Mr. Berube stated if we lifted them and put them into that appendix and everybody knows about it and it is discussed at the workshop and the public hearing, it does not necessarily have to be part of the printed rules package.

Mr. Qualls stated it does not have to be part of the rules package, but anytime that you want to adjust those fees, you are going to need to have a public hearing and go

through that process. But if you refer to the schedule in the rules, you do not have to then open up all of the rules.

Mr. Farnsworth stated if you are going to have an appendix or an attachment or anything else for a set of rules, then that is part of the documents. I do not care what you call it; it is part of the document.

Mr. Berube stated if we had a map of the facility that we refer to and the map gets updated, it can get updated with no big deal.

Mr. Qualls stated I do not have your expertise, but if the rules simply said that the Board adopted a fee schedule, which is available and says where it is available, all the rule references is that there is a fee schedule. That fee schedule is not incorporated and made part of the rules and is a separate document outside of the rules. The memorandum I provided says that the only legal requirement as far as where the schedule has to be is that you keep a record of the schedule of adopted rates at the District office.

Mr. Walls stated that is common practice.

Mr. Qualls stated whether or not you have an appendix, make sure that it is at the District office.

Mr. Farnsworth stated if we follow that to the letter, we would not have anything online. We would strictly have it at the District office.

Mr. Qualls stated no. I am just talking about the usage fees. I do think that you should have it on your website. You want it where everyone can see it. I think the question that the Board is wrestling with is, if the usages fees need to be adjusted but the Board does not want to open up all of the rules, can that be accomplished? The answer is yes.

Mr. Farnsworth stated I agree with that.

Mr. Walls stated what Orange County does every year is adopt a fee schedule with the budget as part of the resolution, because you hold a public hearing for the budget, and we have a fee schedule that is reference and is put on the website. We can put a reference to the fee schedule on the website.

Mr. Farnsworth stated I do not care where it is. My only desire is, if I go to this document, it would bring up everything that the document references. I do not want to spend half an hour or an hour online trying to find something.

Mr. Qualls stated that is very fair and I think you can accomplish that without making the fee schedule separate.

Mr. Berube asked are you are okay with lifting this and making it part of a fee schedule incorporated into an appendix with all of the various other exhibits for the rules?

Ms. Kassel responded yes.

Mr. Berube stated done. To clarify, on page 214, we are removing Sections 1.4.2.1 through 1.4.2.5 from the rules package and putting them on a separate appendix page, which will also be published on the website in the rules section.

Ms. Kassel stated yes, but Section 1.4.2 should say the special event fee schedule is set by the Board, may change from time to time, and may be found in Exhibit A or whatever the letter is.

Mr. Berube stated I think we agreed to call it the appendix package with all of the maps.

Mr. Qualls stated whether or not you call it an appendix, I would give your professional staff the ability to put it where it needs to be put without making it a part of the rules. If you have an appendix of rules, I see Mr. Farnsworth's point that it is technically a part of the rules. I think Ms. Burgess can figure it out. I think it is clear what you are trying to accomplish. The rules refer to a fee schedule, but the specifics of the fee schedule are not a part of the rules.

Ms. Kassel stated correct. Instead it should say the special event fee schedule will be set by the CDD Board and may be changed by the CDD from time to time and is available at the District offices as well as online.

Mr. Berube stated right. Ms. Burgess maintains the website, so she will know where to put it. Now we removed it from here. Do you want to discuss the fees, or do you want to finish this page by page first and then discuss the fees?

Mr. Farnsworth responded at least discuss some concept of them.

Mr. Walls stated that removes the need to discuss the fees tonight if we want to get through everything else.

Mr. Farnsworth asked is there going to be that much argument about them?

Ms. Kassel stated there is going to be discussion.

Mr. Berube stated we need to move along because we are getting into budget season and everything else.

Ms. Kassel asked are you talking about making a decision on the rules next month when I am away?

Mr. Berube responded no, tonight.

Ms. Kassel asked do we need another public hearing?

Mr. Berube responded you need to advertise a public hearing to adopt these rules.

Mr. Walls stated we are coming up with a final set tonight.

Ms. Kassel stated you are saying that you plan on approving these rules when I am not here.

Mr. Walls stated I do not see anything changing from tonight.

Mr. Berube stated nothing is going to change. That is not the purpose of the public hearing.

Ms. Kassel stated if we are not going to discuss the fees tonight and they are not going to be part of the rules, then we can discuss them at a later time.

Mr. Berube stated the fees are going to be part of the rules. They have to be because we have to put them in the public hearing. That is why I asked if we want to discuss the fees now.

Mr. Walls stated we can have two public hearings.

Mr. Qualls stated if you want to have one public hearing to adopt both the rules and the separate fee schedule, you can do that at the same public hearing. We just need to advertise for both.

Mr. Walls stated that is the intent. I am with you.

Ms. Kassel stated that means that we have to discuss them at this meeting.

Mr. Berube stated yes, and that is going to generate some discussion. We may not finish that tonight. Let us go through the rest of these pages. Is there anything else on page 214?

Ms. Kassel responded yes. I am not comfortable with limiting residents to only two free facility reservations per year. Last time, we had talked about per facility. If you are a married couple with two to four kids, and you want to have events like a birthday party or anniversary, you are limited to two free ones and then you have to pay after that.

Mr. Berube stated it is actually four free events if you have a mother and father who are both residents. The mother and the father can reserve the facility.

Ms. Kassel stated that is not clear here.

Mr. Berube stated it says residents.

Ms. Kassel asked are the kids included, too? If you want to do that, you need to be more specific.

Mr. Walls stated we should strike it until there is a problem.

Mr. Berube stated I think there needs to be a limit. How many do you want?

Ms. Kassel responded I was going to say two free per facility.

Mr. Walls asked is a family limited to four events?

Mr. LeMenager asked have we defined a family?

Mr. van der Snel stated we discussed this rule when a resident wanted to use a facility and she had eight people coming in. I discussed this with Ms. Burgess, and she said they were allowed four per family household.

Ms. Kassel stated that is a different issue. This is about residents' use of the facilities.

Mr. Berube responded if a resident wants to have a party, we do not have limits. It happens all the time. Residents can bring as many people as they want into the facility. We limit how many guests you can bring in to swim, but if you have a birthday party and you want to bring 25 kids or adults, they all come.

Mr. LeMenager asked what is wrong with that?

Mr. Berube asked do you want to limit people who are having a birthday party? How many do you want them to have? It is not going to happen; not that many people are going to use it, so pick a number.

Ms. Kassel stated eight people or two free reservations per facility, per year. In other words, two at the pool and two at the pavilion. Either way, it is either eight people or two per facility.

Mr. Berube stated to clarify, residents are limited to two free reservations per facility, per year.

Ms. Kassel stated correct.

Mr. Moyer asked which section?

Ms. Kassel responded Section 1.4.3.4 on agenda page 214. The next one is Section 1.4.3.5, which is unclear on what 50% of available use means or what no more than three (3) days per week means. Are we talking about 24-hour days or 8-hour days or daylight hours?

Mr. Walls responded I would strike 50% and keep three (3) days per week.

Ms. Kassel stated we are only here for two hours. That is only one-twelfth of a day.

Mr. Walls stated by “days,” I mean at any time.

Ms. Kassel stated then we need to say that because people are going to say they only rented the facility for two hours, which is one-twelfth of a day.

Mr. van der Snel stated or three occurrences.

Mr. Berube stated they are not going to get that technical because they want the facility at the time that they want it. Three days per week works. We are not going to get that many requests anyway. We do not receive that many now from non-residents.

Ms. Kassel asked what if there is a problem?

Mr. Berube responded then we will fix it.

Mr. LeMenager stated actually, there is a problem with it.

Ms. Kassel asked which is?

Mr. LeMenager responded I think it should be specifically by a non-resident organization. Is it your intent that it be “first come, first served” if four different organizations want to use something and only the first three can use it?

Mr. Walls responded the intent was that it is not used up every single day by an organization because all of the residents are paying fees and should have some access to the field, however we want to say that. I think there needs to be a provision in there that reserves some time for individual residents.

Mr. Berube stated every single usage request is going to go through the District office anyway, so they will have some interpretation and the ability to limit it if it gets out of control.

Mr. Farnsworth stated one of the things that you read into this is basically any non-resident use, whether it is one organization or ten organizations, should not have more than 50% of available usage for that facility.

Mr. Berube stated the total use by non-resident organizations.

Mr. Farnsworth stated it should not be more than 50%.

Mr. Walls stated that is basically 3.5 days.

Mr. Farnsworth stated there is not much difference between the three days and 50%.

Mr. Berube stated it should say, “Reserved use of the SVB fields and courts by non-resident organizations, in the aggregate, shall not exceed 50% of available use and no more than three (3) days per week”. Does that work?

Ms. Kassel responded take out the 50% and leave it at three (3) days per week.

Mr. LeMenager stated three (3) days per week is fine. That is less than 50%.

Mr. Berube stated it should say, “Reserved use of the SVB fields and courts by non-resident organizations, in the aggregate, shall not exceed more than three (3) days per week”.

Ms. Kassel stated good.

Mr. Berube stated it says “in the aggregate” at the end. It needs to move up.

Mr. LeMenager asked are we fine with Chapter 3?

Mr. Walls responded I think there needs to be something that says the fees we charge need to be paid when the application is submitted to reserve a facility.

Mr. Berube asked does the application form say that?

Mr. Walls responded it needs to be in the rules.

Mr. Berube asked where do you want it?

Mr. Walls responded make it Section 1.4.3.9 or revise Section 1.4.3.8 to say “All rental and/or usage fees are non-refundable, and all fees need to be paid when the application is submitted when a facility is reserved.”

Mr. Berube asked how about, “All rental and/or usage fees are non-refundable and must be paid at the time of the usage request.”

Mr. Walls stated it should say, “At the submission of the application.”

Ms. Kassel stated yes.

Mr. Farnsworth asked what if the event is not approved?

Mr. Berube responded then the money will be refunded.

Mr. Walls stated then we can add, “In the event that the event is not approved, the fee will be returned.”

Ms. Kassel stated that sounds good.

Mr. Walls stated if you reserve a space, such as Town Square, then you take away the ability for someone else to reserve that space. If you have paid the fees and submitted the application but you change your mind the day before the event and do not want to have it anymore, I think there should be a timeframe where you can collect the full fee for a refund. If you cancel the day before but we had to turn people away because you already reserved that space, we should have a timeframe where we do not refund the fee.

Ms. Kassel stated 30 days.

Mr. Walls stated I was thinking to be more lenient and say within 10 business days that you need to cancel your event or else you do not get your money back, because you have taken up the ability for someone else to use that facility.

Mr. Berube stated it says, “All rental and/or usage fees are non-refundable.”

Mr. Walls stated or we can leave it at that.

Mr. Berube stated it is done. If you reserve it, then you own it.

Mr. Farnsworth stated if it is approved.

Mr. Walls stated that is fine.

Mr. Berube stated the majority of them are close to that 30-day window, and some get close to 10 days ahead. That is pretty tight.

Ms. Kassel stated we could allow a refund within that timeframe for all approved applications.

Mr. LeMenager stated no, it is fine as it is.

Ms. Kassel stated that is fine.

Mr. Farnsworth stated before we move away from Chapter 3, page 215 is the only instance anywhere in this document where both the “Law Implemented” and “Specific Authority” are the same thing. Nowhere else does this situation exist. I am wondering if that is an error.

Mr. Walls asked can we check that later?

Mr. Farnsworth asked who introduced it and where did it come from?

Mr. Qualls responded I do not know the answer, but I can find out.

Mr. Moyer stated rules are provided for under Chapter 120, Florida Statutes, which is the Administrative Code. The State of Florida has all those citations. These rules go back to 2001 when Mr. Ken vanAssenderp was here. We fashioned these rules after what the State rulemaking process was. That is why it is like that.

Mr. Farnsworth stated earlier chapters I understand, but this is new, and I do not know where this came from. This was not in earlier renditions of this chapter; this just showed up. It is the only example anywhere in our documents where both the authority and the implemented citations are the same. Nowhere else does that exist.

Mr. Berube stated right, but when you look at the others, what we do not know is what do Sections 190.035, 190.011 and 120.54, Florida Statutes, say. The authority and

the implementation may be identical based on what those Statutes say. It may be accurate.

Mr. Farnsworth stated I am questioning the fact that this is the only place it is listed.

Mr. Berube stated I understand.

Mr. LeMenager stated he is wondering if it is a typo.

Mr. Berube stated right.

Mr. Qualls stated I can check, but Section 190.011(5), Florida Statutes, is what gives you the authority to adopt fees.

Mr. Berube stated look at the authority and implementation on page 215, make sure that those two lines are accurate, and report that back to Ms. Burgess so she can clarify if there is a problem.

Mr. Farnsworth stated I was just pointing out something that was inconsistent.

Ms. Kassel stated regarding page 220, one of the reasons that fishing prohibition was removed from the rules was because of a perceived inability to enforce. I am wondering why we have Section 2.3.2 "Swimming is prohibited in all District-maintained ponds" and Section 2.3.3 "No watercraft of any kind is allowed in any of the District-maintained ponds." How is that any different? In other words, why do we have those and we think that they are enforceable if we think a ban on fishing is unenforceable.

Mr. Walls responded I agree with you.

Mr. Berube stated swimming in those ponds is a health concern. We discussed this the last time when we left it in the rules.

Ms. Kassel stated I do not want swimming or watercraft in the rules, either. I am just saying that the Board is hypocritical if it removes the fishing ban because it was unenforceable but it leaves in no swimming and no watercraft.

Mr. Berube stated not a problem. Sections 2.3.2 and 2.3.3 are recommended for removal.

Mr. LeMenager stated I am totally opposed to that. They need to be in the rules in a nice, clear statement. It is also a liability issue. If someone goes out and drowns, our rules say very specifically that it was prohibited.

Mr. Berube stated I am hearing that Ms. Kassel wants those sections removed.

Ms. Kassel stated I am not saying that I want them removed. I am saying that it is hypocritical to put those sections in if the reason for getting rid of the ban on fishing was because you could not enforce it.

Mr. Berube stated I do not think we put them in the rules. I think they were there already.

Mr. LeMenager stated Ms. Kassel is just trying to make a point.

Ms. Kassel stated I am indeed. Thank you, Mr. LeMenager. On page 222, Section 3.1.5.1 should say, "Proof of personal identity, for either an Owner or a Renter, shall require either a driver license, an identification card, a passport, or other State- or Federal-government issued identification." For those people who do not have a driver license or an identification card, the personal identity is just personal identity; it is not your address in Harmony. It is not proof of residency. However, some people do not have a driver license or an identification card, but they have a passport or a government-issued ID.

Mr. Walls stated it just needs to be a government-issued, picture ID.

Mr. Berube stated if a person has a passport, they probably came here on an airplane. You cannot get on an airplane without a driver license.

Ms. Kassel stated no, you can get on with a passport without a driver license.

Mr. Farnsworth stated it reads as follows: "Proof of personal identity, for either an Owner or a Renter, shall require identification in a verifiable form such as, but not limited to, a passport, a driver license, or an identification card (military, State, et al.), which contains both the full name of the individual and a full-face photograph."

Mr. Walls stated that is fine.

Ms. Kassel stated that sounds good.

Mr. Berube stated all we want to do is add a passport.

Ms. Kassel stated a passport or other State- or Federal-government issued identification card.

Mr. Walls stated I would go with what Mr. Farnsworth said.

Ms. Kassel stated what Mr. Farnsworth said is fine with me.

Mr. Berube stated basically we are adding "a passport or other State- or Federal-government issued identification card."

Mr. Farnsworth stated that is what it is fundamentally.

Mr. Berube stated I thought we already gave the manager the authority to determine proof of identity.

Mr. Walls stated on page 225, Section 4.3 says, “The District Swimming Pool Facilities are open to District Residents, Renters, and others who have registered with the District.” Are renters considered District residents?

Ms. Kassel responded “Renters” should be removed.

Mr. Walls stated the document going forward references Section 4.6 as penalties for breaking the rules, such as their card being revoked for swimming pools. Section 4.6 is regarding just the swimming pools, and I think that the language where it talks about the penalties needs to be in all other sections where it references Section 4.6. We need to lift Section 4.6 and put it in those other sections.

Mr. Farnsworth stated within that paragraph, nothing is there that is specific to the swimming pools.

Ms. Kassel stated the entire section is just about usage of the swimming pools.

Mr. Walls stated I am just saying that anywhere in the document that references Section 4.6, we just lift the language from Section 4.6 that says what happens if you break the rules.

Ms. Kassel stated I agree.

Mr. Berube stated I agree.

Mr. Farnsworth stated that is too much repetition. Pick a place and reference it for all facilities.

Mr. Walls stated however we want to do it, but it should not just reference pools.

Ms. Kassel stated make it its own section either before or after to address violations.

Mr. Walls stated yes.

Ms. Kassel stated on page 236, Section 9.6.1 should say, “The District may collect special event fees and/or charges as necessary for the conduct of District activities and services, per the schedule set forth in the special event fee schedule,” and strike “in the District rules” and the chapter reference.

Mr. LeMenager asked why do we need this paragraph at all if we have a chapter that is totally devoted to fees?

Mr. Berube responded it is already here and if we change it, we may affect something else we are not thinking about. Let us just word it to where we need it to be and leave it in to prevent unintended consequences coming into effect.

Ms. Kassel stated this is in the section for use of District facilities for special events.

Mr. LeMenager stated fair enough.

Mr. Walls stated on page 228, Section 5.9.4 instructs the dock master to inspect the boat for damage, assess any damages to the Board.

Mr. Berube stated "Board" should be "boat."

Mr. Walls stated I think we should take off the responsibility for the dock master to invoice for damages. He needs to recommend that to the District manager.

Mr. Berube stated it should say, "Inspect the boat for damage, assess any damages to the boat, and report the inspection findings to the District manager." It is inferred that the District manager will come to the Board and ask the Board if we want to charge someone for damages to the boat.

Mr. Farnsworth asked is there language someplace that says that the boat user will be responsible for any damages?

Mr. Berube responded yes.

Mr. Walls stated it is in Section 5.8.1.

Mr. Berube stated Section 5.8.1 says, "A boat user assumes full responsibility for any and all damages."

Mr. Farnsworth stated it does not say that the user will be invoiced.

Mr. Berube stated "full and complete liability" says that they are going to receive an invoice. Does that complete all of your items, Ms. Kassel?

Ms. Kassel responded yes, except for the fee schedule.

Mr. Walls stated that is all I have, as well.

Mr. Farnsworth stated I am concerned about the version of the rules we are reviewing. Does it have Sections 5.8.2 and 5.8.3?

Mr. LeMenager responded yes.

Mr. Berube asked what page is the fee schedule on?

Ms. Kassel responded page 214.

Mr. Walls stated I recommend that we change Section 1.4.2.1 from \$15 per hour to \$5 per hour. I think that will bring our fee more in line with what we are charging the soccer team and the soccer club right now.

Ms. Kassel stated that is \$50 per week.

Mr. Walls stated I think that is incredibly reasonable.

Mr. Berube stated if you have 50 kids, that is \$1 per kid.

Ms. Kassel stated per week. How many weeks?

Mr. LeMenager stated Section 1.4.4 says that we can do anything we want.

Mr. Walls stated I suggest that we change \$15 to \$5 per hour.

A Resident stated the agreement with the City says the soccer club shall pay the City a \$5 fee per participant per registration at the start of each season. There are two seasons. The City of St. Cloud gets \$10 a year or \$5 a season per child.

Mr. Walls stated there are many more players in St. Cloud.

The Resident stated they do. We want to build up the club and get another field in Harmony.

Mr. Walls stated I understand.

Mr. Berube stated we give the District manager a lot of discretion. I suggest that we set it at \$5 per hour or at the District manager's discretion.

Mr. LeMenager stated no, he is not going to do that. You are just going to second guess him. It will come to us and we will make a decision.

Mr. Berube asked is everyone okay with \$5 per hour?

Mr. LeMenager responded \$5 per hour is fine with me.

Mr. Berube stated where I was going with that is, if they have a whole bunch of hours, we can lower that fee to accommodate them.

Mr. LeMenager stated no, we will do it. He is not going to change it.

Mr. Berube stated Section 1.4.2.2 says, "Swim Club and Ashley Park Pools Reserved Patio Areas: \$100 for up to a four- (4) hour maximum."

Mr. Walls stated I have no problem with that.

Mr. Berube stated Section 1.4.2.3 says, "Buck Lake Pavilion: \$60 for up to a four- (4) hour maximum."

Mr. Walls stated I have no problem with that.

Mr. LeMenager stated I am fine with it.

Mr. Berube asked do you want to limit the number of people?

Mr. Walls responded no.

Ms. Kassel stated it is \$15 per hour; it seems reasonable.

Mr. Berube stated Section 1.4.2.4 says, “Buck Lake Fishing Pier: \$40 for up to a two-(2) hour maximum.” We went from \$100 to \$40.

Mr. Walls stated I do not know how that happened.

Ms. Kassel stated it is \$40 for a two-hour maximum versus a four-hour maximum.

Mr. van der Snel stated people can fish off the boardwalks.

Mr. LeMenager stated let us go back to the pavilion. Will it cost \$60 to have a family cookout?

Mr. Walls stated this is not for families; it is for non-residents.

Ms. Kassel responded families can use it.

Mr. Berube stated families can use it four, eight, or 12 times a year depending on how many are in the family.

Mr. LeMenager stated families can use it free a few times a year.

Ms. Kassel stated these are not non-resident membership fees.

Mr. LeMenager stated no, this is not non-resident membership fees.

Ms. Kassel stated that is right; it is for special events.

Mr. Farnsworth stated the only thing is the exception when you reserve it for the number of free ones you get.

Mr. Walls stated Section 1.4.3.3 says “The above-listed fees are applicable to group and individual users of the District’s recreational facilities, including but not limited to the following: for-profit and non-profit organizations, individuals who do not currently possess a valid photo access card, any resident who reserves the facility while acting on behalf of a for-profit business, or a non-profit organization.” It is people who are not residents.

Mr. Berube stated it is non-resident or other groups.

Mr. Walls stated it prohibits residents from reserving a facility on behalf of a non-resident group.

Mr. Farnsworth asked what happens if an individual reserves a fishing pier or other facility more than four times during a year?

Mr. Walls responded we need to add Section 1.4.3.3.4 that says it also applies to residents who have met the maximum reservations for whatever particular facility they are reserving.

Mr. LeMenager stated you do not have to add that. It is already in here.

Mr. Berube stated Mr. LeMenager bought up that he thought the pavilion will cost \$60 to have a family cookout, and you thought that was too much, but this is for non-residents.

Mr. LeMenager stated it is also for residents who use it a lot. I am fine with it.

Mr. Berube asked is everyone good with Section 1.4.2.4 which says, "Buck Lake Fishing Pier: \$40 for up to a two-(2) hour maximum?"

Mr. LeMenager responded yes.

Mr. Berube stated Section 1.4.2.5 says, "Town Square: \$250 for up to a six- (6) hour maximum."

Mr. Walls stated I would rather it remain a four-hour maximum because this is our most expensive facility in terms of maintenance.

Ms. Kassel stated I agree.

Mr. Walls stated our staff has to clean up the trash and get it ready.

Mr. Berube stated they also tear up the grass.

Mr. Farnsworth stated if you say four hours, you are including setup and tear-down time, which means that they can only use the facility for two hours.

Mr. Walls stated if you want the facility for an entire day, it will cost \$500, which I think is reasonable for that big area.

Mr. LeMenager asked what events are we talking about?

Mr. Berube stated it does not happen often where someone comes early to set up and stays late to tear down.

Mr. Farnsworth stated as long as we do not, then that is fine.

Mr. Berube stated it is their problem. We do not have any Harmony police.

Mr. Farnsworth stated that is fine, as long as we do not get into that situation.

Mr. Berube stated that is the problem with having rules and fees and usage. We do not have anybody to enforce a lot of this. It is nice to have the policy. It happens at the soccer field all the time. There are all kinds of groups down there all the time using it. Those who live by the soccer field see it. I am betting that we do not have that many

usage requests for the soccer field, aside from the official soccer club. There are other groups. I see older people on Saturday and Sunday nights playing soccer.

Mr. Walls stated we will start enforcing this when one of these groups reserves it and someone else comes out and has problems.

Mr. Berube stated we need to put up the signs that I suggested a few months ago that say, "Usage By Permit Only." Is \$250 for four hours sufficient?

Mr. LeMenager responded yes.

Mr. Walls responded yes.

Mr. Berube stated that finalizes the rules package. What are we doing with the public hearing?

Ms. Kassel stated we also need to include, as Mr. van der Snel said, the boardwalks.

Mr. Berube stated he said that the boardwalks can be used for fishing, but I doubt anyone is going to use them for an event.

Ms. Kassel stated someone had a wedding out there before Mr. van der Snel's time, and they put down candles and stones that needed to be cleaned up. Maybe we should just say, "Buck Lake Fishing Pier, Boardwalks, and Observation Decks."

Mr. Walls stated I am fine with that.

Mr. Berube asked should we make it Section 1.4.2.6?

Mr. Walls responded they need to be listed as separate facilities, so they should be separate lines.

Ms. Kassel stated we should amend Section 1.4.2.4 for "Buck Lake Fishing Pier" to add "Boardwalks, and Observation Piers."

Mr. Walls stated we need to say "\$40 for up to a two- (2) hour maximum each."

Mr. Farnsworth asked where are we talking about?

Mr. Berube responded the wooden structures that go into the lake off the concrete walkways along the pond. If you go onto Lakeshore Pond, two wooden piers extend 10 feet into the water. You can walk out of the woods and go onto those observation piers.

Mr. Moyer, is the public hearing inclusive with next month's meeting?

Mr. Moyer responded yes.

Mr. Berube stated we need two advertisements for the adoption of fees and the adoption of the rules package.

Mr. Moyer stated Mr. Qualls and I will look at it. We could have one advertisement.

Mr. van der Snel asked do we need a sign for that?

Ms. Kassel responded yes.

Mr. Berube stated for the CDD meeting and public hearing. Who prints those signs for you now?

Mr. van der Snel responded the developer.

Mr. Berube stated take a look at the printer they use and see what one costs.

Mr. van der Snel stated I think they are about \$1,500.

Mr. Berube asked does it print other signs besides the plastic ones?

Mr. van der Snel responded it prints anything you want. You need to have the base of the sign. The paper they are using is vinyl.

Mr. Berube stated look into that and see what you can do.

Mr. Moyer stated they did not put the invoices in my agenda package. Was there was a Severn Trent invoice for \$11,800?

Mr. Berube responded no. The second \$11,800 was paid out of the bond funds for the bond refinancing. The previous one was paid when they did the tax roll. It happens once a year.

Mr. Moyer stated that is correct. I thought it that invoice was in the agenda package, we could make it simple by pulling it from the approval.

B. Clean Rules

This item was discussed above.

TWELFTH ORDER OF BUSINESS

Supervisor Requests

There being none, the next order of business followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for Thursday, June 25, 2015, at 6:00 p.m.

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| On MOTION by Ms. Kassel, seconded by Mr. LeMenager, with all in favor, the meeting was adjourned at 9:00 p.m. |
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Gary L. Moyer, Secretary

Steve Berube, Chairman