

# **MINUTES OF MEETING**

## **HARMONY COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, January 26, 2017, at 6:00 p.m. at Harmony Golf Preserve Clubhouse, 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

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

Also present were:

Brenda Burgess ( <i>by phone</i> )	Assistant Manager: Moyer Management Group
Tim Qualls	Attorney: Young Qualls, P.A.
Peter Brill	Severn Trent Services
Rick Mansfield	Davey Commercial Grounds
Ashley Roberts	Davey Commercial Grounds
Roger Echols	Davey Commercial Grounds
Amber Sambuca	Starwood Land Ventures
Gerhard van der Snel	Harmony District Staff
Residents and Members of the Public	

### **FIRST ORDER OF BUSINESS**

#### **Roll Call**

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

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

### **SECOND ORDER OF BUSINESS**

#### **Audience Comments**

Mr. Mark LeMenager stated I wanted to comment in opposition to the idea of bringing landscaping in-house. I think it is a very risky proposition and not something that we should consider. I think the current landscaping company is actually doing an acceptable job. I drove through the neighborhoods on my way to the meeting, and for the middle of January, I thought the place looked pretty good.

Mr. Dan Leet stated I echo Mr. LeMenager's comments. I do not think it should be done in-house. This week, I posted an alternative to the Butterfly Drive Park on Facebook. The plan would be to use the funds set aside for the linear park and use those funds to build a boardwalk out to Buck Lake in a place convenient for the Green and Cherry Hill neighborhoods. The basis for this idea was a ballpark estimate of a construction cost from The Dock-Ters, which was \$43,000 for a 400-foot boardwalk with

swings at the end. The estimate was \$1,800 less if the swings were replaced with benches. The proposed path required the removal of trees, which was not included in the estimate. The estimate does include brush removal. There was some constructive discussion about the idea on Facebook, and the consensus seemed to be that both the park and the boardwalk are good ideas, and they both should be built in the long term. As noted, the biggest hurdle for the boardwalk would be the permitting process. At previous CDD meetings and at last week's town hall meeting, the developer indicated a willingness to cooperate with a project like this on their land. Long term, we know the developer eventually plans to divest himself of lands in Harmony as he sells to other developers. We do not know how willing the future owner of the land will be to work with the CDD to add an amenity like this. Since the CDD already owns the land for the linear park, building it a few years from now should be no different from building it today. Due to the stated willingness of the developer to allow a project like this and due to the future uncertainty of the ownership of the conservation lands, I submit to this Board that the boardwalk project should be given a higher priority starting with formal communications with the developer and requesting quotes for permitting and construction.

### **THIRD ORDER OF BUSINESS**

#### **Approval of the Minutes of the December 15, 2016, Meeting**

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

Ms. Kassel stated page 2 has a sentence that I do not believe is what Mr. Berube meant, "We are trying to keep everyone's assessment level because we all pay the same amount." I believe this was for the operations and maintenance assessment and not for the debt assessment.

Mr. Berube stated I believe I meant to say that we are trying to keep everyone's assessment low because we pay the same amounts the residents do. That is not the only reason to keep them low.

Ms. Kassel stated but we do not pay the same amount. Everyone pays different assessments.

Mr. Walls stated I think the point is that we all pay assessments.

Ms. Kassel stated I just do not want anyone to get the wrong impression by reading the minutes that everyone pays the same amount.

Mr. Berube stated we can strike that sentence. It is incidental anyway and does not really mean anything. We can take it out without changing the context.

Ms. Kassel stated that is fine.

Ms. Burgess stated Mr. Farnsworth emailed a couple minor corrections to the minutes that were non-substantive which I incorporated.

On MOTION by Ms. Kassel, seconded by Mr. Walls, with all in favor, unanimous approval was given to the minutes of the December 15, 2016, meeting, as amended.

#### **FOURTH ORDER OF BUSINESS**

#### **Subcontractor Reports**

##### **A. Landscaping: Davey Tree**

##### **i. 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 or on the website.

Mr. Mansfield stated last month, we discussing having a singular focus on three items. The first is to have a new project manager in place who will run all daily operations. Around January 9, 2017, we were able to have the perfect person, who is Ms. Roberts. She comes to us from the south. She has been here in Orlando and has done some previous enhancements and things here in the past as a fill-in, so she already knew the property. I am pleased to have her here. The 2017 plan was to put on more management staff with higher skill sets, and one of them was Ms. Roberts to run this area. Mr. Echols is a production manager, and he runs all the operations for me out of the Orlando office, including the Enterprise CDD in Celebration as well as six other projects. This is the management team we will have here. I am pleased to have both of them being promoted to the proper positions to help me so that we can operate more efficiently. From a communication standpoint, we had a good opportunity with my direct supervisor, Mr. Mark Svozil, who was in town and had a chance to go around the community and go through everything and share his thoughts and comments. Ms. Roberts is basically doing the day-to-day communications with Mr. van der Snel. I think that will all become much better. The third thing was the system balance checks that I referenced, and we have that in place now. It is a year-long planning and tracking map that will be coming out. We

went back to what we call the true Davey way of tracking things with a systematic report and also service reports that are turned in at all times and are signed by everyone. They have a chance to comment on any work that is good, not good, or needs improvement. We really have our structure in place and everything of that nature, and all the equipment we need is in place. Anything Ms. Roberts needs, we have been getting her those things.

Ms. Roberts stated I have been here for about three weeks. I am here to turn it around. If you drive the property constantly, then you have seen some improvements in two weeks, so I am trending in the right direction. I want to continue to do that. I am here to make things right. I can do it, I am well qualified, and I am up for the challenge. Regarding the sod replacement, 8,000 square feet are complete. There is more to be done on the property. I mainly stay on contact with Mr. van der Snel all day, every day, on any problems happening. I would say we are about 60% complete with the mulch as I drove the property and checked everything. By two weeks from now, the mulch will be complete. We have installed all the annuals. I met with Mr. van der Snel about the square for the article we just prepared. East Five Oaks is complete for trees, so as of tomorrow, they will start on Cat Brier working the inside corridor. We are getting there.

Mr. Berube stated for the benefit of the Board, I think it was last week or the week before, Mr. Svozil arrived and set up a time. He and I toured the property on a golf cart, and I showed him what was going on. The response was quick and swift. Ms. Roberts is now here, and I think they have added two additional people to the crew that is here. They have purchased some additional equipment.

Mr. Mansfield stated I asked Ms. Roberts to go through one mowing cycle and see what she thought it would take and what the property would take in the short turn. Then she can decide in the long run what it will take to make things happen. She said she preferred to have seven crew members plus herself. She now has that. We also knew that we would have some staff changeover because I was no longer going to tolerate any of the non-Davey performance or policies and procedures. I knew we would have instant turnover with a few longer-term people who were here. We brought in some people, and I want to thank Mr. Echols because he has given up a lot of his good people. His number-one person, Mr. Gabriel Rivera, is a tremendous detail person and an asset to the company. He was Mr. Echols's right-hand person, so we brought him in to be Ms. Roberts's right-hand person. He has been here the same amount of time as Ms. Roberts.

We also brought one or two more people from the Celebration property to work here. I had an opportunity to bring in a tree guy from our Chicago office, Joel. He has been with Davey for many years and is extremely good. I noticed on Monday when I was watching him chip up everything, he did four times more work during the time I was here than the other guy did in a complete day. It was amazing to see the difference. Right now, you have a tremendous staff onsite. We are still analyzing one or two people, and we may make more changes, but I believe in giving people a chance. If they do not make it, Ms. Roberts will make the decision what to do and will make it happen. Regarding the equipment, we have had two new John Deere mowers arrive. They have different deck sizes and things of that nature. Part of that is to resolve the rutting problem so that it is not always mowed with the same equipment in the same area. Sometimes, there is not enough room to do cross cutting. If we change the wheel base, that should help. The big 12-foot mower that will be used for the big areas will be arriving in a week. It was originally going to arrive February 10, but they were able to get one sooner. That will be a tremendous help in all the areas. We went outside with the fertilization. We did a complete year-long contract with a fertilization company, the same one we have been using in Celebration. We are back to our award-winning ways there, so just knowing where we can get to is a great encouragement for us here. Not only are we responsible but we have a vendor that is responsible, as well. Regarding tree care, Ms. Roberts has noticed a few things. She is well trained and versed in it, but I have asked her over the next 30 days to set up a walk-through with our tree division including Joel and Mr. van der Snel to look at all trees and do a complete inspection so we know where we are.

Mr. Berube stated I have been watching fairly carefully since the meeting with Mr. Svozil and taking notes. I noticed a crew here on Saturday cleaning some plant beds along Five Oaks Drive. I have seen them hand pulling weeds and spreading mulch. We have been hammering on you fairly hard for the past five or six months. I am cautiously and guardedly optimistic on what I am seeing. So far, it is really good, but it is still early in the process to say that this is all under control. At this point, I do not think we need to change anything from this side. By the end of February in another four or five weeks, I think you will have cycled through most of the problem areas. You will have another two or three mowing cycles done. By then, we will have a pretty good idea if you have gotten it all back under control. I do not see any reason to think you will not at this point. Mr.

van der Snel was instantly happy with Ms. Roberts's performance. She and I have met on the street a few times, and she says the right things. I am watching things happen. We have had uphill and downhill activity for a long time. This is the first time in about 10 or 11 months that I think things are proceeding in the direction they need to be going.

Mr. Farnsworth asked how long do you think it will be before we get back to where Mr. van der Snel does not have to monitor everything on a daily basis?

Mr. van der Snel stated two months. I think within three weeks, I am already handing it over, and I do not have to check as much as I used to do. I get a lot of feedback from Ms. Roberts about things that happen. The communication circle is round now and is working better. Spring is also coming, so things will flush out. I think within two months, I will be able to say that I am not worried anymore. However, I am still responsible, so I will always be involved.

Mr. Farnsworth asked will there be a ground-one list? It has been discussed.

Mr. van der Snel stated right now, the ground-zero list is pretty much done with the completion of the turf replacement. At this point, the property looks pretty good. We can move forward from here. We have to wait until everything starts blooming again. I am pretty confident that I will not have to do another list like this.

Mr. Farnsworth stated I am jumping ahead because I want to get your feel for it. At what point will they be done with the hard charge in their effort?

Mr. van der Snel stated I think that is the point when the Board drives around Harmony and sees that things are improving. It is not just my opinion but the Board's opinion that counts. You need to drive around and determine if it is looking much better than it was.

Mr. Farnsworth stated each member of the Board has a particular category or area that strikes their eye. Not everyone is going to notice the same thing, nor be satisfied at the same point.

Mr. van der Snel stated when I am to the point of telling the Board that everything looks good, I would compare it to how I want my yard to look.

Mr. Berube stated we had two or three years with Davey when we did not have these kinds of conversations. Mr. van der Snel would notice something and tell them, and it was addressed. In the past 10 or 11 months, there has been so much that declined.

Ms. Kassel stated ever since Mr. John Rukkila left.

Mr. Berube stated if you watch this carefully, it has been a huge and easily definable change in what you can see happening on the ground, day to day, every single day. People are out working every day, and it looks like they are working. It is different. Today I counted 10 or 11 people here including the tree crew and people doing the details. A lot of people have been here. Granted, they are catching up, but it has been a swift catch up. We have been waiting for the trees to be done for three months. They were done in three days, and they look pretty good, too. We probably need to make a note on our contract that came from Ave Maria CDD. It says seven feet on the pedestrian side and 15 feet over the road. Davey has not been following that, so someone realized that was not going to work here, which is good.

Mr. Mansfield stated we have had previous conversations about that, and I told them to make it as even as possible.

Mr. Berube stated it appears they are going about 10 feet, which is probably good. We have a contract, and we understand that. Sometimes we stick with the contract, but that is one thing we can probably eliminate. To Mr. Farnsworth's point, I do not know when we will be there. I think Mr. van der Snel is right that we will know in another month or so. There should not need to be anymore tracking, but we will see.

Mr. Mansfield stated as far as the reporting system, I asked them to meet every Friday until they feel it is not necessary anymore. They go through everything and sign off on everything. If anything is left, it goes on a list. Paperwork goes back and forth each week that is signed.

Mr. Farnsworth stated that list is independent of the ground-zero list.

Mr. Berube stated yes.

Ms. Kassel stated the ground-zero list should also include all the landscape refurbishments and enhancements that have happened that were supposed to be looked after by Davey that did not survive and have not been addressed.

Mr. Farnsworth asked should that be on the ground-one list?

Mr. Berube stated I had warranty items on my list, which I presume is what Ms. Kassel is referring to, things that have failed.

Ms. Kassel stated yes. It took me a while to locate the list, but the only thing I have not done is to go around and look at all the areas where the replacements were to make a list of what is missing and what is still surviving.

Mr. Mansfield stated I asked Ms. Roberts to meet with Mr. van der Snel on that, so you need to provide us with the list so we can make sure it is taken care of.

Mr. Berube stated Ms. Kassel can review the areas and see what she thinks, and then contact Ms. Roberts and Mr. van der Snel.

Mr. Walls stated I have seen improvements since Ms. Roberts got here. I appreciate that. To Mr. Farnsworth's question of when we will know we are where we want to be, right now, we are taking issue with some of the major aesthetics. For me, I will know we are where we want to be when we are quibbling about the details, like some weeds in a bed and that level of things. I think we are moving in the right direction. I appreciate Ms. Roberts's efforts in making that happen. Hopefully come spring when everything is blooming, it will all look good and we will then be discussing detailed stuff. That is where I want to be.

Mr. Bokunic stated I agree.

Mr. Farnsworth stated one entry on the ground-zero list was not marked complete. Perhaps it has been addressed by now, but at the time this was generated, there was no entry for the sun dial park's screen for sod and so forth.

Mr. van der Snel stated that is complete. The turf in that park was not doing well. We tried to replace it twice. With Mr. Mansfield's help, we put in jack frost and jasmine so it will have a constant good look instead of the sod.

Mr. Farnsworth stated all I was commenting on was, the table you are supposed to be updating had no entry for this. I do not care what you did, but if you do something, put in an entry.

Mr. Berube stated that was done more than a month ago but did not get included on the list.

Mr. Farnsworth stated at the bottom is an entry to prepare for planting trees. This item disappeared off the list. In November and December, the claim was that it was on hold. That never dismissed your responsibility for it. Further, this month's report showed that you picked up on it. My point is, do not drop something from the list until you do it.

Mr. van der Snel stated it is not intentional.

Mr. Berube stated Davey is bringing in a tree guy in response to those trees first.



Mr. Mansfield stated we did the first inspection on the trees, and we did fertilization at that point. We did it, but now I want to come back for a second inspection of those trees and then look at more trees.

Mr. Berube stated just because it was taken off the list or got missed, other things are still going on in the background.

Mr. Farnsworth stated I am being as rigorous as I can be to keep track of records.

Mr. Berube stated you are right. When it becomes a public record, we need to keep the details correct.

Mr. Farnsworth asked can they present any of the details as far as the organization?

Mr. Mansfield stated I mentioned it briefly. I was working through 2016 with an individual who was very difficult. The corporation said that as of January 1, 2017, I would be allowed to bring on people as I wanted to, which I have done. I have made those adjustments, and it has made a big difference. Now I am able to run the organization and allow Ms. Roberts and Mr. Echols to do what they need to do in the field and to have the proper tools. All the equipment I have been requesting is now coming to fruition. Everything that we are talking about now is part of the 2017 organizational plan. I was at another Board meeting with Mr. Echols last night. The community is twice the size of this, and we had situations like this at one time. Now, they want to give us a standing ovation. It is good to see and know that we are getting there and to know the same basis we did for those properties was also changed here. The key is to have the right basis, the right people, and the right program in place. Then it is a matter of following through with it.

Ms. Kassel stated thank you for your attention to it.

Mr. Mansfield stated you are welcome. It is what I need to do and what I want to do.

Ms. Kassel stated Ms. Roberts, welcome to Harmony.

Mr. Berube stated I am serious when I say that we have been beating on you pretty hard for months. The difference has been dramatic and swift. I did not really expect this fast or this deep of a reaction to our concern within a couple weeks.

Mr. Mansfield stated it is a growing process. It is hard for people on the outside to know where we are going. Now it has turned to where you can see it.

Mr. Berube stated if I thought otherwise, I would say it. I am impressed. Every time I see Ms. Roberts on the street, the answers are correct. I saw some recycling of plants on

the square today. Most people would rip them out and throw them away, but they are being put somewhere else. The details become very important.

Mr. Mansfield stated I have a check-and-balance sheet that Ms. Roberts and Mr. van der Snel use on their Friday meeting. She makes notes and signs off, and they review it.

Mr. Berube stated I know you have some reporting because I have seen her sitting in the truck several times doing paperwork. You must have a lot of details, as big companies usually do.

Mr. Mansfield stated yes.

Mr. van der Snel stated just to evaluate the past year of stress and frustration, I really hope that everything will continue like this. Now we have 200% attention, and I hope it stays like this so we do not go down that hill anymore. I always ask myself why it got this far, why Davey did not step up earlier, and why Mr. Berube and I had to be the people to wake them up. I am a little afraid of that for the future. My advice to Davey is to stay awake and not fall asleep.

Mr. Berube stated there is a bit of a learning curve. We are not going to let it get that far again.

Mr. van der Snel stated yes.

Mr. Berube stated I do not expect that with what I am seeing, as long as those levels stay up.

Mr. van der Snel stated they need to win back our trust.

## **ii. Discussion of Scope of Services**

There being nothing additional to discuss, the next order of business followed.

## **FIFTH ORDER OF BUSINESS**

### **Developer's Report**

Ms. Sambuca stated the landscaping and irrigation are now complete. We have tasked Mr. Aaron Smith with Insight Irrigation to making the connection with the Maxicom system. We will continue to maintain that. It has been projected to turnover to the CDD by March 1. In addition, we have contracted with REW to take care of some warranty items that we have been discussing the past couple months with Mr. van der Snel, particularly in neighborhoods H-2 and F. Those will be happening in the next couple weeks. We mentioned at the town hall meeting last week that the new community in parcel O will most likely begin construction at the end of 2017. That parcel is directly behind the barn and equestrian facility. The ring is included in parcel M, but the barn is

not. We will keep the leasee in there until we begin construction. At that point, we will not renew the lease. Regarding the park in H-2, I spoke with Mr. van der Snel briefly. We are thinking of putting in some sort of landscape buffer barrier between the home side and the common area, with the approval of this Board. A concern was raised with some residents, and we think it would be a good addition at some point for us to financially cover that. It is still in the conceptual stages of what we want to do there.

Mr. Berube stated to be specific, to the rear of the park is a CDD greenspace area, then a sidewalk, then five or eight feet where the mulch ends, a little bit of grass, and then that person's yard starts. You are talking in that area to shield the homes from the park.

Ms. Sambuca stated yes, it is lot 23, some greenspace, a park, and then woods essentially. It is just a possibility at this point.

Mr. Berube asked are you talking about a berm or a row of trees?

Ms. Sambuca stated it is undecided at this point. It could be some areca palms or magnolias or something like that.

Mr. Berube stated it is probably a good idea. When you look at that area between the home owner's yard and where the mulch starts, it is a little strip of grass that will, over time, be difficult to maintain.

Ms. Sambuca stated we agree, and we think it will help the aesthetics of that area. We need this Board's approval to put it in the common area to make sure it is under the maintenance scope of services, that it would be okay for the CDD to maintain it with us paying for the installation.

Mr. Berube stated perhaps you can bring some sort of rendering. I do not see it being a problem. In general, I think it will be fine.

Ms. Sambuca stated thank you. If we proceed with that, I will bring a rendering to the Board.

Mr. Berube stated I believe Mr. van der Snel met with someone from Lennar the other day about H-1.

Ms. Sambuca stated yes, and I wanted to thank you for that. Our builder had a concern the past few months. I let them know we were having some problems with Davey and their concerns are being addressed but it was prolonged. There was a park in that particular area that was looking a little rough. Mr. van der Snel met with the sales manager, Sarah, so I appreciate that you met with them and addressed their concerns.

From the builder's point of view, they are selling homes out there. The look of the area was not great. It was not acceptable to us, so I appreciate you taking the time to do that.

Mr. van der Snel stated because Lennar has been building in H-1, the bahia sod in the small pocket parks has been severely damaged. I talked with Mr. Mike Wylie, the supervisor, and they will put in new bahia when it is available. It is dormant now, so it does not make sense to put it in now. Two hollies need to be taken out. We will transplant two other good ones to the park and will put new plants on one side.

Mr. Berube stated Lennar will be happy when all this work is done. That is important.

Ms. Sambuca stated it is not just about them being happy, but also other residents have said the same thing. I appreciate the attention to it.

## **SIXTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Engineer**

##### **i. Map for Neighborhood O**

Mr. Berube stated we will need a map of neighborhood O so we can provide it to Davey with the acreage count that the CDD will maintain. While you are counting acres, I would like an acreage count of everything that Davey currently has under contract. It may have already been done. I think it is about 388 acres.

Mr. Boyd stated it is a little tricky in some spots.

Mr. Berube stated your best guess, as close as you can get. We are five or six weeks away from neighborhood O being ready for maintenance. At some point, we need to give them a courtesy of looking at the map to find out how much it will cost to maintain. The more time we can have for that discussion, the better off we will be.

##### **ii. Swale in Neighborhood F**

Mr. Boyd stated the outfall structure modification to lower the water levels in the two ponds has been approved, which we have discussed previously. Jr. Davis has those drawings. What they need from me, and the developer is pushing me to get this done so they can start, is some additional detailing of what we want to do inside the swale itself. I am working on that. They should have it Monday, if not tomorrow, and you should see them start work pretty soon.

Mr. Berube asked what do you mean by inside the swale?

Mr. Boyd stated the drainage boxes.

Mr. Berube stated not necessarily the trees.

Mr. Boyd stated no, not the trees. I was talking with Mr. Kent Foreman, and he is also working on plans to replace some of those trees.

Mr. Berube stated as far as you know, the overall permitting with the Army Corps of Engineers that covers the entire property is still up in the air, so there is no reason to discuss what we want to do in front of the kayaks and canoes.

Mr. Boyd stated that is correct. We are actively working with them on that issue to retroactively update the permit to cover their concern in that location.

Mr. Berube stated maybe in a year, it will be done.

Mr. Boyd stated hopefully much less than a year.

**B. Attorney**

**i. Discussion of Facility Use Agreement with Osceola County**

Mr. Qualls stated this item has to do with the use agreement that has been entered into for four or five years for the school where the kids come for swimming lessons. Ms. Stacey McMillian at the School Board reviewed the agreement and recommended a couple changes. I did not feel comfortable approving the changes without bringing it to this Board. The first is on page 3 in the second paragraph. It reads now, "Upon signature of this application, the event organizer [the school] agrees to be liable for any and all damages, losses, and expenses incurred by the District caused by the acts and/or omissions of the event organizer." They want to add "negligent" to read "caused by the negligent acts and/or omissions."

Mr. Farnsworth stated it sounds like they are seeking a legal release under certain conditions.

Mr. Qualls stated yes, and I was thinking about that. If it reads that they are responsible for the expenses incurred by the District caused by the acts and/or omissions of the event organizer, there still has to be an element of negligence. There has to be a duty and a breach of that duty. I read it before that it would be understood only for the negligent acts. Otherwise, neither the School Board nor the District will be liable in anyway if there is not negligence. I do not have a problem with that change with one caveat. We go to great lengths in these agreements to make sure that the organizer is liable for what happens when the organizer uses the pool. What if one of the kids was to do something foolish or something negligent? What is the school doing to make sure that those kids and their parents are responsible? I think we need to look into that.

Mr. Walls asked are the kids not charges of the school when the school brings them here?

Mr. Qualls stated I would argue that is the case, yes.

Mr. Berube stated these are kindergarteners and first graders.

Mr. Qualls asked are you saying they cannot be negligent?

Mr. Farnsworth asked are you saying they cannot be destructive?

Mr. Berube asked how far down the legal road do we need to go? Sadly, this is why government is in the condition it is. Pretty soon that use agreement will be 18 pages long.

Ms. Kassel stated if there is damage and the agreement only covers negligence, then we end up footing the bill, whether it is someone from the school or one of the kids if there is an accident or lack of responsibility that is not negligence.

Mr. Qualls stated give me three days to look into it. I am in the middle of a litigation right now. You can say government is the problem, or you can say litigious people are the problem. Litigious people are going to sue everyone and come after people with deep pockets.

Mr. Berube stated and governments react to that with use agreements that become 18 pages long. I understand that. Take your time. I do not think we have a use request pending right now.

Mr. Qualls stated they just want to tweak this agreement.

Mr. Berube stated they will be looking to do lessons in May.

Mr. Qualls stated the other thing was, they want to strike the section that says the organizer will indemnify and hold harmless the District for anything that might happen. The Attorney General has said a government cannot have a clause in its contract that it will indemnify another party to that contract. The reason is, the legislature has already set forth in Chapter 768, Florida Statutes, the waiver of sovereign immunity to tort. A government is immune from liability. In Florida, the legislature has said for tort liability, we are waiving that immunity up to \$100,000. The Attorney General has said that one government cannot indemnify and hold harmless another party to the contract because that could be in violation to that Statute. They want to strike that indemnity section. I do not have a problem with that, either. I want to have something in writing back and forth between the District and the School Board that explains to me what they are doing with

those kids and what process they go through to make sure those kids and/or parents will not have any cause to come after the District.

Mr. Farnsworth stated we are letting them use the facility. What if someone messes up and a kid gets hurt?

Mr. Qualls stated yes. If some random person, not a member of the District or the school, comes onto this property and does something to those kids, you could argue that the School District was negligent by not making sure that did not happen. I just want to think those things through a little more.

Mr. Berube stated this is why many use requests are denied.

Mr. Qualls stated then you can sleep at night, knowing you do not have to worry about these things.

## **ii. Employee Manual**

Mr. Qualls stated I was asked a question by a Supervisor related, on a broad scope, to the policy of the District as it relates to District employees. When the Board was wrestling with whether to bring on employees or not, we always consistently advise not to do that, that it should be done by the District manager. They should be the manager's employees. This Board make its decision, and you have the right to do so. We are here to give advice, not make you take it. I know this District has policies, which do not have to be in writing. They just have to be consistently applied. My recommendation is that the Board ought to consider reducing those policies to writing so that everyone can see what those policies are. It is very helpful to have a written labor policy. Orange County has one, and most governments I deal with have a policy. It does not have to be in writing as long as the policy is consistently applied. I think it would be good for you to have employee policies in writing. It will address terminations and when people quit and other issues. Then you have something to look to.

Mr. Farnsworth asked have any issues come up that would be impacted by that?

Mr. Qualls stated thankfully it does not appear so. The issue that came up was a certain person quit and leveled all sorts of accusations. The question I had was, what type of process was done to look into that and investigate it. I think we need to have a process in writing for what you do in those situations. I have samples that I can provide to you. I do not think you need to go through rulemaking. I just think it would be good for this Board to approve policies now that you have employees.

Mr. Berube stated pick the most appropriate samples you have and forward them to us. We will review them and have a discussion.

Mr. Farnsworth asked for whatever policy we adopt, where is it recorded in our records?

Mr. Berube stated it is not yet.

Mr. Qualls stated it would be included in the minutes and I think we post it on the website and anywhere else appropriate.

Mr. Farnsworth asked that is sufficient for a policy?

Mr. Qualls stated yes. The most important thing is to give that policy to all the District employees and all new hires. That way, everyone is coming in knowing where they stand.

Mr. Berube stated we are not the employer.

Mr. Qualls stated but you are. Look at the agreement.

Mr. Berube stated they work for FRM. I know what you are saying.

Mr. Qualls stated then we need to get the policies from FRM.

Mr. Berube asked what policies do you want?

Mr. Qualls stated the right to take time off, the right to be compensated for time-and-a-half, all the labor law policies that tell the employees their rights.

Mr. Walls stated practically, we decide what is happening here. I understand that our staffing company may have policies, but we have people here on the ground who are telling employees what to do. We are setting direction for those people. I think he is correct that we need to make sure that the policies are uniformly applied. It is the same for everyone so that there are no issues. There may be no issues now.

Ms. Kassel stated so no one is surprised.

Mr. Berube stated I suspect we have most of this already documented, but it has not been made public yet. They get a holiday package and a sick day package. It is all out there.

Mr. Qualls stated we need to get it all in one handbook.

Mr. Berube stated send us some good samples, and we will put it together.

Ms. Kassel stated one of the things you said was that someone asked what had been done to look into this. You did not address what had been done to look into it.



Mr. Qualls stated (a) I do not know what has been done except for the District manager asking some questions and doing the due diligence, and (b) we do not have a guide stick for what should be done so that it is consistently done in each and every situation. I was trying to be proactive and think these things through.

Mr. Berube stated I think Mr. van der Snel can give you an idea of what was done in regard to that letter.

Mr. van der Snel stated I will forward the information. All new employees sign an agreement with FRM, and that agreement is pretty solid. I will send you the policies that we already have.

Mr. Qualls stated here is my point: if an employee lodges a complaint, what steps does the District take to address that complaint and to review that complaint. It is the due process to look that complaint through and make a determination.

Mr. Farnsworth stated when you say "District," you mean more than the District manager.

Mr. Qualls stated yes. The contract essentially says the District hires these people. They are managed by FRM, and they report to the District manager. As Mr. Walls correctly stated, as I understand it, this Board is responsible at the end of the day for what Mr. van der Snell and/or the District manager does in those situations.

Mr. Walls stated I think the point is that we need to approve of the policies that are being implemented. We do not need to implement them. That is not our job, but our job is to make sure they exist and that they are being applied.

Mr. Qualls stated consistently applied. That is the key.

Mr. Berube stated I think most of it is in writing, but we will look for the form from Mr. Qualls. We can adopt it as a policy. We already have rules and policies.

### **C. Field Manager**

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

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

#### **ii. Facilities Usage** (*Boats and Others*)

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

### **iii. Facebook Report**

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

### **iv. Pond Report**

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

Mr. van der Snel stated the Board asked for the old pond report, which I provided.

Mr. Farnsworth stated there is a problem with it. Where did the pond numbers come from?

Mr. Berube stated the master map.

Mr. Farnsworth asked what master map?

Mr. Berube stated the master map that Mr. Boyd provided that was part of your map revision proposal.

Mr. Farnsworth stated those are not the numbers that are on his map. I have the map showing on the screen.

Mr. van der Snel stated if you received this report electronically, every pond number has a link. You can click on that link.

Mr. Farnsworth stated the problem is, if you are looking at the printed version of that report, it needs to have the reported pond numbers, the legal pond numbers that are on Mr. Boyd's map. They all have a number. We cannot be using different numbers.

Mr. Berube stated I thought that is what we had on the report.

Mr. Farnsworth stated this is some new numbering scheme.

Mr. Berube stated he needs to put the real pond number on the report.

Mr. Farnsworth stated correct. This is an arbitrary set of numbers. That is not acceptable.

Mr. Berube stated he provided a link for each pond number, but he will fix it.

Mr. Farnsworth stated that is the stickler kind of thing I will bring your attention to.

### **v. Quote for a Manifold Splashpad**

Mr. van der Snel stated the manifold is 12 years old, which is what distributes all the water mainly to the fountain. It started to get rusty. The bolts are rusted through, and there is rust in the water. At this point, we need to take action before it explodes and we have another flood.

Mr. Farnsworth stated it sounds like the manifold that is there is stainless steel.

Mr. Berube stated yes, it is. There is a big pump in the vault in the ground, and it has two sump pumps to protect it from flooding. A big pump puts it into a big pipe, probably six feet long and about six inches in diameter. That is what they call the manifold. Off that are six two-inch smaller pipes that go out to the various fountains and sprayer. This stainless-steel manifold is always wet with chlorinated water. It always has water in it, and it is 12 years old. Although they call it stainless, it got rusty, as will the new one. My suggestion is to use pvc, which is as thick as the stainless and will handle the pressure.

Mr. Farnsworth stated that is where I was going in the difference between these two quotes. If you already have stainless steel, it will cost more to repair the stainless steel than to replace it with pvc. The second quote did not make any sense.

Mr. van der Snel stated I wanted to give the Board a choice.

Mr. Farnsworth stated for comparison purposes.

Mr. Berube stated I think Mr. Farnsworth misstated that. The second quote is not for repair. They will take it out and bring it to their shop. They will weld up a new one just like it, and then bring it back.

Mr. Farnsworth stated they will fabricate one to match.

Mr. Berube stated yes. It will be replacement stainless steel, but it will rust at some point and we will have to address this issue again. The pvc is the way to go. It saves some money, and it gets done quickly.

Ms. Kassel asked what kind of bolts are going to be on the pump, suction, and discharge? Will they need to be bolts?

Mr. Farnsworth stated it states stainless steel bolts.

Ms. Kassel stated they have rusted.

Mr. Berube stated yes, pvc will be to a pvc connection, effectively glue. You will have one inlet connection off the pump that will have a rubber boot with a clamp on it. You will have one stainless-steel clamp securing the pump line to the new manifold. That will be external and easy to change if it should rust. Everything else will be pvc and will not rust.

Mr. Farnsworth asked why was there only one quote from one company?

Mr. van der Snel stated it took me about three weeks to find one. We tried Westco, but they said they were too busy to do this. They did not want to bother with it. They are

in Venice and would have to drive two hours to get here. It is not cost efficient for them to do this work. Their staff is \$150 per hour, so it would cost \$300 just to get them here.

Mr. Bokunic asked can we get another quote?

Mr. Berube stated not easily.

Mr. van der Snel stated there not a lot of companies who will take on this work.

Mr. Farnsworth stated you may be stuck in having very few firms who could do it or would do it from wherever they are physically located. I understand, but I had to ask.

Mr. Berube stated normally, we get three or four quotes. This company is from Sarasota. These Westco fountains are custom built. Everything in that vault is very custom. It is very expensive to maintain.

Ms. Kassel stated I would like to have confirmation from Westco since they were the original fabricators that pvc will be trustworthy over the long haul, as much as or better than stainless steel.

Mr. van der Snel stated Westco already told me they do not want to take on the job.

Ms. Kassel stated I understand. That is not what I am asking.

Mr. Farnsworth stated since Westco put this in originally, we need to ask them if pvc will serve the role and have sufficient strength to satisfy the requirements in a long-term basis.

Mr. Walls stated I think that is valid. There was a reason they used stainless steel, which is more expensive than pvc. That would be my only question.

Mr. Farnsworth stated a mechanical engineer of some kind or someone should be able to tell you that.

Ms. Kassel stated Westco has decades of experience with this kind of application, so they should be able to fairly definitively answer the question.

Mr. Berube stated we will send an email to Westco to ask if pvc, from a durability standpoint, is as sufficient as stainless steel.

Mr. Farnsworth stated even if it is not as efficient, we need to know if it is safe and what durability it will have in their experience.

Mr. Walls stated if they say instead of 10 years, it will last five years, that is fine because it is half the price. I want them to say if it is a proper application in the first place. If that is the case, it may not last as long, which is fine because we can replace it twice for what it will cost to replace the stainless steel once.

Mr. van der Snel stated from my technical point of view, pvc is not in the sun but is in a vault.

Ms. Kassel stated even so, I think we all agree that it would be a good idea to contact Westco and ask them if this is a proper application.

Mr. Farnsworth asked does that put a crimp in the need? Is there a problem if it is delayed?

Mr. van der Snel stated the bolts are rusted through on the manifold to the pump. I am just making the Board aware of that risk.

Mr. Berube stated if it fails, the sump pumps will come on, and they should be able to handle the flow. If that occurs, then it is shut down until we make a decision.

Mr. Walls stated I am fine giving approval right now to go with the pvc option, pending Westco saying it is okay. We can vote on it now, and Mr. van der Snel can email us if they say it is fine.

Mr. Farnsworth stated conversely, if they say it is not, then we will shut it down. Will the procurement process be too far along to get it shut down?

Mr. Walls stated no, he is going to find out the answer first.

Ms. Kassel stated if the answer is no, then we go with the other quote.

On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to the proposal from Water Equipment Technologies to replace the manifold with pvc as described in option #1, in the amount of \$3,250, subject to confirmation from Westco that pvc is a proper replacement for this application. If it is not, then approval was given to the proposal from Water Equipment Technologies to replace the manifold with stainless steel as described in option #2, in the amount of \$6,900.
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#### **vi. Playgrounds**

Mr. van der Snel stated the play areas are done. I gave the contractor a hard time because he was not doing it correctly the first time. The poles were off, so they had to hammer it out again and redo the concrete. Now it is level. They did a good job and were very good to work with. The playgrounds came to \$33,000 for both.

Mr. Berube stated I have driven by there a few times, and kids are always playing on them. Apparently, there was a need.

**vii. Butterfly Park Trees**

Mr. Berube stated over the last three months or more, we have discussed the trees for Butterfly Drive Park. We said that we were going to make a decision this month if we wanted to spend the money on that, knowing that we had the playgrounds still to be finished. Now we know what the finished cost is. That leaves about \$20,000, maybe a little more, unfunded for Butterfly Drive if we add those trees.

Ms. Kassel stated we have \$791,000 in a reserve fund. I think we can afford to spend the money for trees out of that reserve fund for this capital outlay.

Mr. Berube stated I am not arguing that. We have stayed with trying to fund this out of our existing budget. We knew we were going to have to move money around or take some out of reserves to finish it because we knew we had gone over. Having the money is not the issue. Clearly, we have the money. Even in the budget, we still have it because we moved landscaping numbers.

Ms. Kassel stated it is on the balance sheet, and we have unassigned of \$701,850.

Mr. Walls stated that number keeps going up and down as we spend money.

Mr. Berube stated that is not what we really need to focus on. If we leave the reserves alone, which we should do, we have money in miscellaneous landscape services because we plugged in \$25,000. Even if we decide to put in the trees, that \$25,000 is still in the budget and we have not really touched it yet.

Ms. Kassel stated no, but we probably have other areas of refurbishment that need to be addressed.

Mr. Berube stated I agree. It depends if you want to fund the park from reserves or if you want to fund the park out of this year's budget. The money is here. We will not run out of money, but we need to know how to fund it. The bigger question is, do we want to spend that extra \$10,000 for the trees.

Ms. Kassel stated I do.

Mr. Berube stated when I read the Facebook responses, it is hard to read some people, but of those who read it, they said yes, to spend the money on the trees because we need parks. Everyone likes parks, and we have always built parks.

Ms. Kassel stated we had promised that Butterfly Drive Park for probably the last two years to the people in the Green neighborhood. The people in the F neighborhood also deserve a park right there. It is something we have been planning and have submitted to

the County. The County threw us a curve ball, but it is not so dire that we cannot afford to do it.

Mr. Berube stated let us stipulate that it will cost \$10,000 over the budgeted amount. That is pretty close.

Mr. Walls asked why not figure out what it is going to cost before we entertain a motion? I want to see what the total is. We do not even have a proposal.

Mr. Berube stated we know the park itself is \$43,000.

Ms. Kassel stated we do have a proposal.

Mr. Walls stated not with all the trees. We have one for the sidewalk, but not one that has all the requirements and also includes maintenance.

Mr. Boyd stated that is true; you have a budget number for the trees.

Ms. Kassel stated yes, we have a budget number for the landscaping for the park, which now just needs to be amended because we have to install more trees.

Mr. Berube stated the park was \$43,855 including about \$8,000 for the trees that were part of that package. The last proposal we got from Davey were trees that pretty much met the standards that we needed for permitting, at about \$18,000. We had \$8,000 included, so the net change to the overall proposal was \$10,000 for additional trees. That is where we stand. That is just for Davey's proposal. There are probably other landscapers out there that would like to sell us 34 trees for a deal.

Ms. Kassel stated I got a quote through Mr. Gary Moyer, and the quote was really not much better. That does not mean there are not other firms that might be willing to do it for less.

Mr. Berube stated the other thing we can do if we decide to move forward, we have to go back to Mr. Justin Ferrell because that quote is now almost a year old.

Mr. Walls stated all I am saying is to firm this up. Get all the quotes and put them together showing the total cost. Then I will vote on it. I do not understand why we are going to vote on something before we have that information in front of us.

Ms. Kassel stated we had the information before.

Mr. Walls stated but it is old. I am not comfortable using that information right now.

Mr. Berube stated we keep putting this off. We can put it to a vote and let democracy happen.

Mr. Walls stated I do not even know what we are voting on. We are going to vote on a project without having the costs for it?

Mr. Boyd stated where we left it with the County, we do not have approved plans at this point. They required us to add the additional trees, which is where we stopped. One way to address your concern is to add the additional trees to the plan, get the plans approved, and then we can take that plan to Mr. Ferrell to have him update his quote to include the additional trees. That is one way to go. Then you have an approved plan and a firm price to go with the plan. We could even solicit proposals again if you think Mr. Ferrell is not being responsive.

Mr. Bokunic asked what are we looking at timewise?

Mr. Berube stated we went around and around last time looking for a contractor.

Ms. Kassel stated we voted on a price for this park. The only change has been that now the County is requiring us to pay an additional cost because of added trees that they require. We already approved the plan. Now we have an added cost.

Mr. Walls stated the plan is not even approved by the County.

Ms. Kassel stated it is still what we approved.

Mr. Walls stated but the County has not approved it. We have a plan that is not approved by the County. They may add some other requirements.

Mr. Berube stated we are at the end of that process because it has already been through permitting three times to get it squared away. The last holdup is the trees, and not necessarily the trees, *per se*, but the style and size of tree is what we ran across. They do not want crepe myrtles; they want deciduous trees. That is the problem. Crepe myrtles are cheap, and deciduous trees cost a lot of money. They will also break the sidewalk, but that is a separate issue.

Ms. Burgess stated this item was not listed on the agenda as an action item. Do our rules require that we at least offer the public an opportunity to make a comment? They did not know it was on the agenda for tonight and could not make their comments during audience comments.

Mr. Qualls stated because this was on previous agendas, the public is well apprised of the issue.

Mr. Berube stated we have been discussing it for month.



On MOTION by Ms. Kassel, seconded by Mr. Bokunic, with all in favor except Mr. Walls and Mr. Farnsworth, approval was given to spend up to an additional \$10,000 in trees and additional costs associated with updating the plan for Butterfly Drive Park to reflect 2017 costs to meet the County permitting requirements.

Mr. Berube stated the next step will be to engage perhaps Mr. Foreman to see if he would be the landscape contractor to draw up this plan.

Mr. Boyd stated yes.

Mr. Berube stated have him modify the permit, as well. Our next step will be to submit it to the County. Once it is approved, we will direct Mr. van der Snel to look for some less expensive trees. This is when I wish we still had the tree nursery, because we had 50 trees.

Ms. Kassel stated yes, but they have to be three-inch caliper at chest height and 10 to 12 feet when planted.

Mr. Berube stated we will move forward with this. Mr. van der Snel will need to contact Mr. Ferrell. You do not need to look for trees yet, not until the final landscape plan is done to tell you what kind of trees. When Mr. Boyd talks to Mr. Foreman, we want trees that he thinks will be the least expensive and still meet the requirements. Mr. van der Snel will contact Mr. Ferrell to tell him we are moving forward on permitting, and we would like him to confirm his pricing, that he will honor his last proposal or perhaps even be less.

Mr. Walls asked do you not want to pick trees that are aesthetically pleasing and not just the cheapest?

Mr. Berube stated Mr. Foreman is the landscape designer for the developer.

Mr. Walls stated yes, but I do not want our direction to him to be cheap. If we are going to do this, let us make it look right.

Mr. Berube stated the trees will blend into the landscaping and hopefully will not be very expensive. They are going to revise a number of the trees in the swale, so I am sure he will take that into account because he is redoing that tree count, as well. I think he will understand. It is finally moving forward, we think, against the wishes of some.

Mr. Farnsworth stated I just have reservations.

Mr. Walls stated I am not against it, but I just want to see the whole plan. I do not like to vote on things I cannot see.

Mr. Berube stated hopefully in a month, we will have a full plan.

## **SEVENTH ORDER OF BUSINESS**

### **District Manager's Report**

#### **A. Financial Statements for December 31, 2016**

Mr. Brill 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. Berube stated Toho Water Authority water rates have risen significantly. It is not necessarily the rate, but they did a revision last year and had public hearings. They lowered all the meter costs for the base water charge across the board. The meters are significantly less costly on a monthly basis. On virtually all our irrigation meters, you have tiered structures. If you use 1,000 gallons, it is probably \$1.00 per thousand gallons. If you use 2,000 gallons, it goes to \$1.50 per thousand gallons. The higher up you go in the tier, the cost is dramatically more expensive. I think water is the only thing you buy in quantity that gets more expensive the more you buy. The net effect of this is that all our fixed monthly costs have gone down for the meters, but virtually all our larger meters were on tier 4 already, and tier 4 has roughly doubled in its cost per thousand gallons. The net effect so far is that we are \$4,000 over budget one-quarter of the way through the year. It is hard to tell because our water usage bounces around every month. I think we will miss the water budget of \$110,000 by \$10,000 to \$20,000. This is not because we are using any additional water.

Mr. Bokunic stated we did not budget for it.

Mr. Berube stated no, we did not understand this was coming.

Ms. Kassel stated we did not know that Toho Water Authority was going to increase the rates.

Mr. Berube stated that is correct. Nothing has changed on our end. Also consider that we will be adding neighborhoods I and O.

Ms. Kassel stated I did not notice this month so much but I did the previous month. It was not just the bill but water use.

Mr. Walls stated it was very dry.

Ms. Kassel stated yes. The point is that it is not just a matter of the cost of the water but also the use of the water.

Mr. Walls stated I looked at a few of the bills, and usage is up over this time last year because it rained last year and has not rained this year.

Mr. Berube stated consider also that Davey just put down 24,000 square feet of sod, which needs to be watered. They have not done any plant beds, but when they fertilize or need any watering, they ask Mr. van der Snel to turn on the water.

Mr. Walls stated it may not be as dire as that. I think we probably have more usage.

Ms. Kassel stated we also have more areas to irrigate than we used to have. We have not been thinking about that when we have been thinking about the water bills.

Mr. Berube stated we thought about it last year when we discussed the budget. We knew we would have two or three neighborhoods, so we added 10%. This is a 10% or 20% increase overall. I am just letting you know this happened. We cannot do much about it now.

Ms. Kassel stated that is not true. It is a longer-term consideration, but we plant a lot of sod, and a lot of areas could have more shrubs that require less water. Maybe over time, we can decrease some of the sod that we are replacing and irrigating, and increase the number of shrubs that use less water. Or we can plant more xeriscaping-oriented plants that can tolerate more dry conditions. St. Augustine sod is very water intensive. Maybe we start thinking about areas that need new sod and instead put in different sod that is less water intensive and let that start to blend with what is there in areas that are not as visible. On a long-term basis, we should start thinking about planting materials that are more drought tolerant and decreasing the total amount of sod on a gradual basis.

Mr. Berube stated that is an interesting concept. I do not know if we can make a significant dent in water requirements considering how much we use overall by trading out sod for less water-intensive materials.

Ms. Kassel stated it is something to think about and consider moving forward.

Mr. van der Snel stated the biggest area for water use is Cat Brier and East Five Oaks Drive. Those have the biggest clocks, so those would be areas to consider putting shrubs.

Mr. Berube stated those big clocks are supplied by a big meter. When that meter runs, it draws out a lot of water.

Ms. Kassel stated we have a lot of trees that are starting to get large. As our trees get larger, also along Five Oaks Drive, maybe we will have more shade and perhaps less watering because of less exposure to the sun. It is just a thought.

Mr. Berube stated because the way Maxicom was set up without flow meters, and without moisture sensors in the soil, we just set it and let it run. If we had moisture sensors and flow meters in those areas, you could back it down. He can do that manually.

Mr. van der Snel stated I am monitoring Maxicom every day manually because it is not that reliable.

Mr. Berube stated because it does not have all its features enabled, and enabling all of them is expensive. If you look around and see areas that can be xeriscaped, we can consider it. We do projects every year with different colors in various areas. I do not think anyone on this Board will argue saving some water by putting new plants. It appears that Davey now has the technology and manpower to handle it. Let us make it look pretty.

Ms. Burgess stated I appreciate you letting me participate by phone. Mr. Moyer unfortunately had a conflict for tonight. Mr. Brill has been very gracious to attend your meetings and answer your questions because he is involved with the accounting department.

Mr. Brill stated we have collected 60% of our non-ad valorem assessments through the tax collector. At this time last year, we had collected about 58%, so we are on track. The financials are through December 2016, which is the first quarter of the year. We like to see our expenditures at 25% or less, and we are currently at 18%. Being 7% under our prorated budget, we are looking pretty good, even though we just discussed going over budget on some line items. A lot of the other line items, such as R&M items, are coming in under budget this time of the year.

Mr. Berube stated page 4 of the budget for landscape services, last month we had some discussion about aligning the line items in this section to correspond with the three major Davey contract items. It looks like they got that right for contracts—trees and trimming, contracts—shrub care, and contracts—ground. Line 4 for contracts—turf care works okay, but the bigger problems are (1) contracts—landscape and irrigation, which has a \$93,586 yearly entry, and (2) contracts—shrubs, groundcover, annuals, which has \$5,068 plugged in. They fixed it, but I do not think it was fixed completely.

Mr. Brill stated we can look into it further. We received the request from Mr. Moyer to ask Mr. van der Snel to help because Davey's invoices are a little vague. My accountant, Ms. Tiziana Cessna, who does the accounting for this District, needs more

guidance for the specific line items. Mr. Moyer asked us to resolve this with Mr. van der Snel. These were some of the numbers that we provided to Ms. Cessna for the line items. That is also why the financials did not make the initial agenda package because we were still coordinating those numbers. We can look at them again and do adjusting journal entries however they need to be.

Ms. Kassel stated we need annuals to come out of contracts—shrubs and groundcover, and we need a line item for annuals and a line item for mulching because those are separate contracts.

Mr. Berube stated yes, we have three major contracts, and they are different from what we had before. That has caused confusion with the Davey invoices. Most of this is right, but we should have only three line items.

Mr. Brill stated technically, you are going to have the original four line items until we officially do a budget amendment to move them out. We normally do budget amendments before the November 30 deadline unless the Board requests us to do one earlier. The budget is brought to life by resolution, so we would have to change it by resolution. We are just creating a mid-year fix. Before we go through our audit, we will provide an amendment to fix the line items. The budget is always moving. That is why we added those three line items that technically have no budget. In the end, we are moving the money from the line items that we are not applying the expenses from. After the fiscal year end, we will do a full budget amendment to make it clean and clear. In the next budget cycle, we will be able to make it look right, so next fiscal year, you will see certain line items zero out and other line items with the correct budget numbers. That is an easy fix. Right now, we have the extra line items, some with a zero dollar value for the current year. If you know the exact line item names you want, I can get that changed, and you will see them in the next set of financials if you do not like how we labeled them now.

Mr. Berube stated I will send that to you.

Mr. van der Snel stated Davey has a contract number on every invoice, and it might be easier for the accounting department to related that invoice to that contract number.

Mr. Berube stated we should have only three contract numbers. I do not know who has the contract numbers.

Ms. Kassel stated I do not have the contract in front of me. Do we not have line items in the contract for various aspects of landscaping in the main contract?

Ms. Burgess stated no, there used to be.

Mr. Berube stated the new contract is basically turf care, which includes the trees, but it is not broken out anymore. It is one number.

Mr. Brill stated that is the problem we are having.

Mr. Berube stated there is another one for shrub care, which includes trimming and fertilization and so forth. Then there is the groundcover and annuals, which if I remember right now includes mulching. We broke it out that way because it was a piggyback contract, and then we had additional services. It is a matter of lining up which contract is which and which invoice goes with which contract, and then getting the budget to match. There is nothing wrong here, *per se*, except it does not read right.

Mr. Brill stated we have a Davey invoice for \$31,195.34.

Mr. Berube stated that is for turf care.

Mr. Qualls stated that is correct; it is 12 payments at \$31,194.33. That number is off slightly.

Mr. Brill stated it looks like it is \$.99 off. It gives a contract number, but that is all it says and references the maintenance agreement and month of service. That is why we were working with Mr. van der Snel to word that better.

Mr. Berube stated we will look at it a little more carefully and get it squared away for next month.

Ms. Burgess stated Mr. Brill is exactly right that we generally try to hold our budget amendments until after the end of the fiscal year. What I suggest you do, which you already discussed doing anyway, is to operate under the impression that we are going to do a budget amendment because we need to change our line items. Mr. Brill will go ahead and do that in the financial statements so that they will read correctly. If you really want us to do a budget amendment now, we can do another one in November if needed. It is your call and we can certainly do that. In any case, he can make the financials look in a way that makes more sense to you.

Mr. Berube stated we will get them looking better, and then we can discuss if we want a budget amendment now or later. It does not really matter as long as it stays in the right line item.

Ms. Burgess stated regarding the item Mr. Qualls raised on the agreement with the school board, I looked at my agreements, and we started that first interlocal agreement in 2008. That was not necessarily just for a use permit. It was an interlocal agreement between the two governmental entities where they indemnified us and we indemnified them. It is time that this agreement is revised because some things have changed.

**B. Invoice Approval #201, Check Register, and Debit Invoices**

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

On MOTION by Mr. Walls, seconded by Ms. Kassel, with all in favor, unanimous approval was given to invoice approval #201, check register, and debit invoices, as presented.

**EIGHTH ORDER OF BUSINESS**

**Topical Subject Discussion**

Mr. Farnsworth stated I do not what the social committee's policy is.

Ms. Kassel stated I am on the social committee, and I was involved in making this event happen scheduled for next Tuesday.

Mr. Farnsworth asked how broadly was it advertised, how open is it to the public, or is it for residents only?

Ms. Kassel stated Mr. Bill Fife brought it to me and ask if the social committee would be interested in doing this where we could put out telescopes and have a speaker. I contacted the rest of the social committee, and they agreed to do it. I filled out a facility use application and submitted it to the CDD on behalf of the social committee, and it was approved. It was a social-committee sponsored event since HOA dues went into it. We did not have much expense associated with it. Because it is a social-committee sponsored event, it is essentially for residents. If residents have guests they want to bring, I am sure those guests will be welcome. To widely advertise it and bring in a lot of people was not the idea. The idea was just to mostly be for Harmony residents so it would be a relatively low-key, quiet enjoyment of our Town Square and the stars in our dark sky community.

**NINTH ORDER OF BUSINESS**

**Supervisor Requests**

Mr. Farnsworth stated at some point, we need to discuss buying out street lights.

Mr. Berube stated I contacted OUC. We do not have a 10-year buyout limit, so we can buy out any of these street light contracts anytime we want.

Mr. Farnsworth stated I think we are all aware of that.

Ms. Kassel stated they all look like they are set for a March 2017 buyout.

Mr. Farnsworth stated the numbers all reflect March 2017.

Ms. Kassel stated the return on investment for the second to the bottom, loan #9, is 54.198%.

Mr. Berube stated that would be good, probably followed by the one above it, which is 48.267% return on investment. The buyout would cost \$254,981 for loan #8, so we do not have enough to do both. We could do one and another small one.

Mr. Farnsworth stated it is \$233,986 for #9.

Mr. Berube stated I will ask that we put this item on next month's agenda so we can discuss it more thoroughly. I will ask Mr. Farnsworth to send the updated chart to Ms. Burgess so it can go in the package.

Ms. Kassel stated I received a request from a resident to consider some additional benches around town. For example, between the Green neighborhood and H-1, there is a pond, and a lot of people walk around that pond. When you are exiting the community on Schoolhouse, and you get to the Schoolhouse circle before going to U.S. Hwy 192, after the circle on the right is fencing and a woodland area with a pond at the back of the Green neighborhood along Dark Sky. A resident requested one or two benches to be added to that area.

Mr. Berube asked how much does it cost for a bench and concrete pad?

Mr. van der Snel stated about \$1,200.

Mr. Walls asked is there a walkway? Does one side have a sidewalk?

Ms. Kassel stated no, I do not think so. I think it is too far back.

Mr. Bokunic asked where would that come from in the budget?

Ms. Kassel stated the parks line item.

Mr. Farnsworth asked were some benches put in at someone's request already?

Mr. van der Snel stated we need to put a bench at the H-2 play area since it does not have a bench. We are going to relocate the one across from the Beargrass park on the corner of Indiangrass at the pavilion. It has four benches, and one of them has its back to the road, so we will relocate that one.



Mr. Berube stated I am a little concerned. Mr. Walls asked if it had a sidewalk. How many people are going to trudge through the grass to get to a bench, besides the person who requested it?

Ms. Kassel stated what was told to me was that a lot of people walk around that pond, just like they walk around Long Pond at Lakeshore Park. Even though there is no concrete path, if there is a possibility of putting in a bench, this person said based on her knowledge on the amount of traffic that area gets, it would be used. I suppose we could always relocate it if it is not used.

Mr. Walls stated not once you put the concrete pad down.

Mr. Berube stated yes, once you put the concrete pad down, it is rather permanent. How are we going to know if it is used or not, put a counter on it?

Mr. Walls stated I am not saying the need does not exist. Perhaps a lot of people want it, but I do not know. My concern is that I want us to be responsive to residents, but I do not want to be responsive to every single request that comes in.

Ms. Kassel stated a resident made the request to me, and I am bringing it to the Board.

Mr. Walls stated I understand. I am hesitant to put a bench in an area that does not have a paved walkway.

Mr. Berube stated historically, I think every other bench we have, with the exception of the ones in the dog parks, are all along a concrete path because we presumed people would be there.

Mr. Walls stated we have placed Adirondack chairs. I think two are along the trail that goes on the east side of Buck Lake. I think they are just sitting there and no one ever uses them.

Ms. Kassel stated people use them, the red ones. If you go out on Buck Lake, you can see them at the end of the point.

Mr. Berube asked what did we pay for the pvc Adirondack chairs on the point?

Mr. van der Snel stated about \$190 each. They are recycled plastic. I think a resident requested those.

Mr. Berube asked will those work along that pond?

Ms. Kassel stated yes.

Mr. Berube stated we can do a test with those chairs in a couple locations. They are much less permanent than installing a bench.

Ms. Kassel stated they are also less expensive.

Mr. Berube stated you will have responded to the request. We can put two chairs in two locations.

Ms. Kassel stated or just two chairs in one location.

Mr. Farnsworth stated try one location first.

Mr. van der Snel stated when you go into H-1 from Dark Sky, I added a doggie pot station by the two roads that go in. Is that the location?

Ms. Kassel stated I am not sure where that is you are describing.

Mr. Berube stated Mr. van der Snel can get the chairs and meet Ms. Kassel to determine the location. Perhaps you can get the resident involved and ask where to put them.

Ms. Kassel stated yes.

Mr. Walls stated I appreciate the residents who attended the meeting and stayed until the end. Mr. Leet's type of request is something that I think we should take up when we go through the next budget process and weigh it with everything else because of its magnitude. I understand where you are going with it. We will keep it in mind and consider it during the next budget process.

Ms. Kassel stated my only concern is, if that is going behind anyone's house, Mr. Berube had voiced a concern with a trail going behind people's houses or a trail that would require access behind people's houses. That is my only concern, just in terms of the logistics of putting a trail there.

Mr. Leet stated the location is actually behind the pond. The trail is already established.

Mr. Walls stated he is correct; that trail has been there forever.

Mr. Berube stated they talked about putting one in an open area that used to be maintained. There is an inlet from the lake.

Ms. Kassel stated but now, there are houses that you would have to walk behind.

Mr. Walls stated we have a sidewalk there, too.

Mr. Farnsworth stated you are on the far side of a pond.

Mr. Berube stated we will figure it out and consider it for the budget. As you know, for every three positive people, there will be three or more negative people. This is always the constant shuffle.

Mr. Walls stated we are not making any promises. I am willing to discuss it.

**TENTH ORDER OF BUSINESS**

**Adjournment**

The next meeting is scheduled for Thursday, February 23, 2017, at 6:00 p.m.

On MOTION by Ms. Kassel, seconded by Mr. Farnsworth, with all in favor, the meeting was adjourned at 7:45 p.m.
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Gary L. Moyer, Secretary

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Steve Berube, Chairman